An Electronic Arts Case

TEACHING NOTES

Teaching plan

The teaching notes provide the presenter guidance on how to teach the case and facilitate the learning objectives. By offering a clear structure as well as necessary information to present the case on managing negative comments from customers of Star Wars Battlefront 2 after the release, students will have the possibility to study and elaborate on the case. Building upon relevant concepts that frame crisis communication, the case exemplifies a management challenge posed to Electronic Arts that necessitates a crisis management approach on a corporate brand level. To be able to achieve this result, questions are formulated to engage discussion and ultimately help the students to meet the learning objectives.

The target audience of this case is master degree students in Mats Urde's Corporate Brand Management and Reputation course at Lund University School of Economics and Management. However, it might also be of interest for others involved in brand management. With the case-based teaching and learning method, students will have the possibility to practice the skills needed to manage a brand. Since "management is a wisdom that cannot be taught" as Harvard Business School describes it, we believe a practical application of knowledge is the best approach to learn. With a case that actually took place and the class taking upon the role of brand management, the greatest possible degree of learning is guaranteed.

The "Written Case" provides background information on the company as well as on the case and ends with a management question that should guide the way to a fruitful discussion where students take the role of Electronic Arts' brand management team. They have to decide on how to deal with the crisis by coming up with a potential solution. After the class discussion, the presenter will provide the students with the "Management Decision" to show how Electronic Arts decided to go forward with the issue.

Thereafter, the "Teaching Notes" act as a guide for the presenter to structure the case in class and to ensure that the learning objectives are fulfilled by students. The teaching notes start with a synopsis demonstrating the main points of the case as well as its relevance. The following learning objectives are described through selected main topics that are defined with the help of the literature and conceptual frameworks. By introducing relevant theories students gain comprehension for important concepts that later on can be applied to similar situations. This is followed by an overview of the key learnings. The next part is the teaching suggestions, which include additional questions to support the class in the discussion phase, as well as a time and a board plan. An epilogue and a reflection from the authors on the experience of writing and working with the case will conclude this document.

Case synopsis

On November 17th, 2017, Electronic Arts, a video game company, publishes one of the most anticipated games of the year: Star Wars Battlefront 2. It is a first- and third-person shooter video game based on the Star Wars universe, with both single and multiplayer aspects. Upon its release, the game, in its beta stage, was heavily criticized on social media regarding the status of its loot box monetization scheme. This is because it is argued that it gives unfair gameplay advantages to the players who are willing to gamble their money to obtain them. Although the same items can be purchased using in-game currency, gamers would have to invest a significant amount of time to obtain the necessary credits. This situation created an outrage among players, in particular on online communities such as Reddit. The community team decides to defend the controversial position of the company and publish an answer to one of the posts on the online forum Reddit. It was not taken positively; the comment managed to become the most downvoted message on Reddit, with a staggering 667,821 down-votes. Before revealing the management decision on posting the comment, the case starts with the following question:

Do you publish this message?

- If yes, what are the reasons that convince you to post the message?
- If no, what concerns you about the message?

Relevance

This case has "evergreen" potential since it is applicable across time and industry. Although this crisis happened several years ago, it is still relevant today as it provides an example of a company that had to deal with negative customer reactions after a release, regardless of it being a video game or any other product. This can happen to brands every day and therefore is of special importance.

Our case offers students the possibility to work – this is remembering, understanding, applying, analyzing, evaluating, and creating – with a critical corporate situation. This critical corporate situation in our case takes place online, which, as a result of the digitalization and Web 2.0, is the most used platform for negative feedback. Therefore, brand managers must be able to handle online criticism, especially when dealing with online communities. This will come with many challenges, but also with opportunities. Being aware of these challenges and acting accordingly opens the door for great brand communication which is likely to result in a strong brand community and a positive corporate reputation.

In a situation such as the one EA was facing, it is crucial to act fast and thoughtful, in order to achieve a smooth release of the product. This includes a good understanding of who the customers are and the associated brand communities, a strong ability to communicate with the customers, as well as having crisis management in place to handle the situation. Therefore, Electronic Arts provides a rich example of a corporate crisis that touches multiple relevant branding aspects.

Overall, the case provides a deeper understanding of the importance of brand management, communication, and corporate reputation. We thereby highlight the relation between corporate reputation and corporate communication. Furthermore, we stress the importance of being prepared for a crisis and knowing your customers in order to react properly.

Learning Objectives

By analyzing the case and discussing the management questions, the outcome for students is to gain a deeper understanding of brand management with a focus on crisis communication. Making use of existing knowledge and relevant frameworks and adapting them to this specific case will not only lead to a solid solution to the management question but also a better understanding of applying theories and therefore an overall positive outcome.

The objectives are formulated based on the six levels of cognitive learning according to Bloom's Revised Taxonomy, which are remembering, understanding, applying, analyzing, evaluating, and creating. This leads to the following objectives for the case:

1. Remember the importance of a good brand management
2. Understand the meaning of the corporate brand and brand communities
3. Apply the basic rules of crisis communication
4. Analyze the influence of a crisis on the corporate reputation
5. Evaluate possible short- and long-term consequences
6. Create a thought-out solution

The first objective relates to brand management. Brand management, if practiced correctly, builds the core of a successful and strong brand and can result in cost leverage, increased customer loyalty, strong brand awareness, and much more. Since it impacts everything that follows, we put this objective at the very beginning.

