International Business Company CEOs’ Public Apologies and their Users’ Responses

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ABSTRACT
An important aspect of the emerging user care discourse is the apologies offered by companies. Previous research has focused on public apologies; however, there has been little focus on the users’ comments in response to apologies. This case study aimed to investigate (i) the structure of the public apologies in terms of their frequency and sequence, and (ii) the users’ responses to these apologies as indicated in their comments. Four public apologies were purposively selected: They were all presented in English by the executives and posted on Facebook between 2011 and 2015. The responses to these apologies were also collected. The results of content analysis indicate that apology strategies, including taking full responsibility, asking for forgiveness, being sincere, and being published in a timely manner are the most effective strategies to elicit positive responses. The results have useful implications for research and practice in the area.

Key words: Apology Strategies, Chief Executive Officers (CEOs), Crises Management, User Comments, User satisfaction

INTRODUCTION
The situation in which a company is going through a negative phase is known as crisis (Coombs, 1999). Every company goes through crisis regardless of its strengths and weaknesses. Management of crisis has become a booming industry because it can develop biological, economic and social skills which would otherwise cause uncertainty in a company (Burnett, 1998). Many studies have been conducted on apologies. In a comparison of public apologies and daily-life apologies, Xu (2019) introduces public apology as a new kind of speech act and reveals the delicate nature of public apology strategies. O’Brien et al. (2020) compare consequences of apologizing versus avoiding responsibility by the police in creating mistrust in public and report that public apologies by police leaders will be most effective when an apology is combined with the acknowledgement of responsibility for the mistrust. Moving from a sender perspective (the communication subject of the organization) to the stakeholder’s perspective (interpretation of the organization’s message by the stakeholders) is a vital trend in communication research. It is necessary to consider both the crisis and the users’ responses to the CEO’s apology as the nature of the crisis affects the structure and sequence of the apology strategies (Coombs, 1995; Coombs & Holladay, 1996, 2002, 2006). In this study, we examine the apology strategies used by International Business company CEOs and their users’ responses to their apologies.

Apology is a post-event speech act that takes place as a reaction to an offense committed by someone (Blum-Kulka et al., 1989). At the very least, the offender has to seek forgiveness for the wrongdoings from the offended (Benoit, 1995). Offenders can obtain forgiveness and redeem their image in the public eye by being apologetic towards the offence made (Hearit, 2006; McCullough et al., 1997).

Despite the common occurrence of apologies in everyday social situations, there remains little consensus about what exactly constitutes an apology (Allan & McKeillop, 2010). Companies commonly use similar apology strategies; however, mere adoption and usage of these tools are unlikely to yield desired results (Barnes & Mattson, 2011). Although considerable research has focused on the importance of CEOs’ public apologies and investigated when one should apologize (Wohl et al., 2011) and what one should say to apologize effectively (Scher & Darley, 1997), there has been little focus on their perlocutionary effects on their users’ comments. According to previous studies, it is suggested that if the CEO takes accountability for a crisis, the public considers the event positively (Brocato et al., 2012). A plethora of research is available on apologies in different settings from politics (Jassim & Nimehchisalem, 2016; Varma et al., 2019) to business (Ancarno, 2015) or academia (Kalina & Gabdreeva, 2020). Apologies have been observed to be highly impactful at times of failure, as they enhance user satisfaction (Smith & Bolton, 2002). However, there has been
little investigation on the users’ response to CEO’s public apologies, a gap addressed by this study.

Objectives

The objective of the study is to evaluate the perlocutionary effect of corporate CEOs’ public apologies for service failure on users’ satisfaction as indicated by their comments. The specific objectives are to:

1. Investigate the structure of the apology strategies used by CEOs with a focus on their frequency and sequence, and
2. Examine the users’ responses to the CEOs’ public apology on the social media.

The study is limited to the public apologies of the CEOs of four international business companies posted on Facebook in the period 2011-2015. The results will show the effectiveness of public apologies on the users’ satisfaction as indicated by their comments posted under the apologies.

