

**Bigger is not always better -
The Evergreen communication crisis**

TEACHING NOTES

Teaching plan

The teaching plan provides a complete guide for teaching the case of the Evergreen Communication Crisis. This case illustrates a real-life managerial communication crisis within the corporate brand management field and is designed for master's degree students enrolled in the course of Corporate Brand Management and Reputation. The purpose of these teaching notes is mainly designed to provide guidance to the speakers regarding how to present the case. Through the guidance of the teaching notes, the speakers are able to present a comprehensive presentation as well as inspire discussants into an interesting and engaging discussion. The teaching notes include a summary of key points of the case, the learning objects, and follow-up questions. Finally, the teaching suggestions provide recommendations for teaching methods and techniques.

Case synopsis

On 23rd March 2021 at 07:40 EGY, the ultra-large container ship Ever Given was buffeted by strong winds and ended up wedged across the waterway with its bow and stern stuck in the canal banks, blocking all traffic on the Suez Canal and creating the world's heaviest traffic jam. The blockage not only blocked more than 300 vessels on the Suez Canal but also caused a great amount of re-routing cost and significant delays in the global supply chain. The firms such as Evergreen Marine Corporation, IKEA, Maersk, and even Egypt's Suez Canal Authority were all affected. This was the crisis relating to communications, corporate brand identity, and reputation, therefore the questions from different perspectives arose:

Role 1 - Evergreen Executive Board

How to evaluate the impact on the corporate reputation and how to rebuild a reliable image to regain trust from stakeholders including employees, clients, government, and the public?

Role 2 - Suez Canal Authorities

How to solve the incident urgently in terms of the rescue action and communication (short-term) and how to build a reliable and safe image to regain trust from maritime companies worldwide?

Role 3 - IKEA and Maersk

How to deal with the incident and evaluate the consequence and how to communicate to the relevant stakeholders about the delay?

The rationale for being an evergreen case

The case can be regarded as 'evergreen' because it presents a series of challenges for various stakeholders and greatly affects the brand's reputation. There are also a variety of possible management decisions that can be made during and after a crisis. This prompts students to think and investigate different perspectives to give a balanced solution, taking into the interest of multiple parties.

The learnings from the case are relevant for years to come, as the maritime and transportation industry has been facing many ongoing challenges regarding port congestion and supply chain management. These challenges are also applicable to other industries that face pressures to meet expectations from various stakeholders. It demonstrates that companies should develop clear and effective communication and action plans during and after a crisis. A crisis can arise outside of the organization's control, such as in this case, one should not only handle it but also be well prepared before it happens. Finally, as crisis management is vital for the future of any company, the decisions made must take into account the impact of brand essence, the short-term and long-term actions on the company's reputation.

Learning objectives

During the case discussion, a number of learning objectives should be achieved. In the following section, the learning objects will be identified in connection with relevant theories and literature, including corporate brand identity and reputation, corporate communication, and crisis management. The purpose of identifying the theories is to understand the relevance to the case and how they can be applied to other similar situations. This case involves different perspectives and implications on various levels, it is not only related to the corporate brand reputation issue but also connected with communication crisis management.