Objectives two to four are based on the literature chapters. In order to get a holistic view of the subject, we have decided to structure the literature according to the corporate identity matrix and the two additional layers, meaning that we start with the corporate brand, followed by communication and ending with the corporate reputation. Thereby, we defined one objective for each section. In addition, to constitute the relevance of the chapters, we have broken down these objectives into smaller ones at the beginning of each of the following three chapters. Based on these, at the end of each chapter we summarize the information in the "What we have learned" section.

The last two objectives will be achieved through the discussion in class. By collectively evaluating consequences, students will have the opportunity to hear others' opinions which will allow them to create solutions jointly.

Chapter 1. Corporate Branding

The objective for chapter 1, corporate branding, is to be able to understand the meaning of the corporate brand and brand communities. Therefore, we need to:

- define and understand the corporate brand
- examine the Corporate Brand Identity Matrix from Electronic Arts' perspective
- define brand communities and their value

A corporate brand can be described as "a visual representation of a company that unites a group of products or businesses and makes it known to the world through the use of a single name, a shared visual identity, and a common set of symbols" (Roper and Fill, 2012, p. 141). A corporate brand is defined by its core values, and the core identity in turn helps to understand how the brand should be managed (Roper & Fill, 2012; Urde, 2021). By identifying the core, and planning its communication and positioning, a favourable reputation may be established. To understand the corporate brand of Electronic Arts and its different elements, we are looking at the Corporate Brand Identity Matrix (Urde & Greyser, 2019).

The matrix is a framework that helps discover and structure a corporate brand by looking at its identity, communication, and reputation from three perspectives: internally, externally, and elements that bridge internal and external elements. The brand core is what shapes all elements around it. Four different paths are occurring in the matrix. The diagonal path from the lower left to the upper right is the strategy capability, from the upper left to the lower right is competition. Vertically through the middle is interaction and horizontally is communication.

	VALUE PROPOSITION	RELATIONSHIPS	POSITION
EXTERNAL	*To deliver the best games, content and online services for Internet-connected consoles, mobile devices and PC*	*Committed to each other; listening, having humility and being open to grow and change*	*Global leader in digital interactive entertainment*
	EXPRESSION	**BRAND CORE**	**PERSONALITY**
INTERNAL /EXTERNA	*Well-known brands e.g. The Sims, Madden NFL, EA Sports FIFA, Battlefield, Need for Speed, Dragon Age*	*"To bring imagination, original ideas, and excitement to everything we do"*	*Your gaming entertainment company*
	MISSION AND VISION	**CULTURE**	**COMPETENCES**
INTERNAL	*We exist to inspire the world to play and to change the way millions play every day*	*To work for the accountability and integrity it takes to be a successful global team*	*A community of artists, storytellers, technologists & innovators*

Figure 1: The Corporate Brand Identity Matrix (Urde & Greyser, 2019)

In any management decision, Electronic Arts needs to consider its identity. The identity core can be connected to the brand's promise. Roper and Fill say that the brand "is a promise, a summary of the mental associations and emotions that are top of mind" (2012, p. 109). Hence, by defining what the brand's promise is and manifesting it through the company's actions, a brand may achieve increased trust from consumers and consequently build a stronger reputation.

Electronic Arts says that it is to deliver the best games and content for its players. The company does have a number of product brands that indeed are successful, such as the ones mentioned in the matrix under expression (The Sims, Madden NFL, EA Sports FIFA, etc.). These products are connected to the tangible offer of the company. Although Electronic Arts has managed to deliver entertaining and successful games, it is not enough. This is because brands are "more than the core product and represent more to the consumer than the rational reason behind the need for and selection of the core product" (Roper and Fill, 2012, p. 109). This means that the company needs to think about both the tangible and intangible factors, including customer satisfaction. During the incident with Star Wars Battlefront 2, Electronic Arts disappointed their consumers and community. Before the launch of the game, the community was very much enthusiastic and excited for the game, which could be seen mostly through different subreddits. The community was then introduced to a game that had many disappointments, and after the company published a public reply on Reddit the damage only got worse. As a consequence, the external relationships of the company were affected to a great extent.

Electronic Arts looks at itself, as described in the matrix, as a company that is committed to listening, having humility, and being open to grow and change. This is connected to Electronic Art's corporate persona and how it can be seen as having human traits through its relationships: it is a persona who understands the gaming community. Deciding on the microtransactions within the game and publishing the reply on Reddit can be seen to be very much of corporate nature. Therefore, a problem could be that they are too corporate to consumers. Their message was perceived very negatively by consumers and also led to large criticism by the media, in particular online magazines. The reactions of consumers and media are also in conflict with their value proposition. Consumers did not see the company as the one that produced the best content when they failed to listen and adapt to consumers. Games should be fun, entertaining, smooth, and they made it the opposite of a large group of consumers. It could be argued that the authenticity of Electronic Arts as a company that puts gamers first was destroyed. Altogether, the communication and interaction capabilities should be the main focus of reparation and strategy for the corporate brand's journey.

The matrix also has two outer layers, where the first is communicating and positioning and the second is reputation. The reputation layer will be further described and evaluated in the corporate reputation section.

Brand communities

According to Kapferer (2012), a name becomes a brand when it commands trust, respect, passion, and engagement: "No fans, no brand!" (p. 11). When a brand manages to engage with its customers to such a level that the brand becomes an important part of their life, it may grow into a brand community. It can be described as "the specialized and non-geographically bounded set of relationships that develop amongst admirers of a brand" (Roper and Fill, 2015, p. 195). In the gaming industry, in particular, brand communities are salient. Playing games is something that takes place in users' free time, and through online communities, they may connect and share their experiences. This opens up possibilities for users to find like-minded people, which can be seen through several subreddits on different games. On Reddit, for example, there are many brand communities where members engage online all around the world to have debates about the brand. This means that they can "feel a sense of togetherness, a connection with each other, a difference from others and an opposition to competitor brands" (p. 195).