Manner of Communication

Frandsen and Johansen (2010) suggested ethical standards for the method of apology as a crisis response technique: An ethical apology must be:

- Truthful
- Sincere
- Voluntary
- Timely
- Addressing all stakeholders
- Performed in an appropriate context

Source: (Hearit, 2006)

Truth has to be felt in one’s apology (which does not mean to tell the truth), telling that it should not leave any points misunderstood – if shown to others – where it changes the way that they see the mistaken actions done via the party that is apologizing. Therefore, the person apologizing is not supposed to lie (Hearit, 2006, p. 64). An apology should have sincerity. It has three applications. First, an apology must show a sincere effort to reach reconciliation. It happens through showing that the one apologizing truly needs to fix the issue, for instance, by pointing out a flawed product to exchange or refund it before sending to the market again. Second, an apologizer has to be sincere, not only at the time s/he is apologizing, but even at the communicative level. An example of this, the company, besides taking and fixing its product; it must also assure its clients that it will do better in the future. Lastly, the apologizer has to show that s/he really wants to bear with all the dissatisfied stakeholders and that s/he is not doing this for media and reputation purposes. An apology has to be made voluntarily without any force. The apology period has to do with “timing”, that is to say, when to publish the apology. Keeping in mind that publishing an apology must not take too long to be held, neither too soon. If the apology is delivered too soon, people will doubt the motive behind it and will not believe its sincerity, putting the apology at the risk of not being believed. On the other hand, if it came too late, the apologizer could be regarded as being vain. Highlighting the last two principles, an apology must be meant for every stakeholder that is offended –directly or indirectly- by the crises and been suffering physically or mentally. The case where an apology will be delivered has to be appropriate; that is to say, reachable for all addressed participants. It can be done at a well-known public place or delivered through the mass media.

Content of Communication

According to Frandsen and Johansen (2010, p. 354) an ethical apology:

- Explicitly acknowledges wrongdoing,
- Fully accepts responsibility,
- Expresses regret,
- Identify with injured stakeholders,
- Asks for forgiveness,
- Seeks reconciliation with injured stakeholders,
- Fully discloses information related to the offense,
- Provides an explanation that addresses legitimate expectations of the stakeholders,
- Offers to perform an appropriate corrective action, and
- Offers appropriate compensation.

Source: (Hearit, 2006)

The apologizing party must directly recognize and admit that s/he has done something wrong and s/he has to also accept full responsibility for the wrongdoing, showing guilt for the outcome. This feature of the apology along with the other aspects protects the business from being pointed out to as an interior or exterior scapegoat which may turn the blame.

The apologizer must show sympathy or empathy to the dissatisfied users suffering from the crisis. S/he has to seek forgiveness form stakeholders. If the relationship with stakeholders is of a positive nature before making the mistake, the reconciliation will profit both parties. The apologizer has to correct the impacts of the wrong action— if not, this is unsuitable due to discretion.

Addressing lawful prospects among users implies that the apology has to be carried out within a structure that makes sense to all the relevant clients. One of the implications of this feature is that the wrongdoing itself together with its reasons and outcome are supposed to be argued. Concerning corrective action, the apologist could explain that s/he was taught a lesson declaring that s/he will not act in such manners, avoiding the sequences that made the offence possible. And lastly, when it comes to offering a compensation, it is often financial; however, there are other options as well for example (gifts).

Expressing regret means that the apologizer really feels bad for his/her wrong action(s). Forgiveness, is a pardon for something that has been done. When we seek to be forgiven, we admit our wrong action(s). Requesting for forgiveness is the action of asking the party that is offended to forgive you, even while you do not really feel sorry for what you did but you have to apologize to clean your reputation for future businesses.

