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WHEN APOLOGY AND PRODUCT RECALL IS NOT ENOUGH: A STUDY OF NEWS COVERAGE OF MENGNIU DAIRY CRISIS MANAGEMENT STRATEGIES IN THE 2008 CHINESE MILK SCANDAL

By

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WHEN APOLOGY AND PRODUCT RECALL IS NOT ENOUGH: A STUDY OF
NEWS COVERAGE OF MENGNIU DAIRY CRISIS MANAGEMENT STRATEGIES
IN THE 2008 CHINESE MILK SCANDAL

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Complex foodborne threats to public health and safe food supplies are increasing with each passing day, serving as a great challenge to food corporations today.

This thesis, selecting the Mengniu Dairy milk scandal as the subject of the study, is aimed to examine how newspapers reported and evaluated Mengniu milk crisis and crisis management in the 2008 Chinese milk scandal and to provide suggestions to Mengniu Dairy’s crisis management, as well as the Chinese food industry in general. It is a significant step towards exploring the crisis management strategy of a food company in a non-Western setting under a circumstance in which crisis responsibility is ambiguous. To accomplish this, a content analysis of 253 articles ranged from September 11, 2008, to September 10, 2009, on 10 Chinese newspapers’ Web sites was conducted.

The results of the coding supported an argument that apology and product recall were not good enough for the milk crisis and identified the significant role of the Chinese government in food crisis management. Two suggestions are offered by the study. First, building a good external relationship and cooperating with the local government. Second, being proactive and addressing public safety during the pre-crisis stage.

Further, recommendations for further study are enclosed.
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Chapter 1
Introduction

Each year, according to the World Health Organization (WHO), unsafe food is responsible for illness in at least two billion people worldwide and can result in deaths (World Health Organization, 2004). Along with modernization in China, the process of food production and the link to food distribution is more complicated than before. Many food safety problems have originated in China in recent years. Even some instances have happened in the long supply chain without the knowledge of the food companies. Therefore, any food manufacturer can find itself thrown into a crisis at any time, usually without an apparent warning. In addition, food crisis is sometimes not isolated to one manufacturer. It easily can influence the whole food industry. Therefore, while food safety is becoming an important concern for the Chinese consumers, crisis management seems to be indispensable for the food industry.

Furthermore, given that news, especially negative news, travels so quickly across the 24-hour global media, it is vital to be prepared for the crisis. The way food companies communicate, especially in the crucial early hours and days of a crisis, can have an enormous impact on reputation, brand, and long-term profitability.

The usual crisis communication responses are to make an apology and recall the problem products. However, after suffering so many food crises recently, the public may not be content with simple apology and product recall, which seems insufficient to allay
the anger of the public and restore a company’s reputation, even if the food safety problem was caused by the raw material suppliers and not the food companies. What else can the food companies do in a crisis to save their business, maintain their credibility, and regain the consumer’s trust?

This thesis, selecting the Mengniu Dairy milk scandal as the subject of study, is aimed to (1) analyze how newspapers reported and evaluated the Mengniu milk crisis and crisis management in the Chinese milk scandal and (2) to provide effective suggestions to Mengniu Dairy’s crisis management, as well as the Chinese food industry in general.

*Mengniu and the 2008 Chinese Milk Scandal*

Founded in 1999, China Mengniu Dairy Company Limited and its subsidiaries manufacture and distribute quality dairy products in mainland China. The company is based in Inner Mongolia, a region famous for its wide and beautiful grasslands and its leadership as a dairy region of China. The company boasts a diverse product range including liquid milk products, such as ultra-heat-treated milk, yogurt and milk beverages, ice cream, and dairy products such as milk powder and milk tablets.

Although Mengniu does not have a long history in the Chinese dairy market, it has already become one of the leading dairy product manufacturers in China, with MENGNIU as the core brand. Mengniu is regarded as “the fastest growing Chinese company,” “the world’s largest dairy company by sales volume of liquid milk,” and “the first Chinese dairy company listed in Hong Kong in 2004” (Qingfen, 2008, n. p.).
According to AC Nielsen, a global marketing research firm with worldwide headquarters in New York City, Mengniu had grown explosively in only five years as the 2004 Chinese top seller of milk with 22% of the market and revenues of US$871 million. In 2009, even though Mengniu lagged behind Mongolia Yili Industrial Group (Yili) as the second-largest dairy producer by sales volume, it still leads the Chinese liquid milk market (Ding, 2009).

Mengniu’s success might lie in a management team led by Gensheng Niu with long experience at Yili. He served as the vice-president of sales at Yili for 17 years and then lost his position as a result of an internal power struggle in 1998. After that, he started Mengniu with that small but experienced management team he brought from Yili in 1999 (Qingfen, 2008).