Brand communities are of great value to a company. First and foremost, a strong brand community indicates loyal consumers. Kapferer (2012) says that "the brand acquires meaning not through a summation of individual evaluations, but after a collective screening made by conversations within the reference groups" (p. 141). That is, when consumers are engaging in conversations around the brand, the enhancement of the brand may increase. Besides, loyal consumers can help protect the brand and pass on important messages. Of course, this also means that the company loses some control of the brand. Electronic Arts completely lost the upper hand and therefore the brand communities affected the brand negatively. Conversations about the release of Star Wars Battlefront 2 as well as Electronic Arts' message was met with anger and disgust, and this of course means that trust is lost for a majority of consumers. This is hard to restore, and it is a long journey for Electronic Arts to regain. For a brand community of strong quality to exist in the future, a lot of work is needed. Kapferer (2012) says that "to create passionate people the brand itself needs to be passionate" (p. 132). Electronic Arts needs to reconsider its communication strategy in order to present itself as authentically passionate to its community.

What we have learned is that in order to be able to understand the meaning of the corporate brand and brand communities we need to:

- define and understand the corporate brand
    - The corporate brand is the visual representation of a company uniting a group of products or businesses. It is defined by its core values, which in turn helps understand how the brand should be managed through its communication and positioning so that a favorable reputation may be established.
- examine the matrix from Electronic Arts' perspective
    - The Matrix helps us discover and structure a corporate brand by looking at it through three perspectives. Electronic Arts say they "bring imagination, original ideas, and excitement in everything we do". However, during the incident with Star Wars Battlefront 2, they

disappointed their consumers and relationships were affected. This shows us that it is not enough to produce good products: both tangible and intangible factors need to be managed.

- define brand communities and their value
  - A brand community consists of admirers that connect and engage with one another around the brand. Communities are particularly important for the gaming industry. Through online communities such as Reddit, consumers feel a sense of togetherness and find similar people to one's self. This can also be of great value to brands: the conversations and relevance about the brand increase online and consumers may even help protect the brand and pass on important messages.

Recommended reading

- Melin, F. (2002). The brand as value creator, in: L. Holger & L. Holmberg (eds), Identity: Trademarks, Logotypes and Symbols, Stockholm: Nationalmuseum & Raster Forlag, pp. 109-126
- Muñiz, A. M., & O'guinn, T. C. (2001). Brand Community. Journal of Consumer Research, 27(4), pp. 412-432

Chapter 2. Corporate Communication

The objective for chapter 2, corporate communication, is to be able to apply the basic rules of crisis communication. Therefore, we need to:

- examine the role, importance, and characteristics of corporate communication
- understand crisis management and the different phases of a crisis
- explore crisis communication

Corporate communication focuses on the interaction with the company's stakeholders and has the main purpose to manage how stakeholders perceive the organization. The interaction helps the company to develop a reputation and competitive advantage which ultimately has a positive effect on buying, recruiting, investing, and supplying (Roper & Fill, 2012). Due to the mentioned benefits, corporate communication is of rising interest.

Corporate communication is a broad, integrative function that includes branding, investor relations, public affairs, media relations, and internal communications. Each of these sections requires a different form of communication while the central aspect of all is to deliver a consistent brand identity. For that, corporate communication builds the common ground.

To be able to address the different stakeholders properly, it is important to determine, understand and target the stakeholders (Roper & Fill, 2012). In our case, we would like to stress the importance of understanding the different stakeholders, which is a step that Electronic Arts clearly missed in terms of the gamers. If they had a better understanding of the customers at the time, they would have made their statement differently with a suspected more positive outcome.

Digital media in corporate communication

Digital media has changed the way of communication. This also affects companies in the way that they have to adapt the traditional way of communication to the new demands digital media has. This brings a lot of new opportunities, but also various challenges.

Blogs, Wikis and podcasts offer customers to create user-generated content. In terms of Electronic Arts, customers prefer Reddit as a network of communities based on people's shared interests. They can compare games, share feedback about their experiences, recommend or advise against a certain brand. This is called digital word-of-mouth (EWOM) and sometimes takes place off a company's radar. Although the company gains public interest and gets the chance to interact with a variety of customers on a level that has not been obtainable before, user-generated content is always a potential risk. Ultimately, where there are risks, good preparation in terms of crisis management is needed to stay ahead of the game.

Crisis management

Even though crisis management is not a subchapter of corporate communication, we still think it is important to give background information on this topic when it comes to communication.

Crisis management is the process of prevention, preparation, coping and readjustment of the damage a crisis can inflict by making use of developed crisis management strategies. To understand a crisis, you need to be aware of its stages. There are various ways of dividing the crisis. In our case, we have decided to go for the potential, latent, active, and readjustment phase (Roselieb, 1999), because it best refers to the different actions brands need to take. The duration of each phase varies depending on the nature of the crisis and how well it is managed.