LITERATURE REVIEW

Apologies are of two types: full and partial. A full apology is when an apologizer accepts full responsibility and
seeks forgiveness for a crisis whereas a partial apology is represented as just regret instead of a formal apology and concern for victims (Kellerman, 2006). Based on this, Ki and Nekmat (2014) who examined the FB usage of Fortune 500 companies and the impacts of their crisis management reported that ‘justification’ and ‘full apology’ were mostly used as crisis response techniques. They also portrayed examples where corporations unsuitably match to crisis situations by their responses. Their study of 7080 messages uncovered a strong relationship between an organization’s involvement in a two-way communication and the general positivity of viewers in reaction to the organization in question and its method of taking care of the crisis.

In addition to the content of an apology, dissatisfied individuals can also show their remorse for their actions (Feeney, 2004; Scher & Darley, 1997). A perceived lack of regret following an interpersonal transgression rises the expectation that the offender will redo the action in the future and lowers evaluations of the offender’s moral character (Gold & Weiner, 2000). Three techniques of apology were suggested by Coombs and Holladay (2008), including apology, compensation, and sympathy. Acceptance of consequences of the organization for the wrong actions is known as apology. This definition also includes sympathy and compensation. Coombs and Holladay (2010) analyzed 210 online reactions posted at a Kindle forum in response to an apology posted by Jeffrey Bezos, CEO of Amazon.com. Bezos apologized to Kindle owner for disallowing access to copies of George Orwell e-books they had bought. The messages posted were coded for acceptance of the apology (acceptance, conditional acceptance, and rejection), purchase intention, and word-of-mouth intention. The results suggested that the great majority of Kindle Community readers accepted Bezos’s apology—the crisis response worked really well. It indicates that receivers find the response to work in an effective way. Fuchs-Burnett (2002) notes that the apology generally needs to be accompanied by a course of actions that demonstrate awareness of the wrongdoing coupled with correction (Cohen, 2001; Fuchs-Burnett, 2002; Hearit, 2005, 2006).

Kiambi and Shafer (2016) examined the impacts of three crisis response techniques (sympathy, compensation, and apology) and prior image (good and bad) on the organization’s post-crisis image. Their findings indicated that stakeholders favor apology over compensation response technique for an organization going through high crisis responsibility. The findings also proposed that organizations with a prior good image have better post crisis reviews than those with a prior bad image, often regardless of the organization’s crisis response technique.

Manika et al. (2015) studied how CEO YouTube apologies affect satisfaction with the company after an apology. The method was quantitative case study of 2011 Blackberry CEO and sampling size was 278 participants. Questionnaire was used as a tool to collect the data and the data were studied according to statistical analysis. The outcome showed that incident familiarity before exposure to the YouTube apology perceived persuasiveness of the apology, and attitude towards the CEO after the apology are 77% significantly associated with satisfaction with the company after the apology.

This review of literature indicates the significance of studying apologies and shows the need for further studies on the perlocutionary effect of apologies on the users that is the objective of the current study.

METHODS

This case study adopted a qualitative research method to address the research objectives. In this study, content and thematic analysis methods were used to analyze the data.

Cases

To address the first research objective, four public apology cases of CEOs (using corpus data) were purposively selected and collected from the companies’ blogs. The cases included Netflix (2011), Apple (2012), Spotify (2013), and Yahoo (2015) as shown in (Table 1).

All four public apologies were written in the English language from both governments let organizations to privatized companies by chief executive officers (CEOs) in a four-year period from 2011 to 2015. These four apologies were purposively selected. The data was collected within a time-frame of five years which was deemed fit due to the increasing number of resources related to apologetic trends in mass media in recent years (Ancarno, 2015; Okimoto et al., 2015). Obviously, corporations with good prior reputation will encourage better post crisis reviews than those with bad prior reputation regardless of the quality of their apology strategies. Therefore, we made sure that the selected corporations all had a good prior reputation. Meanwhile, another criterion was that all four organizations had to be international companies and their apologies had to be public apologies. We also made sure that all the selected cases were full apologies. A full apology is when an apologist accepts full responsibility and asks for forgiveness for a crisis, as opposed to a partial apology which is represented as merely a regret (Kellerman, 2006). Finally, all of the cases homogeneously had good images prior to the crises which renders their users’ responses comparable.