As successful as Mengniu has been in the Chinese dairy market, it became involved in a milk quality scandal in 2008. In September 2008, a large Chinese dairy scandal erupted. Six infants in Gansu Province died from kidney stones and other kidney damage and an estimated 300,000 infants fell ill after they had been fed contaminated milk powder produced by the Sanlu Group, which is a Chinese dairy products company based in Shijiazhuang, the capital city of Hebei Province. This state-owned company was one of the oldest and most popular brands of infant formula in China (Wong, 2008).

It was found that in order to make milk products appear to have a higher protein content than its true value, an organic compound called melamine had been added to
milk, which is known to cause kidney stones and other medical complication in infants (Wong, 2008).

Melamine, an industrial chemical with a formula of C₅H₆N₆, contains 66% nitrogen by mass and is normally used for a wide variety of applications, such as laminates, coatings, and plastics (World Health Organization, 2008a). It is an organic chemical most commonly found in the form of white crystals.

While melamine alone is of low toxicity, experimental studies have shown that it could form insoluble crystals in combination with cyanuric acid, which may cause kidney failure and ultimately death, particularly in vulnerable individuals such as infants and young children (World Health Organization, 2008a). There are neither approved direct food uses for melamine, nor any recommendations in the Codex Alimentarius (World Health Organization, 2008a).

According the World Health Organization’s page of *Questions and Answers about Melamine* (n. d.), water has been added to raw milk to increase its volume by some lawless persons in China. As a result of this dilution, the milk has a lower protein concentration. And because the internationally recognized methods used for estimating the protein content in foods normally used to check the protein level by dairy companies, such as the Kjeldahl and Dumas tests, estimate protein levels by measuring the nitrogen content. These tests cannot distinguish between nitrogen from protein and non-protein sources which can be misled by adding nitrogen-rich compounds such as melamine to the
food (Cui, 2008). Therefore, melamine was illegally added to raw milk to increases the apparent protein content as measured with tests.

The symptoms and signs of melamine poisoning including irritability, blood in urine, little or no urine, signs of kidney infection and high blood pressure (World Health Organization, n. d.).

This was not the first time melamine was found added to food. Previously, in 2007, melamine also was found in exported Chinese pet food and blamed for the deaths of thousands of domestic cats and dogs in the United States (World Health Organization, 2008b).

After the initial focus on the Sanlu Group, Chinese government inspections revealed the problem existed to a lesser degree in products from 21 other dairy manufacturers across the country in a report released on September 16, 2008 (South China Morning Post, 2008a). Mengniu was among those named for having milk powder samples that tested positive for melamine. Trading in Mengniu shares on the Hong Kong Stock Exchange was suspended on September 17, 2008 (Cheung, 2008). The next day, contamination (melamine) was also found in Mengniu’s liquid milk (South China Morning Post, 2008b).

Mengniu declared that it knew nothing about the event and the problem was caused in part of the supply chain—the small milk collection centers. In Mengniu’s case, dairy farmers have a contract to supply milk to Mengniu through third-party collection
centers, which also are contracted to Mengniu. Then the collection centers transport fresh milk by sterilized tank trucks to the Mengniu plant for processing. Melamine was added to the milk to increase sales and profit in the small milk collection centers (Wang & Guo, 2008).

In the whole milk scandal, the proliferation of small milk collection stations was declared to be one of the main reasons to be blamed for by dozens of dairy milk companies, including Mengniu. Adding melamine to milk has been a “hidden practice” in the Chinese dairy industry.

Although Mengniu recalled the tainted milk products and apologized to the public (even though it declared it knew nothing about it), the melamine scandal still severely eroded Mengniu’s consumer and investor confidence. Angry customers stopped purchasing its milk products and disappointed investors dumped its shares. Moreover, Mengniu was stripped of its status as “China Top Brand” by General Administration of Quality Supervision, Inspection and Quarantine of People’s Republic of China on September 19, 2008 (General Administration of Quality Supervision, Inspection and Quarantine of People’s Republic of China, 2008). The products titled “China Top Brand” means the quality, market share, recognition, and consumer satisfaction of the products take the lead among comparable domestic products (General Administration of Quality Supervision, Inspection and Quarantine of People’s Republic of China, 2009).
On September 23, 2008, the first trading day after the Chinese government revealed Mengniu produced melamine-tainted milk, the value of its stock shares dropped more than 60% (Wang, 2008). And Mengniu said in an announcement that it suffered a loss of more than 900 million yuan (about US$129 million) largely from inventory write-offs, a plunge in sales and extra expenditures on crisis damage control in 2008 (Ying, 2009).