Potential phase: This is the stage a company is in all the time since there is always some potential threat the company can and should prepare for, it just needs to scan the environment to detect potential issues or crises. If the company has done that, it is all about good preparation and understanding of the possible threats: the number one rule is, if you want peace, you better prepare for war. Electronic Arts was in this stage before publishing the beta-version of the game. They should have thought about what effects their actions could have had and potential consumer reactions. As a consequence, they could have either changed the game beforehand or prepared for possible negative feedback.

Latent phase: This is what Roper & Fill (2012) refer to as issues management and means issues that mostly remain latent and docile. This stage is about preventing a crisis, therefore, the issues need to be monitored to detect if they will become a more serious threat. To illustrate, let's imagine that gaming addiction has been a problem for quite some time. As long as it does not get too much attention, for example from the media, it will remain an issue and not evolve into a crisis. However, it still needs to be monitored.

Active phase: When issues receive attention from the media or a group of stakeholders they transform from a latent to an active crisis. At this stage of the game, it is important to localize the crisis, since neutralizing and constraining the event can prevent that other parts of the organization or stakeholders are contaminated. According to Greyser (2009), the most serious type of a crisis is when it comes from within the organization and affects the essence and meaning of the brand. This is the phase that Electronic Arts is in at the moment. They get a lot of attention from the customers in terms of negative feedback. At this point, communication is particularly important and will be further elaborated on in the chapter Crisis Communication.

Readjustment phase: This phase is reached when the deepest part of the crisis has passed. It concerns the recovery and realignment of the organization to the new environment as well as to make sure that the needs of the key stakeholders still can be fulfilled. Electronic Arts evolve to this stage after the peak has been reached and the curve starts to flatten. By then, they have to decide which changes they can make within the organization to fulfill customers' wants and needs in the future.

Now, in the digital age, the characteristics of a crisis changed. A crisis arises more frequently and faster since the latent phase is skipped, and a potential threat directly evolves to an active crisis. This is due to the high speed of digital media and this is also the case for Electronic Arts. They should have considered the possible outrage in the potential phase. However, after releasing the beta version of the game and the negative feedback on Reddit started, there was no way of stopping as it immediately turned into a major active crisis.

Another characteristic of crisis in the digital age is that communication with the customer is more direct. Electronic Arts gets direct feedback from the customer and can directly react to it. This brings us to crisis communication.

Crisis communication

The communication can be divided into two parts:

- preventive crisis communication and
- crisis communication.

Unlike crisis communication, which only takes place in the event of a crisis, preventative crisis communication is an integral part of corporate communication management. The goal is, as the name already indicates, to prevent the outbreak of a crisis by implementing a strategic, active, regular, target-group oriented, and transparent communication policy. Therefore, questions like "Which future developments are planned for the company?", "How can the company prevent a crisis?", "How can it identify crisis at an early stage?", "How can the company prepare itself for the crisis?", "How can it act effectively during a crisis?" and "How can it learn from a crisis?" need to be answered. This prevents you from facing a crisis unprepared and facing it with fear, because like Yoda says, "Fear is the path to the dark side", and you do not want to be on the dark side.

If you then still find yourself in the situation of a crisis, the rules of communication change. First of all, it is important to include all necessary divisions of the company and coordinate interdisciplinary in terms of a one-voice policy. Besides internal communication, interaction also needs to take place externally with all stakeholders involved, this can be customers, shareholders, media, and so on. However, even if we emphasize the importance of communicating with Electronic Art's different stakeholders such as employees, Disney and shareholders, due to the limited scope of this project we further focus on the interaction with customers. By avoiding information overload, students will benefit in terms of information that is easier to understand and to remember.

Second, the topic of the crisis is set by someone other than the brand manager, mostly by someone from outside of the company, like media or in our case the customers. The public interest in the customers complaining about the game rises tremendously and the need for reaction increases by every second. This puts the communication manager under a lot of pressure. To be able to keep the game-face on in this situation, the communication manager needs a lot of practice, which should be included in the potential phase. Then, the following three steps (Höbel & Hofmann, 2019) need to be completed:

Step 1: Complete clarification of the issue: What exactly happened? What is the cause? What damage has occurred? Is there any further damage potential? Who has already been informed? In this step, according to Greyser (2009), the brand manager needs to categorize if the bad news about the company is true or false.

Step 2: Decide on a communication strategy: Which scenarios can occur? What questions do we have to ask? How do we answer this? Who's speaking? How and in what form do we inform the stakeholders? Which scenarios will we face short-, medium and long-term? Can there be a spill-over effect on other areas? Again, testing the different scenarios is key. Greyser (2009) advises that if the associations are wrong, the brand needs to take the opportunity to correct this misimpression by communicating in a credible way that is supported with evidence. In the case that the accusation is true, like it is for Electronic Arts, the best way is to address the problem and admit it, even if that means changing corporate behavior.

Step 3: Operational implementation: First, in either case, further mistakes need to be avoided. Secondly, the communication must always be truthful, meaning secured facts, and third, the communicator needs to pay attention to the tonality of the communication.

Electronic Arts found itself in the stage of an active crisis, but unlike the procedure presented, it seems like they did not consider the risk of getting negative feedback in the potential phase where they could have prepared for this situation. This essential step could probably have even saved them from a crisis because then they would have been aware of the reactions of the consumers and maybe would have acted differently, or at least communicated more thought-out. But now that they were in the active phase of a crisis, they had to react fast, which led to a published statement that backfired and only made things worse by upsetting the already dissatisfied customers even more. For Electronic Arts, the next reasonable step would have been to try to understand the customer's dissatisfaction and to honestly apologize. However, getting such a situation under control is like fighting an uphill battle and takes a long-term approach.