The data which were collected to achieve the second research objective consisted of users’ public comments posted on Facebook between 2011 and 2015. Appendix A shows the sources of these comments (n = 415) which had been posted by the users on Facebook pages between this time frame as a response to all the public apologies and the comments were downloaded for analytical purposes. With a word range of 50 to up to 440, the data elicited for the study consisted of conversational responses which included feedback for apologetic messages. We were aware that not all the comments might have been posted by each company’s real clients. Some of these comments could have been posted by ordinary netizens, which of course, would not undermine the significance of these comments. Therefore, all the comments were analyzed regardless of this possibility.
Table 1. Sample cases of the four international companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Netflix</th>
<th>Apple</th>
<th>Yahoo</th>
<th>Spotify</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>Reed Hastings</td>
<td>Tim Cook</td>
<td>Marissa Mayer</td>
<td>Daniel Ek</td>
</tr>
<tr>
<td>Crises</td>
<td>Splitting the previously unlimited DVD and streaming selections into two kinds and bumping the expense by 60%</td>
<td>Frustration of the maps application</td>
<td>Mail Outage</td>
<td>Privacy Policy Furor</td>
</tr>
<tr>
<td>Posted in</td>
<td>Netflix blog</td>
<td>Apple's website</td>
<td>Company Tumblr</td>
<td>Official blog</td>
</tr>
</tbody>
</table>

Table 2. Apology strategy codes

<table>
<thead>
<tr>
<th>Apology strategies</th>
<th>Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explicitly acknowledge wrongdoing</td>
<td>1</td>
</tr>
<tr>
<td>Fully accept responsibility</td>
<td>2</td>
</tr>
<tr>
<td>Express regret</td>
<td>3</td>
</tr>
<tr>
<td>Identify with injured stakeholders</td>
<td>4</td>
</tr>
<tr>
<td>Ask for forgiveness</td>
<td>5</td>
</tr>
<tr>
<td>Seek reconciliation with injured stakeholders</td>
<td>6</td>
</tr>
<tr>
<td>Fully disclose information related to the offense</td>
<td>7</td>
</tr>
<tr>
<td>Provide an explanation that addresses legitimate expectations of the stakeholders</td>
<td>8</td>
</tr>
<tr>
<td>Offers to perform an appropriate corrective action</td>
<td>9</td>
</tr>
<tr>
<td>Offer appropriate compensation</td>
<td>10</td>
</tr>
</tbody>
</table>

Data Analysis

The approach taken to analyze the data of the first research objective was grounded content based analytical framework which worked around a case study design for analysis (Pandit, 1996). For this case study, content analysis allows for an examination of all the apologies to the public through the lens of Frandsen and Johansen (2010) ethical standards for the content of an apology. Then the content analysis results exposed the confession strategies engaged in the samples. This was attained by matching the content of the apologies to the purposes of the particular strategies. Frandsen and Johansen (2010) ethical standards for the content of an apology were coded with numbers (Table 2).

For Example: Netflix CEO apology

(1) I messed up. (2) I owe everyone an explanation.

It is clear from the feedback over the past two months that (4) many members felt we lacked respect and humility in the way we announced the separation of DVD and streaming, and the price changes. That was certainly not our intent, and (7) I offer my sincere apology. I’ll try to explain how this happened.

Subsequently, the frequencies of apology strategies used by company CEOs were analyzed. The apologies were also compared regarding the sequence of apology strategies. For the second research objective, thematic analysis was used by analyzing the users’ comments through a deductive approach based on Frandsen and Johansen’s (2010) framework.

To ensure the dependability and transferability of the results, the data were first analyzed by the first author and then double-checked by the second and third authors. In case of disagreements, we discussed the cases before they could be resolved. An example of such tricky cases was “This is the key thing I got wrong” by Netflix CEO, which as we finally agreed, is an example of two apology strategies (strategies 1 “Explicitly admit wrongdoing” and 2 “Fully accept responsibility”) occurring in a single sentence.