To prevent a hostile takeover, Niu, chairman of Mengniu at the time, wrote a 10,000-word letter with a title “A letter from Niu Gensheng to Directors of the China Entrepreneur Club and the Classmates in Cheung Kong Graduate School of Business” to some Chinese entrepreneurs (including Chuanzhi Liu—chairman of the board of Lenovo and Yun Ma—Chairman and CEO of Alibaba Group) in October 2008 and it was reported extensively to the public by the Chinese media in November 2008.

That letter mainly told about the cause and effect of the Mengniu’s milk crisis, measures taken by Mengniu for guaranteeing the food safety, and the promotion of the stabilization of the dairy market after the melamine event. It also expressed Niu’s regret for the crisis and appreciation for the help of his friends. He said in the letter that Mengniu had gained much support from other Chinese companies, including appliance maker Lenovo, which has lent 200 million yuan (US$29 million) to Mengniu (Ying, 2009). This letter resulted in hot discussion across China. In July 2009, Mengniu sold a 20% stake to a consortium led by state-owned China National Oils, Foodstuffs, and
Cereals Corporation (COFCO), China’s largest importer and exporter of food. Not only did that sale make the state become the largest shareholder, but also indicated that Mengniu had gained the support of the state and the financial crisis led by milk crisis was over (*China Daily*, 2009).

*The Role of Chinese Newspapers*

During the year after the first disclosure of the milk scandal, Chinese dairy manufacturers related to the tainted milk, including Sanlu, Yili, and Mengniu, received massive media coverage. The Chinese media, such as newspapers, television, and radio, announced the details of product recall and the processes for the public to follow. They also provided a lot of fast and accurate information concerning the milk crisis and public health. It is not hard to notice that the role of newspapers has been changed. In the past three decades, China witnessed dramatic economic, political, and social changes. As a result of these changes, Chinese newspapers are “now going beyond the horizons of the Communist concept of the press” (Ke, 2010, p. 44).

Historically, being the Party’s instrument was the unique function of Chinese newspapers. In the early period of newspaper development, Zedong Mao, the former supreme leader of the Communist Party of China, put forward that “provincial newspapers should organize, encourage, agitate, criticize, and promote provincial work to the people,” but he never mentioned “the press functions of conveying information, cultivating knowledge, or providing entertainment” (*Li*, 1994, p. 229).
However, later, Xiaoping Deng, another former Chinese chairman, promoted the open door policy and led China towards a market economy. Along with such a policy, while continuing to stand for the voice of the government, Chinese newspapers today have largely evolved to a multicultural media with multiple functions including providing news, information, knowledge, entertainment, opinion, and so forth (Huang, 2003; Zhao, 1998). Contemporary Chinese print newspaper media play double roles as the Party-government instrument and the profit-marker for their economic survival (Ke, 2010; Zhao, 1998, 2000). Furthermore, many major newspapers in China, such as People’s Daily, Beijing Times, Shanghai Morning Post, have gone online. Therefore, the public is able to pay a close attention to the crisis, as well as review the event whenever they like on web media.
Chapter 2

Literature Review

To accomplish the purpose of this study, a general description of public relations and its development in China, crisis, crisis management, and crisis management strategies, as well as a discussion of the use of product recall and apology were developed. And five research questions were posed.

Public Relations and Its Development in China

The modern practice of public relations first came under serious study in the United States in the early 20th century. Since then, public relations has been defined in many ways by scholars and public relations practitioners, and those definitions often evolve alongside with the growth of public relations industry.

Edward L. Bernays (1923), who is widely recognized as the “father of public relations,” first coined the phrase “public relations counsel” and described public relations in his book, *Crystallizing Public Opinion*, as “information given to the public, persuasion directed at the public to modify actions and attitudes, and efforts to integrate attitudes and action of an institution with its public and of publics with those of the institution” (p. 9).

Many early period public relations professionals sparked interest in the field of public opinion (e.g., Brown, 1937; Dale, 1939; Griswold, 1937). They proposed that public relations served as a key means in creating, shaping and influencing public
opinion. While the earliest definitions of public relations centered around the practice of publicity and the manipulation of public opinion, more modern definitions incorporate concepts of mutual communication and relationship building.

Rex Harlow (1976), a pioneer public relations educator, came up with a definition after conducting a study in which he compiled more than 500 different definitions of public relations from almost as many sources:

Public relations is a distinctive management function which helps establish and maintain mutual lines of communication, understanding, acceptance and cooperation between an organization and its publics; involves the management of problems or issues; helps management keep informed on and responsive to public opinion; defines and emphasizes the responsibility of management to serve the public interest; helps management keep abreast of and effectively utilize change, serving as an early warning system to help anticipate trends; and uses research and sound ethical communication techniques as its principal tools. (p. 36)

Compared to Harlow’s (1976) description, the Public Relations Society of America (PRSA), the world’s largest and foremost organization of public relations professionals, developed a more concise definition in 1982 to present the significance of mutual communication and relationship building in the practice of public relations.