Corporate brand identity and reputation matrix

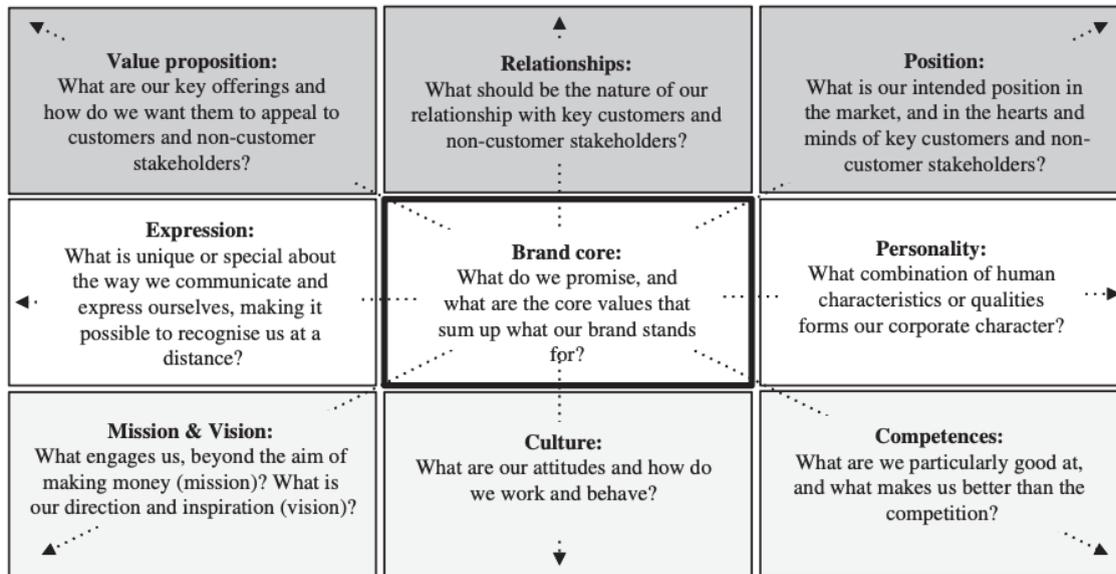
Using Evergreen as an example, we will assess the impact of the Suez Canal blockage crisis on corporate brand identity and reputation. Before doing so, we first introduce the concepts of corporate identity and corporate reputation, as well as the link between the two concepts. The essence of a corporate brand is a promise between the corporation and its stakeholders (Urde, 2013; Roper & Fill, 2012). Each company has a unique identity core, which is values and promises. De Chernatony and Harris (2000) relate corporate identity to corporate reputation and argue that reputation is a collective representation that encompasses stakeholders' evaluations of a brand identity. Reputation is strengthened if a firm's brand promise is consistently fulfilled (Argenti & Druckenmiller, 2004). In short, corporate brand identity and corporate reputation are correlated.

Corporate Brand Identity

A crisis is likely to render a company's promises untrustworthy to its stakeholders, thereby damaging the corporate brand identity seriously. Since its establishment, Evergreen's brand core has been described as innovative, reliable, and sustainable. Apparently, the Suez Canal blockage crisis caused by Ever Given, a mega container ship operated by Evergreen, has harmed the company at its core value so the reliability of its shipping service has been questioned.

According to Corporate Brand Identity Matrix (**Figure 1**), the disruption of the brand's core values can also have a negative impact on the other eight elements that constitute the brand's identity because these elements echo with the brand core (Urde, 2013). For example, in terms of external relationships, Evergreen has endeavored to be seen as a reliable partner to its stakeholders including agencies, ports, and customers. However, the loss of reliability due to the crisis has damaged Evergreen's relationships with its stakeholders, thus further eroding the brand identity.

Figure 1 Corporate Brand Identity Matrix (Urde, 2013)



Corporate Brand reputation

In light of the close relationship between brand identity and brand reputation, if brand identity is damaged by a crisis, it is inevitable that the brand reputation will also suffer. In the field of corporate brand management, the corporate brand identity matrix has therefore been extended to incorporate the reputation layer, which is about how others perceive the corporate brand.

The corporate brand reputation matrix (**Figure 2**) can be used for problem-solving in crisis management. The reputation layer has 8 elements that reflect the elements in the identity matrix, namely performance, credibility, differentiation, responsibility, trustworthiness, willingness-to-support, recognizability, and relevance (Urde & Greyser, 2016). In the Suez Canal case, we wanted to look at how Evergreen's reputation was influenced by the crisis, so we focused on examining reputation elements that are most vulnerable to this incident (**Figure 3**).

Figure 2 Corporate brand identity and reputation matrix (Urde & Greyser, 2016)