RESULTS

Frequencies of Apology Strategies

The different apology strategies found in the four CEOs’ apologies are presented in Table 3.

As shown in Table 3, out of 10 apology strategies, only six (1, 2, 4, 5, 6, 7) occurred in all of the four CEOs’ apology letters. In contrast, apology strategy 3 “Express regret” and apology strategy 10 “Offer appropriate compensation” were not used at all. Out of all apology strategies that occurred, apology strategy 2 “Fully accept responsibility” was the most preferred strategy. This strategy was observed 7 times: thrice in Netflix, twice in Spotify and only once in Apple and Yahoo apology letters. The second most frequent apology strategy was apology strategy 1 “Explicitly admit wrongdoing” which was used 3 times by Netflix and only once by the others.

From the 10 types of apology strategies, Netflix (f=12) and Spotify (f=9) were ranked the top two companies. On the other hand, Yahoo and Apple came in short with 7 and 8 strategies used for their cases. It should be highlighted that none of the companies used apology strategy 3 “Express regret” and apology strategy 10 “Offer appropriate compensation” which might be due to the fact that none of the companies is eager to bear any consequential effects and financial costs. Apple CEO’s letter was the shortest and thus the lowest number of apology strategies occurred in it. Only seven strategies and each strategy occurred only once in this letter. Yahoo CEO used eight apology strategies and one time for each eight strategies. For the last CEO apology (Spotify) strategies occurred nine times but the strategy number two seen twice in the apology letter. The first apology strategy used in Netflix, apple, and Spotify CEOs was the apology strategy 1.
By examining the strategies implemented by each CEO, we observed some significant differences in the sequence of apology strategies (Table 4).

In the Netflix CEO apology, the strategies were sequenced recursively. Netflix CEO’s apology is the longest chain of apology strategies (12 occurrences) as compared with the other public apologies. Netflix CEO’s apology embedded strategies 1 and 2 in a single sentence. An example from Netflix CEO’s apology is “When Netflix is evolving rapidly, however, I need to be extra-communicative. This is the key thing I got wrong.” Clearly, this sentence has both apology strategy 1 “Explicitly admit wrongdoing” and apology strategy 2 “Fully accept responsibility” strategy. Apple CEO’s letter has the shortest sequence in which apology strategies occur only seven times with each strategy occurring only once. Yahoo’s CEO used eight apology strategies and similar to Apple’s each strategy was recorded only one time. For the last CEO, the apology (Spotify) strategies occurred nine times with strategy 2 recorded twice. The first apology strategy used in Netflix, apple, and Spotify CEOs was the apology strategy number 1, in contrast with Yahoo CEO’s apology that started with strategy 4. These results indicate that public apology strategies do not have to have a unified sequential pattern.

### Users’ Responses

The themes which emerged from deductive analysis of the users’ comments are reported in Table 5.

The users’ comments were analyzed based on Frandsen and Johansen’s (2010) ethical standards which propose that an apology must be truthful, sincere, voluntary, and timely, addressing all stakeholders, and performed in an appropriate context. As Table 5 shows, all of these themes emerged from the users’ comments which are presented in this section.

### Table 3. The frequency of public apology strategies used by CEOs

<table>
<thead>
<tr>
<th>Public apology strategies</th>
<th>Netflix</th>
<th>Apple</th>
<th>Yahoo</th>
<th>Spotify</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explicitly admit wrongdoing</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Fully accept responsibility</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Express regret</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Identify with injured stakeholders</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Ask for forgiveness</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Seek reconciliation with injured stakeholders</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Fully disclose information related to the offense</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Provide an explanation that addresses legitimate expectations of the stakeholders</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Offer to perform an appropriate corrective action</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Offer appropriate compensation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>36</td>
</tr>
</tbody>
</table>