What we have learned is that in order to be able to apply the basic rules of crisis communication we need to:

- examine the role, importance, and characteristics of corporate communication
  - Corporate communication is used to manage stakeholder's perception of the organization
  - Digital media as part of corporate communication brings opportunities and threats
- understand crisis management and the different phases of a crisis
  - Crisis management includes prevention, preparation, coping, and readjustment of the crisis
- explore crisis communication
  - Crisis and preventative crisis communication need to take place and include all departments
  - Preparing a step-by-step "how to deal with a crisis" plan is the holy grail

Recommended reading

- Coombs, T. W. (2004). Situational Crisis Communication Theory, *International Journal of Business Communication*, Available online: https://journals.sagepub.com/doi/pdf/10.1177/0021943604265607

Chapter 3. Corporate Reputation

The objective for chapter 3, corporate reputation, is to be able to analyze the influence of a crisis on the corporate reputation. Therefore, we need to:

- define the meaning of corporate reputation
- recognize the influences on corporate reputation
- consider the importance of corporate culture and employees on shaping a corporate reputation

Corporate reputation has gained increasing importance over the past years. This is because reputation is what stakeholders think of the brand and therefore affect your business reality.

Corporate reputation is defined by many academics and professionals differently. Frombun (1996 cited in Roper & Fill, 2012) for example defines reputation as an overall view in which a company is seen by a wide variety of stakeholders. Therefore, he argues that corporate reputation cannot be dealt with as a stand-alone discipline but instead should include many different perspectives such as strategic management, economics, communications, marketing, accounting, and finance.

In Urde (2021), corporate reputation builds the 2nd and therefore the outermost layer of the identity matrix, around corporate brand identity, which is the centre of the universe, and communication and positioning as the 1st layer. Urde (2021) explains reputation as the view others have of your brand after all is said and done. This includes all the stakeholders' judgments, which evolved based on the brand's actions and words in the past, present and future prospects. The reputational layer includes eight elements, which can be seen in figure 2, and every one of them is connected with an element in the identity matrix and an element in the communication and positioning layer.
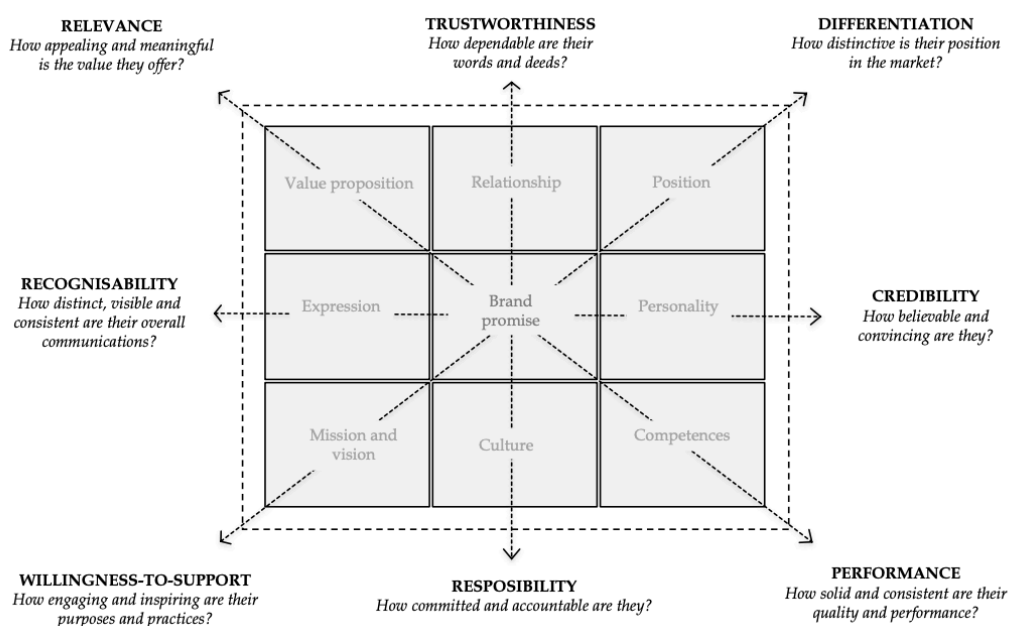

Figure 2: The Corporate Brand Reputational Matrix (Urde, 2021)

Analyzing the company's reputation requires time, effort and money, but evaluating the reputation of a company like Electronic Arts is a major step towards gaining knowledge about what the stakeholders and especially the customers think about it. This knowledge is essential in order to take the right actions and to improve the reputation.

Influence on reputational associations

The reputation will affect how consumers judge an intangible offer (Roper & Fill, 2012). In certain industries, such as fashion, sports and gaming, instead of a clear reputation, a more edgy one might be the better fit. This is also the case for Electronic Arts, however, it still needs to be a positive and strong reputation, since this is what leads to a higher share price and more loyal customers.

When it comes to company takeovers, reputation needs special consideration. Electronic Arts buys smaller businesses regularly, uses their ideas to some extent and then drops them. This is neither good for the reputation of the small business, nor for Electronic Arts. Instead, they could try to find a way of joining together so that both have a positive reputation as the outcome. This could result in the "halo effect", meaning that the positive associations of one brand lead to positive associations to the partner (Roper & Fill, 2012).