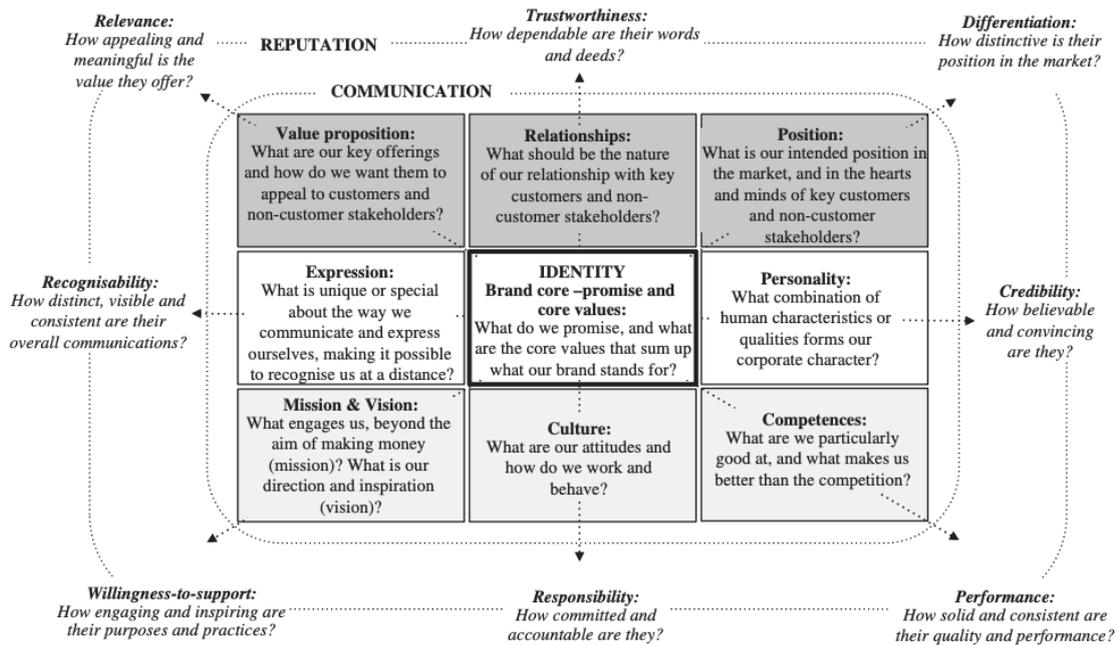


Figure 3 Applying the Corporate Reputation matrix into the Evergreen case

Relevance ↑	Trustworthiness ↓	Differentiation ↑
Recognizability ↑	Identity Innovative, reliable and sustainable ↓	Credibility ↑
Willingness-to-support ↑	Responsibility ↓	Performance ↓

Responsibility relates to customer and non-customer perceptions of “How committed and responsible is the company’s brand?” Evergreen, shortly after the accident, stated that the loss would be assumed by the shipowner and did not publicly disclose a detailed plan to prevent future incidents, thus potentially undermining the brand’s responsibility.

Credibility reflects the stakeholder's answer to "How persuasive and credible is the brand?". Instead of keeping silent, telling lies, or hiding facts, Evergreen proactively contacted the canal authority and updated statements on the website to inform stakeholders of the development (Evergreen Marine Corp, 2022). We would argue that Evergreen's credibility has not suffered significantly.

Recognizability reflects the answer to "whether the brand is recognizable to stakeholders". Since the incident went viral and generated various internet memes alongside numerous jokes on TikTok (**Exhibit 1**), Evergreen's recognizability improved significantly, albeit wrongly (Haasch, 2022).

Performance is a stakeholders' perception of quality and service in terms of solidity and consistency. In this case, although Ever Given ran aground due to strong winds and sandstorms, grounding has not only caused delays in the delivery of cargo on Ever Given, but disrupted traffic in the Suez Canal for seven days. This incident is likely to break Evergreen's brand commitment to providing reliable service for customers, thus tarnishing the performance element within the corporate brand reputation matrix.

Corporate communication

Corporate communication is considered a strategic activity that firms utilize to minimize uncertainty among stakeholders and develop the relationships in between (Roper & Fill, 2012). In the case of Evergreen, corporate communication is crucial both internally and externally. When the crisis occurred, stakeholders such as employees, clients, and the public needed to be informed transparently to reduce their uncertainty and ensure that the incident is handled appropriately. During the crisis, it is extremely important to take into consideration the unstable mindset of the stakeholders and to communicate in a way to develop stronger and closer relationships.

Roper and Fill (2012) describe two types of outcomes: functional and transitional. When it comes to the Evergreen communication crisis case, it falls into the category of a transitional outcome. And four tasks of corporate communication under the transitional outcome include exploring, informing, relating, and negotiating. With regard to the case, it belongs to the task of informing. This is defined as both information sender and receiver are actively involved in the communication process, with the origination being more active whereas the stakeholders are comparatively passive. When analyzing the communication crisis of the Evergreen case, Evergreen issued a statement about the Ever Given incident and updated the news constantly on its website to keep stakeholders informed.