### Table 4. The apology strategy sequences

<table>
<thead>
<tr>
<th>Company</th>
<th>Sequence of apology strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netflix</td>
<td>S1&gt;S2&gt;S4&gt;S5&gt;S (2+1) &gt; S1&gt;S2&gt;S7&gt;S5&gt;S4&gt;S6</td>
</tr>
<tr>
<td>Apple</td>
<td>S1&gt;S5&gt;S4&gt;S2&gt;S7&gt;S9&gt;S6</td>
</tr>
<tr>
<td>Yahoo</td>
<td>S4&gt;S5&gt;S1&gt;S2&gt;S7&gt;S8&gt;S6&gt;S9</td>
</tr>
<tr>
<td>Spotify</td>
<td>S1&gt;S5&gt;S2&gt;S4&gt;S7&gt;S8&gt;S2&gt;S9&gt;S6</td>
</tr>
</tbody>
</table>

### Truthful

As the analysis of our data showed, the comments posted under the Netflix CEO’s apology indicated that it was not considered truthful, as indicated by the following comments:

*This is b*llsh*t, he apologized for the wording, not what matters, THE PRICE HIKE. What a tool bag.* [Untruthful]

*This apology and explanation are just an advertisement for Qwikster. It's a non-apology.* [Untruthful]

The same was true about Yahoo CEO’s apology. As one user commented, “they forgot to put the ‘9’ in front of the ‘1%’”. Most of the comments related to Yahoo CEO’s apology were about being untruthful as the crisis had in fact affected almost all the users but instead the CEO mentioned it was only 1% of the users. In contrast, the comments posted under the Apple CEO’s apology indicated that the users believed that the CEO was truthful. One user mentioned, “He admitted they were wrong... more than the NFL did on the ref debacle Monday night.”

On the other hand, Spotify CEO’s apology was the only one that divided the comments into two. Some users acknowledged the apology was not truthful. As one user commented, “Why just to supply me with streaming music... you need GPS and photos.... Sounds like it will become like Ashley Madison all your info. To be kept no possibly hacked... p*ss *ff SPOTIFY. I’ll use Tune in Radio apps and FREE RADIO.” Other comments acknowledged the apology was truthful. For example, “Well...If you are reading this, you have to know that Facebook has already access to your photos, texts, calls, calendar, contacts...”
Table 5. Emerging themes from the users’ comments

<table>
<thead>
<tr>
<th>Themes</th>
<th>Netflix</th>
<th>Apple</th>
<th>Yahoo</th>
<th>Spotify</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Truthful</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>MR</td>
<td>Not leaving any points misunderstood</td>
</tr>
<tr>
<td>2. Sincere</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>MR</td>
<td>Pointing out a flawed product to exchange or refund it, and assuring its clients that it will do better in the future</td>
</tr>
<tr>
<td>3. Voluntary</td>
<td>NM</td>
<td>Y</td>
<td>N</td>
<td>NM</td>
<td>Making the apology voluntarily without any force</td>
</tr>
<tr>
<td>4. Timely</td>
<td>N</td>
<td>NM</td>
<td>N</td>
<td>NM</td>
<td>Not taking too long to apologize and not apologizing too soon</td>
</tr>
<tr>
<td>5. Addressing all stakeholders</td>
<td>Y</td>
<td>Y</td>
<td>NM</td>
<td>NM</td>
<td>Apologizing to every stakeholder that is offended—directly or indirectly- by the crises and been suffering physically or mentally</td>
</tr>
<tr>
<td>6. Performed in an appropriate context</td>
<td>N</td>
<td>NM</td>
<td>N</td>
<td>NM</td>
<td>Being accessible for all the addressed participants (for example, by presenting it at a well-known public place or delivering it through the mass media)</td>
</tr>
</tbody>
</table>