So, what shapes a company's reputation? There are many different criteria, which can be seen in figure 3, like the aforementioned employee satisfaction, but also customer satisfaction, vision and leadership or innovation influence the reputation (Roper & Fill, 2012).
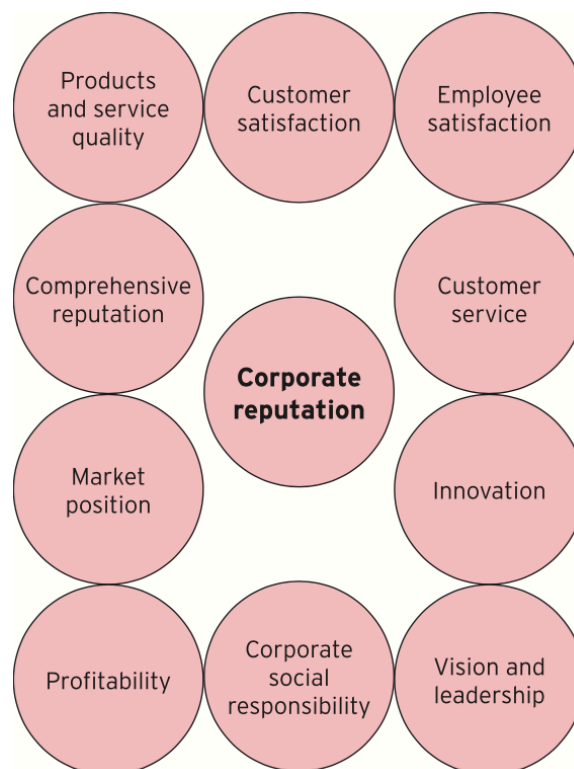

Figure 3: Corporate Reputation (Roper & Fill, 2012)

A company might be strong in some parts, and weak in others, however, it is important to have a strong overall reputation. In the case of Electronic Arts, which has an overall weak corporate reputation, the strong elements would be market position, product quality (the game itself), profitability, and innovation. The weak and predominant elements are customer satisfaction, customer service, corporate social responsibility, and service quality (microtransactions). Electronic Arts is even seen as anti-consumerist as they are more interested in profit than in keeping the promises they made towards the customers. The reason that Electronic Arts has this reputation among customers could be a result of the company becoming this big corporate brand, which moved them away from the people. This is particularly important for gamers (the customers).

Corporate culture and the importance of employees

One important part of corporate reputation is the corporate culture, which refers to the overall essence that characterizes an organization. The culture emerges and is shaped over time and is about the values of a business. This shapes the behaviour and leads the way of communication and gives guidance in times of crisis. In short, corporate culture can be described as "the way we do things around here" (Deal & Kennedy, 1982 cited in Roper & Fill, 2012).

Having a strong, clear corporate culture is essential especially if an organization grows to ensure that the brand is not damaged or weakened by brand extensions or new ventures (Roper & Fill, 2012). In this case, the employees deserve special attention, since culture originates within the firm, and it is the employees who transfer the culture to the outside world. Therefore, employees can make or break a company's reputation. It is of great importance that the employees understand the culture of the brand but we would like to go one step further and say that considering Electronic Arts is a company that provides games, it is not only the employees who understand the brand but the brand that understands its employees. This is because many employees are gamers, and therefore they understand the games from a customer's perspective. To know what is important to them and offering them a pleasant working environment is therefore essential. This way, the internal perception of the brand can be transferred authentically externally and results in a strong, positive reputation.

What we have learned is that in order to be able to analyze the influence of a crisis on the corporate reputation we need to:

- define the meaning of corporate reputation
  - Corporate reputation is the stakeholders' view of the brand
- recognize the influences on corporate reputation
  - Corporate reputation can be influenced by various factors, such as customer and employee satisfaction
- consider the importance of corporate culture and employees on shaping a corporate reputation
  - Corporate culture characterizes an organization
  - Employees can make or break a company's reputation as they transfer the culture to the external world

Recommended reading

- Fischer-Buttinger, C. & Vallaster, C. (2001). Corporate Branding and Corporate Reputation: Divided by a Shared Purpose?, in: S. Helm et al (eds.), *Reputation Management*, Management for Professionals, Berlin Heidelberg: Springer-Verlag, pp.59-72
- Chun, R., Argandoña, A., Chorat, C. & Siegel, D. S. (2019). Corporate Reputation: Being Good and Looking Good, *Business & Society*, Available online:
  https://www.researchgate.net/publication/330976983_Corporate_Reputation_Being_Good_and_Looking_Good

Key Learnings

The case exemplifies a situation where a brand faces negative feedback from their customers regarding their newest product, which calls for immediate managerial action. By discussing the case and linking it to the literature, students not only remember the importance of good brand management but will also develop a holistic view of what needs to be considered in such a crisis. For example, who the customers really are, what is important to them and how the company should communicate with them. This is especially relevant for this case since the customers are the ones to build a strong brand community. Nevertheless, facing negative feedback is something all brand managers might have to face at some point. Therefore, this case will demonstrate the importance of evaluating the effects of a crisis and a good preparation.