Brand Crisis Management

The article by Greyser (2009) identifies the causes and consequences of reputational trouble. Many causes of the brand crisis include product failure, social

responsibility gap, corporate misbehavior, executive misbehavior, poor business results, spokesperson misbehavior and controversy, death of the brand symbol, loss of public support, and controversial ownership. In the case of Evergreen, the source of the reputational issue comes from an external factor (strong wind), outside of the control of the company.

Greyser (2009) advises an organization to assess the seriousness of the situation based on “the essence of the brand” - the core identity of the brand. Four key topics that should be taken into consideration when assessing the crises are the brand elements, the crisis situation, company initiatives, and results. Reliability and efficiency are the brand essence of Evergreen. When Ever Given got stuck in the Suez Canal, it was delaying the supply chain and ship traffic for one week, thus hurting Evergreen’s brand essence.

To overcome the challenges of reputational trouble, effective communication is vital. Specifically, the organization can establish its side of the story through the website and official communication channels. This communication effort must be perceived as authentic and invoke trust. When a brand crisis takes place, Greyser (2009) advises companies or organizations to admit the truth and address the problem, no matter how embarrassing. To create an effective crisis management plan, behavior is central, communication alone is not enough. Applying this to the case, after the incident, Evergreen established communication regarding the cause of the incident and attempted to solve the blockage.

Overview of key learnings

After discussing the case, the participants will deepen their understanding of crisis communication and achieve a variety of learning goals, as summarized in the table below using Bloom’s taxonomy of learning domain (Hoque, 2017):

Table 1 Key Learning Objectives

Key Learning Objectives		
Remembering	... how organizations can communicate and act in a crisis	Topics: Case of the Ever Given
Understanding	... how to communicate effectively and credibly during and after a crisis	Topics: Use the crisis communication theories from the article by Greyser (2009)
Applying	... corporate brand identity and brand reputation model to come up with different solutions	Topics: corporate brand identity and reputation matrix, corporate management, crisis communication

Evaluating	... how the organization handles the crisis and regains trust, both in the short and long-term	Topics: the management decisions of Evergreen, SCA, Maersk, and IKEA
Creating	... a measurement of the brand reputation	Topics: crisis communication theories (Greyser, 2009), reputation measurement from the Corporate Brand Management book

Discussion questions

In order to generate an engaging and interesting discussion that achieves learning objectives, assisting and follow-up questions are recommended in addition to the main question to keep the discussion flowing. The assisting questions guide the discussion and lead to the answer to the main question.

Main question

Role 1 - Evergreen

How to evaluate the impact on the corporate reputation and how to rebuild a reliable image to regain trust from stakeholders including employees, clients, government, and the public?

Role 2 - Suez Canal Authority

How to solve the incident urgently in terms of the rescue action and communication (short-term) and how to build a reliable and safe image to regain trust from maritime companies worldwide?

Role 3 and 4 - IKEA and Maersk

How to deal with the incident and evaluate the consequence and how to communicate to the relevant stakeholders about the delay?

Assisting questions

Role 1 - Evergreen

- Has the reputation of Evergreen been affected?
- What is the impact on corporate reputation?
- When should the incident details be communicated?
- Who should be communicated with first?
- What should be communicated about the incident?

- What can be done to gain a more positive and reliable image?

Role 2 - Suez Canal Authority

- How should the first step be taken when the incident just occurred?
- What is the impact on the Suez Canal Authority?
- Has the reputation of the Suez Canal Authority been affected?
- Who should you communicate with?
- When should the incident details be communicated?
- What can be done to prevent the incident again?

Role 3 and 4 - IKEA and Maersk

- What should be the first step after hearing about the incident?
- What is the impact on IKEA/Maersk?
- Who should you communicate with?
- How to inform or communicate with stakeholders of the delay when the fault is outside of IKEA/Maersk?
- What should be communicated about the incident?
- What can be done to communicate better with clients or customers?
- When should you communicate with clients or customers about the incident?

During the case discussion, the presenter can decide how many questions to ask the discussants, while keeping a smooth transition between the follow-up questions are recommended.