**KEY:** Y=Yes, N=No, MR=Mixed results, NM=Not Mentioned

**Sincere**

This theme is closely related with the first theme, truthful, but here the apology had to create this feeling in the users that the CEOs really meant what they said. The comments related to Netflix revealed that the CEO’s apology had not been regarded as sincere. One user commented, ‘OK...who spiked the CEO’s Koolaid? ‘Cause if he actually thought splitting the company off into two different brands was a GOOD idea, he seriously needs to have his head examined. This is entirely just to keep the price hike and make sure there is no way to reverse it.’ [Insincere]

Some users commented that this CEO’s explanation did not make any sense: ‘None of his explanation makes any sense. It seems like his explanation was, “we are doing this to make things easier for us, and convenience to the users be damned.” To me, the downside of re-branding ½ the business and disintegrating the two sides far outweigh any benefits he enumerated.’ [Insincere]

The same was true about the comments in response to Yahoo CEO’s apology. The comments indicated that the users thought the CEO was not honest in her apology, specifically when she mentioned the crisis affected only 1% of the users. It can easily be observed in this comment “It’s my lucky time, I’m part of that 1%.” and another comment “I accept 1% of her apology.”

The comments made in response to the Apple CEO’s apology were positive: “At least they are dealing with reality!!” However, in the case of Spotify CEO’s apology, the comments indicated mixed feelings: ‘This is silly. There are a multitude of ways to pay for music legally and to support the artists you love. Spotify is a barely equitable way to pay artists as it is. I’ll find another streaming service so bad.’ [Insincere]

…...and so does Google, YouTube, Instagram, Twitter,.... Trip Advisor and everybody else.... If you still weren’t aware of this, you can panic... or relax and enjoy the internet era.’ [Sincere]

And at least you know they are doing it, considering random ISP, hosting, government etc. logging and surveillance.’ [Sincere]

**Voluntary**

No comments emerged showing that the users believed any of the four apologies was voluntary. We anticipated this result. This was due to the nature of the setting since in any of the four situations a public apology was expected from the CEOs. In case of a system failure, company CEOs are typically held responsible and are expected to post public apologies.

**Timely**

An apology must be performed in a timely manner to reduce the risk of user dissatisfaction. The Netflix CEO that was late to apologize received this comment, “It takes two months to own up to your mistakes? Oh wait, he only did this because we made him.” The opposite was true about the Yahoo CEO; the apology was executed too early and thus the users took it with some doubts; for example, one of the users left this comment: “I’m confused. It says, ‘After a week of outages that began four days ago.’ How can it be a week of outages if it only started four days ago?” and another comment “So, is it a week or four days ago? As these comments show the apology is seen as condescending or only based on self-interest. Apple and Spotify CEOs received no comments regarding the timeliness of their apologies because they had extended their apologies within a one-week period which is typically considered a normal waiting period in such cases.

**Addressing all stakeholders**

As shown by this comment, “Get new movies to streaming sooner and maybe you can keep some users. As for the apology, I guess he learned that you don’t treat people who made you rich,” the user believed that the Netflix CEO addressed all the users in his apology. This was not, however, true about Apple CEO’s apology as it stimulated the following response: ‘I don’t care about the maps since I don’t really use that feature, but what I am P*SSED ABOUT, is that apple didn’t manufacture phones for everyone that wanted one, it was just to the people that had pre-ordered or waited in the 4 or 5 am line to get it.'
The CEO must have assumed that he had apologized to all their users but from the aforementioned comment it seems that not all the users were using the same app since Apple had two models one produced by a good manufacturer and the other by an unsatisfactory manufacturer. The apology had not covered both these models. The responses for the other two companies showed no comments about addressing all the stakeholders.

**Performed in an appropriate context**

The setting in which the statement of regret will be performed must be fitting by making sure that it is open for every relevant audience and stakeholders. The context was considered negatively in the comments addressed to the Netflix and Yahoo CEOs’ apologies. As one Netflix user commented, “…awful social networking skills and out of touch with their users.” The same was true about Yahoo users, as the following comments show: “she had to use Tumblr, she couldn’t email the apology, obviously…” and “Certainly no one on Tumblr uses Yahoo email…why didn’t she just post it on Myspace?” No comments were provided for the other two apologies.