The table below shows a more detailed description of the key learnings that are based on the aforementioned objectives:

Objective	General Learning	This case
Remember	That good brand management helps to ensure brand's strength and consistency as well as to keep its promises	That Electronic Arts' weak brand management leads to an inconsistent brand identity which in turn leads to a weak brand image
Understand	That a corporate brand can be helpful, but it is not always beneficial to be seen as corporate; that customers and especially brand communities can make or break a company's reputation	That for Electronic Arts, a corporate branding strategy is not the best fit; customers are gamers and part of brand communities, who express their opinions heavily on social media
Apply	Frameworks to identify the stage of the crisis and based on that decide on how to communicate	The steps of crisis communication to ensure a fast and proper reaction
Analyze	The various factors that influence a corporate brand	The major impact of customer satisfaction on EA's corporate reputation
Evaluate	The impact of a crisis on the corporate reputation short- and long-term	The influence of the negative feedback and the possible response for now and after the game's release
Create	A plan of what could be possible solutions to the problem	An appropriate statement as a response to negative feedback

Teaching suggestions

The teaching suggestions provide the lecturer with recommendations to enhance the teaching process. The topic is structured based on the idea of case-based learning to create a real-life atmosphere in which previously acquired knowledge can be applied. Therefore, the presenter needs to be able to teach the case and lead through the discussion. The teaching suggestion aims to provide guidelines on interactive teaching and media usage to meet these requirements. The result will be a fruitful and therefore more memorable discussion.

The presentation should be structured in three parts:

Stage 1. To inform

The first phase is the introduction where students will hear a short story to put them in the right scenery, just like at the beginning of the written case. This story will show them what the case is about and who they are in this scenario, supported by slides. The second part of the introduction should give students background information about the game in form of a video, the company and the industry. Lastly, the case with all necessary information for a successful discussion will be introduced. If there are no open questions from the students, the presenter can go over to stage 2.

Stage 2. To guide

At this stage, the case question will be asked and students will be reminded of the role they play. This is the starting signal for the discussion. For students, this phase is all about engagement. The task of the presenter is to lead through the discussion and to make sure that students stay on the right track while remaining in a neutral position to avoid influencing the decision-making process. Also, the presenter might need to guide the class so that everybody is involved in the discussion.

During this whole phase, the question should be written down somewhere so that the students can read it at all times without any distraction. This should help students focus on the main task.

We recommend the presenter using a board plan to keep track of what has been said in the discussion so far. Further questions, later designated as assisting questions serve as support to keep the discussion going. The outcome of this stage should be the management decision. If the result is unclear, we suggest letting students vote if the statement should be published or not. Tools that can be used are, for example, Kahoot or Mentimeter. However, it is important to emphasize that this is just done in order to better understand the overall sentiment and that of course, the answer is not simply "yes" or "no". This phase should end by asking a student to give a quick summary of what has been discussed and what the final decision is.

Stage 3. To conclude

This phase will be quite short, but not less important. It should start by presenting the management decision, supported by a visual presentation. This ensures the best possible learning outcome by integrating motor, auditory and visual information. This is because a mix of listening, seeing, speaking, and trying is proven to be the best way to consolidate knowledge. The next step is to evaluate the decision from Electronic Arts by referring to the literature mentioned in the teaching notes. At this point, there should be some room for questions and feedback. Afterwards, the case will officially end by summing up the key takeaways.

Discussion questions

Main questions:

- Do you publish this message?
    - If yes, what are the reasons that convince you to post the message?
    - If no, what concerns you about the message?

Assisting questions:

- How did you personally react to the comment that Electronic Arts had formulated and considered publishing?
- What does this comment really tell you?
- Who should communicate this comment or any other response?
- What needs to be considered when publishing this comment or any other response?
- What are the possible consequences of publishing this comment or any other response?
- What stakeholders do you think need to be considered?
- Is one stakeholder more important than another?
- Why is a strong brand community important for Electronic Arts?
- If we go one step back, do you think Electronic Arts saw the crisis coming?
- Do you think Electronic Arts could have prevented the crisis? Why, why not?
- What should Electronic Arts do in the future to establish consumer trust?

Time Plan

The time plan is based on 45 minutes and offers presenters a tool to structure the case. There are five main sections: background of the company and industry, description of the incident and crisis timeline, discussion, management decision, and reflection of the management decision. The presenters will ask the case question after the incident and the timeline is described. By keeping an eye on the time of each part, presenters can make sure that all material is covered.
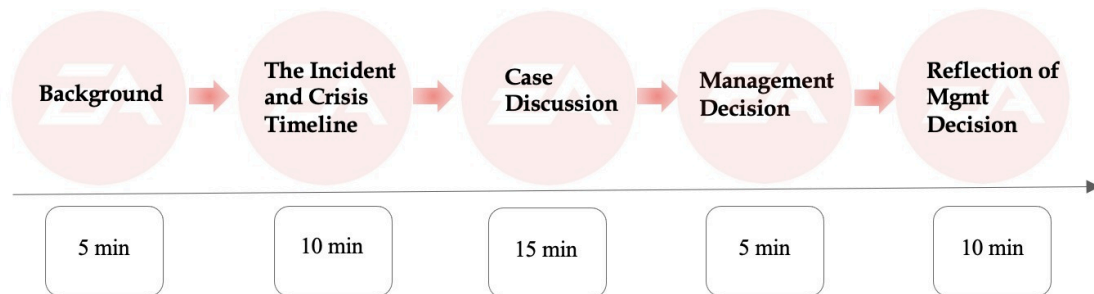

Figure 4: Time Plan

Firstly, the presenters will start by introducing the background of the case. This is a crucial part of this case. It is a specific industry (video games) and the majority of the audience might not have any prior knowledge of either the game or the industry. Hence, the presenters must make sure to explain it in a simple way and with understandable terms. A suggestion is to start the presentation by showing a short livestream from the game, in order to give a quick view of what it looks like and the elements that made consumers angry. The presentation continues by showing a timeline of the case, to ensure that the audience is following the process and what happened when. If there are open questions, there is room for them to be asked here. If everything is clear for the students, the management question will be asked, followed by the discussion. The discussion is the most lengthy part, where the audience is encouraged to provide their thoughts. The presenters are only facilitating the discussion and are to stay neutral on the topic. The discussion is followed by presenting the management decision, linking it to relevant literature and a reflection on the management decision. A quick summary of the key takeaways builds the end of the presentation.