Teaching suggestions

In the section below, the suggestions that are related to teaching techniques that can improve learning are provided. The purpose is to generate more interactive teaching methods that will assist the presenter during the process of planning a comprehensive presentation.

Pre-presentation and introduction phase

In the pre-presentation phase, there should be a presenter and a moderator. The presenter will present all information about the case using a Powerpoint with engaging visual materials and answer any question that arises. Meanwhile, the moderator keeps track of the discussion time and divides the class into smaller groups.

Discussion phase

The class is divided into breakout rooms (if using Zoom) or small groups of 4-5 participants. Each group will take a role: (1) the Executive Board of Evergreen company, (2) the Suez Canal Authority, (3) IKEA, or (4) Maersk to answer the questions. This will create more engaging and fruitful discussions and add a variety of perspectives from different stakeholders. The moderator should keep track of the time and take note of the class's ideas, whereas the presenter joins each group randomly to facilitate the conversation without influencing their perspectives. After that, the presenter/moderator asks if a group wants to volunteer to present their ideas, otherwise picks one randomly. Other group members and the presenter/moderator can ask questions and propose alternative solutions to challenge each other's ideas.

Concluding phase

When the discussion comes to an end, the presenter is suggested to actively keep track of the time and drive the atmosphere to encourage the participants to discuss their takeaways. After the discussion is over, the presenter should talk about the actual management decision of each perspective. In the end, the presenter should conclude the case and thank the discussants for their participation.

Furthermore, the presenter is recommended to create a board plan before the case discussion. The main purpose is to collect as many ideas as possible and provide different perspectives during the discussion phase. The board plan and time plan will be addressed below.

Board plan

The board plan has two sections: Table 2 addresses the perspective of involved stakeholders and external stakeholders. Table 3 mentions the possible challenges, alternatives, and actions of the case.

Table 2 Perspective of stakeholders

Perspectives of stakeholders	External stakeholders
Suez Canal Authority	Media
Evergreen company Executive Board	Customers
IKEA brand manager	Government
Maersk brand manager	Shipping company

	Families of the shippers
	Other shipping companies
	Insurance companies
	Ports

Table 3 Challenges, alternatives and actions

Challenges	Alternatives	Actions
Identify the root cause of the crisis	<ul style="list-style-type: none"> Partner with a group of experts to look into the cause of the incident 	<ul style="list-style-type: none"> Contact and request information from the Port Authority and shippers Communicate with factual evidence
Dissemination of incorrect information	<ul style="list-style-type: none"> Communicate with factual evidence about the accident Official communication on the company website Inform media outlets to portray the information correctly 	<ul style="list-style-type: none"> Issue a press release and ensure consistent communication with other relevant stakeholders (internal, port, other shipping companies)
Decide who should communicate the information	<ul style="list-style-type: none"> CEO/Executive Board of Evergreen Suez Canal Authority PR Manager of Maersk, IKEA 	<ul style="list-style-type: none"> The relevant party communicates about the issue truthfully.
Solve the incident as soon as possible	<ul style="list-style-type: none"> Gather a group of experts to identify priority actions to stop the blockage, ease the traffic jam and return the supply chain to its normal state 	<ul style="list-style-type: none"> Act immediately to solve the incident
Reduce costs and	<ul style="list-style-type: none"> Examine the affected parties 	<ul style="list-style-type: none"> Take the responsibility to

consequences of the incident	(shippers, the port, the delayed ships) <ul style="list-style-type: none"> Evaluate the strategies to reduce or eliminate the consequences 	repair and compensate for the affected parties
Maintain core values	<ul style="list-style-type: none"> Evaluate and amend the impact of the crisis on the 'brand core' 	<ul style="list-style-type: none"> Give a statement to strengthen their core values and show commitment to be a reliable organization Build long-term communication plan to restore the brand image and regain trust

Time plan

In addition to the board plan, keeping track of the time for the case discussion is essential. A well-prepared time plan will provide an overview for the presenter of how much time is needed for each part in order to cover all the teaching material. **Figure 3** shows the estimated time plan for each section. The total amount of time is approximately 45 minutes for the entire case. Considering the Ever Given blockage incident might be heard by the majority of the students, it is suggested that only the most important information and timeline should be addressed. After the storytelling and background introductions, the discussants will be asked about potential managerial decisions prior to the discussion phase, and then they will be assigned to four different roles. During the discussion phase, assisting questions can be used to lead the discussants to provide a more engaging and insightful discussion. Thereafter, the four different roles of managerial decisions will be presented. In the end, the presenter will draw conclusions from both the discussion and the actions that were taken by different parties.