**DISCUSSION**

Previous studies recommend public apologies with a low accommodative methodology, ample justification complete with a statement of regret of the incident that has arisen and a remuneration (Benoit, 1995; Coombs, 1999). As these researchers particularize, the remuneration should involve fiscal endowments and administration apology statement. However, our findings (Table 3), indicated that only 6 out of 10 apology strategies occurred in all of the four CEOs’ apology letters. In fact, none of the companies offered this apology strategy (i.e., 10. Offer appropriate compensation). Of course, whether compensation should be included in the apology will depend on the context and the nature of the loss experienced by the users. However, as the analysis of the comments showed, the users seemed to be satisfied with the apologies of two of the companies. This finding suggests that users do not really care about compensation perhaps as much as they value the company management’s understanding and acknowledgement of their problem and apology for the inconvenience caused.

Additionally, as our results have shown, it appeared that a long apology letter filled with many apology strategies may not necessarily be considered more effective than a brief apology; in fact, the opposite turned out to be the case. Although Netflix CEO put up a lengthy explanation on what happened to their service, the users left many negative comments on the company’s Facebook page. On the other hand, the relatively brief apology statement posted by Apple CEO was able to prompt a number of positive responses.

Users’ responses to public apologies should not be neglected. Our results presented in Table 5 confirm Petrucci’s (2002) view who argued that the most effective apology is a sincere apology that leads to acceptance which then may result in forgiveness. Comparably, some recent research about leaders’ apologies argued that their apologies create conflict and backfire if they do not seem to be sincere (Harris et al., 2006; Tucker et al., 2006). Netflix and Yahoo apology were not sincere and this lead to dissatisfaction among the users while Apple apology was considered sincere which leads to their users’ satisfactions. On the other hand, Spotify received mixed responses from their clients - some perceived their apology as sincere while others did not.

It is also apparent that time plays an important part in defining the success of the apology strategies used. As our data indicated in their post-crisis responses, the users took into consideration the time when the apology letter was posted online. According to Wirtz and Mattila (2004), responding in a timely manner is highly important to obtain satisfactory feedback from their users. Apple and Spotify posted their apology letter within seven days which is a standard service level agreement in the case of service companies, so they were able to maintain the positive perceptions of their users. Netflix, on the other hand, posted the apology two months after the crisis which resulted in an uproar of their clients, and yet Yahoo did it far too early within two days which made their users a bit confused about the announcement as they were unaware of the current issue.

**CONCLUSION**

Although the findings of this study is small in scale and might not be applicable to all companies, this study proves that the strategy performance were actively implemented by each company. This suggested that each of the companies used non-identical apology strategies in comparison to their responses to their public statements for their respective clients. Such discrepancies might be attributed by a myriad of factors such as the demographics of their users, as well as the client personas that affect the pragmatic performance of their responses. The socio-cultural backgrounds of the users also play an important factor in defining the response rate of the clients since they have different attributes such as their level of education, working types, language preferences and personalities.

The findings indicated apologies that contain taking full responsibility, asking for forgiveness, being sincere and published in a timely manner are the most effective strategies to obtain users satisfaction and regain their trust with the company and lead to forgiveness. In contrast, if an apology does not include these strategies, it could be perceived as superficial and insincere to the eyes of public, hence bringing forth the notion of dissatisfaction.

**REFERENCES**


APPENDIX A: THE SOURCES OF THE USERS’ COMMENTS

Netflix users’ comments link:
https://www.facebook.com/cnet/posts/100458823397071

Apple users’ comments link:
https://www.facebook.com/NBCDFW/photos/a.123983212689/10151098506332690/?type=3

Yahoo users’ comments link:
https://www.facebook.com/techcrunch/posts/10152148611982952

Spotify users’ comments link:
https://www.facebook.com/RollingStone/posts/10153014601845779