Board Plan

A helpful tool for both the presenter and the class is to include a board plan for the discussion. In this way, the presenter can ensure a discussion that is organized and structured, while students have a framework to lean on when analyzing the case. For this case, two different board plans will be provided to class: (1) stakeholders (internal and external) and (2) issues, possible solutions and recommendations. These have been created based on the discussion questions and are assisting the class in reaching the objectives. It is in no way to be seen as a strict tool for discussion, but rather as guidance. The students will first recognize the different stakeholders so that they keep these in mind when continuing with the second board. Here, they are to formulate what main issues Electronic Arts is facing and need to consider before posting a reply to the community, and then discuss alternatives for the different issues and finally what their recommendation would be. The presenter should keep track of the different suggestions and remember the objectives when facilitating the case. Below are some suggestions on what could be included, but of course there are no restrictions.

Table 1: Suggestion of internal and external stakeholders

Internal Stakeholders	External stakeholders
Employees	Customers
Managers	Reddit's community groups
Executive board	Disney
	Investors
	Media
	Competitors
	Partners (developing companies)

Table 2: Possible issues, solutions and recommendations

Issues	Solutions	Recommendations
Corporate communication: making a decision on the reply	Publish the reply/don't publish/publish but change it	→ Publish a reply but change it to be more understanding and make sure it fits consumers' language and tone
Where to communicate	Reddit Facebook Twitter Website	→ Answer immediately on Reddit, and complement with an apology on other social media platforms where they are active
Current community anger	Assess what the anger really is about Evaluate different ways to handle it Think of potential internal community-leaders	→ Assign a team that consists of both management and 'gamer employees' to handle the situation and take care of angry customers → Apologize and compensate
Poor reputation	Stronger visibility and communication with community Offer interaction possibilities Invite consumers to give feedback and suggestions	→ Set up a time plan of different actions and activities that over time will increase trust
Weak corporate culture	Decide whether the current management needs to establish new core values Consider replacing people in the management with people who understand the industry and soul of gamers	→ Define the identity and "walk the talk"

Epilogue

The case of Electronic Arts truly put a light on the importance of knowing your audience and how a poor communication statement can backfire online. It is not enough for a corporate brand to produce a few strong products; all the other factors around, intangible as well as tangible, need to be aligned with the core identity, such as customer satisfaction. Looking at the matrix helped us understand how all elements are needed and crucial for a corporate brand to succeed. We could see that the problem with Electronic Arts is that they have failed to live up to customers' expectations and trust has been lost. This requires a lot of work to restore, especially since there have been other similar incidents in the past where they have deceived consumers.

The gaming industry can be somewhat complex to understand for someone without gaming experience, due to its many actors and entities, but it is an industry that has a lot of valuable lessons for marketing students. The case requires a clear explanation of the game and what the initial problem was (microtransactions). When that has been established, students may discuss and understand the different stakeholders involved, followed by the issue, alternatives and solutions to the problem. Altogether, this will help students understand the importance of forming a communication statement that is aligned with the brand's core values. It also gives students a chance to discuss crisis management and reputation. The lessons learned from Electronic Arts is something that can be applied to other organizations facing similar issues. Online communities are as relevant as ever, and this is something organizations need to pay attention to.

Reflection

After brainstorming sessions, the team decided, with course representative Mats Urde, to work on Electronic Arts' message on Reddit for the launch of Star Wars: Battlefront 2 as the case. Through many online meetings, the case was written to propose an interesting challenge to students in solving a case in an industry they might not know a lot of.

The decision of working on this case was by far not the easiest, considering only one of the three authors had previous knowledge of the story, and the other two were not knowledgeable on the industry in question. From that situation emerged a phase of learning, where it was a necessity to have the three authors on the same page on what the case was, what was at stake at the time, and what stakeholders were involved; and so, additional research had to be conducted, while differentiating facts from opinions. This process helped in the making of the case, as the authors also worked as test subjects for the students, to see if the information presented in the case was understandable to everyone. Important elements had to be simplified to be easy to grasp while maintaining their meaning to make sure the end goal of solving the case with the important information available was attainable.

We paid a lot of attention to design a case that would be interesting for the students, as we think they will learn more from cases they are interested in. However, this not only concerns the case, but also the management decisions, and the teaching notes. In the teaching notes, we tried to link the case to important literature while still

keeping the tension going. The challenge was to find the right balance between giving enough background information, but not too much to make the case boring, especially since we chose an industry that most of our fellow students do not know much about. However, with this approach, we aim to inspire them to think outside of the box while still applying basic rules of branding, communication and crisis management.

Furthermore, it was important to put ourselves in the shoes of both the customer and the decision-maker at Electronic Arts when making the case. The point of view could not be more different between the two parties, making this analysis even more interesting. This, however, also complicated things as we needed to stay neutral on the topic of the case. In fact, as one of the authors is heavily invested in this industry, both as a personal and professional interest, making sure that no opinions were shared in the writing of this case was a priority for the team.

Overall, we all enjoyed writing the case and agree that case-based learning, regardless of which side you are on, whether that of a case writer or a case solver, is a great way of learning.

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