Figure 3 Estimated time plan

Epilogue

The key learning point of the case is to understand how to deal with unexpected crisis situations, how to communicate to different stakeholders during the crisis, and how to rebuild trust and reputation after the crisis. Even though there were several blockages on the Suez Canal in the past, the Ever Given case was considered the most significant incident that severely affected a lot of other companies and caused major global supply chain delays. Based on this case, it has been demonstrated that transparent, direct, and quick communication can enable the firm to minimize uncertainty, foster stronger relationships and rebuild trust and reputation. The detail of the Evergreen case can be used as a crisis example for corporate brand and reputation management, as well as other communication management and stakeholder management.

Reflection

The process of writing and building the case has been a quite fruitful and valuable journey. The most precious and rewarding lesson from this Corporate Brand Management and Reputation at Lund University is about how to present the real-life case, make strategic management decisions as well as engage in fruitful and abundant discussions with other students. Having a team of three members, the written case is great preparation for dealing with actual managerial problems in real-life business settings in the future. The process included supervision with Brand Strategy and Reputation Management Professor, Mats Urde, and a series of discussions among the group in order to deliver the best-related and interesting case in class.

The Evergreen communication crisis was chosen due to its many involved parties and different perspectives of decision-making, as well as its engaging reputation management and communication crisis management. It was an evergreen case, as the key takeaways from the case can be applicable to other industries and organizations. We live in a multifaceted, ever-changing society and will for sure constantly face wicked, complicated crises that might arise from external factors. To

solve these problems, we must be well prepared for them, communicate credibly and act fast and efficiently during and after the crisis. This Evergreen case can help prepare current and future brand managers for complicated reputational problems and learn how to rebuild the trust of the organization.

All of us were very excited to work on the case, as it was a topic that all of us were curious and passionate about. It was a wonderful opportunity for us to not only better understand the class materials but also improve our creative thinking and problem-solving skills. We had organized weekly meetings to discuss the assignment, where we think critically about the issue, evaluate different crisis management strategies, and apply different perspectives to solve the case. We also created visually engaging graphics and practiced the presentation multiple times to better connect with the case. This knowledge and skills will, undoubtedly, be valuable in our future careers in consultancy, marketing, and brand management.

References

- Argenti, P.A. & Druckemiller, B. (2004). Reputation and the corporate brand. *Corporate Reputation Review*, vol. 6, no. 4, pp.368-374.
- De Chernatony, L. & Harris, F. (2000). Developing corporate brands through considering internal and external stakeholders. *Corporate Reputation Review*, vol. 3, no. 3, pp.268-274.
- Evergreen Marine Corp. (2022). Notices and News. Available online: https://www.evergreen-marine.com/tbn1/jsp/TBN1_NewsListOverview.jsp?newsType=G2 [Accessed 25 February 2022]
- Greyser, S. A. (2009). Corporate Brand Reputation and Brand Crisis Management, *Management Decision*, vol. 47, no. 4, pp.590-602.
- Haasch, P. (2022). People on TikTok are making memes and jokes about the massive cargo ship blocking the Suez Canal. Available online: <https://www.insider.com/boat-stuck-in-suez-canal-best-tiktok-memes-videos-2021-3> [Accessed 26 February 2022]
- Hoque, D. (2017). Three Domains of Learning: Cognitive, Affective and Psychomotor, vol. 2, no. 2, p.9.
- Roper, S., & Fill, C. (2012). *Corporate Reputation: Brand and Communication*, Essex: Pearson Education Limited.
- Urde, M. & Greyser, S. A. (2016). The Corporate Brand Identity and Reputation Matrix - The Case of the Nobel Prize, *Journal of Brand Management*, vol. 23, no. 1, pp.89-117.
- Urde, M. (2013). The Corporate Brand Identity Matrix, *Journal of Brand Management*, vol. 20, no. 9, pp.742-761.

Appendix

Exhibit 1 Jokes and memes about the Ever Given on TikTok