PRSA posed that “public relations helps an organization and its public adapt mutually to each other” (n. p.).
The concepts of mutual communication and relationship building are also emphasized by public relations scholars. Grunig and Hunt (1984) stated that public relations was the “management of communication between an organization and its publics” (p. 94). Cutlip, Center, and Broom (2000) described public relations as “the management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends” (p. 6). Guth and Marsh (2003) defined public relations as “the value-driven management of relationships between an organization and the publics that can affect its success” (p. 12).

The definitions developed by the above scholars emphasized the management function of public relations as well. Although they might hold some different views on the definition of public relations, the notion that public relations is an essential and necessary management function within organizations, which significantly contribute to organizational goals and decision making, is approved widely by scholars and practitioners.

While public relations took root in United States more than one hundred years ago, this new profession merely flourished in China in the last two decades. Nonetheless, public relations is pushing forward at a rapid pace in China. As Wilcox and Cameron (2006) believed, “China has the fastest-growing public relations market in the world” (p. 4). Toward the end of the 1990s, there were 1,200 PR firms with a combined workforce of 30,000 to 40,000 people, 5,000 to 6,000 of which were professionals (Strenski & Yue,
As a senior Chinese public relations professional stated in a 2006 Chinese government report, “The public relations industry in China has maintained an annual growth rate of more than 30% over the past two years thanks to China’s rapid economic growth and growing exchanges with foreign countries” (Embassy of the People’s Republic of China in the United States of America, n. p.).

The annual volume of China’s public relations business has reached 6 billion yuan (about US$857 million) in 2005 (Embassy of the People’s Republic of China in the United States of America, n. p.). The economic power from the rapid growth of public relations industry is noticeable.

Black (1990) noted that Western style modern public relations practice was first introduced in China by some of the foreign and joint venture enterprises in the Shenzhen Special Economic Zone (just north of Hong Kong) in 1981. Then, it was soon appearing from the South to the North in China.

As early as 1985, Hill & Knowlton and Burson-Marsteller set up their first subsidiaries in Beijing. By 1997, there are three more American public relations firms in Beijing: B&B International, Edelman Public Relations, and Fleishman Hillard (Hackley & Dong, 2001). Today top multinational public relations firms in China providing advice and services in marketing, customer relations, and communication for businesses are: Ogilvy & Mather Worldwide; Edelman Global Public Relations; Burson-Marsteller; Hill & Knowlton; Ruder Finn; Weber Shandwick and so forth.
In terms of the local Chinese public relations firms, they started to bloom in the late 1990s. By 2006, there were more than 2,000 domestic public relations firms in mainland China, almost five times the number of multinational public relations firms in the nation (Ritchey, 2000). Examples of top Chinese public relations firms are Blue Focus; Marketing Resource Group, China Global Public Relations; Broadcom Consulting and so forth.

In spite of the large number of local public relations firms, the public relations practice in China is still developing.

The majority of local public relations services are still limited to event management, press conference hosting, and basic media relations, rather than providing strategic consulting (Jin, 2010). Furthermore, Yan Jin (2010) stated:

By 2007, among the Fortune 100 Chinese Corporations, only about 30 had specifically designated departments dealing with public relations and corporate communications, according to their official websites. The names vary from public relations, human resources, external relations, strategic development, to communications, public affairs, and sales management. (p. 150)

And although in Black’s (1990) view, China has adopted the similar definitions and functions of public relations as accepted in the United States and Europe, there are still some Chinese people, just like Americans in its early period of public relations development, who simply regard public relations as another type of propaganda,
advertising, or just the work of etiquette and reception. Sometimes they even use public relations as a pejorative term (Jin, 2010).

The public relations profession in China casts a broad net. Its scope and goals range from developing positive images for businesses, generating new product publicity, planning promotion campaigns, providing business consulting services, coordinating programs and services for government agencies, providing crisis management expertise, organizing social welfare activities and so forth (Strenski & Yue, 1998; Wu, 2002).

In recent years, to respond to the government’s advocacy and the consumers’ calling for more socially responsible companies, more Chinese corporations intend to reach out to communities by social welfare activities. “Corporate Social Responsibility (CSR) has become one of the hottest topics among Chinese public relations practitioners,” as stated by Jin (2010, p. 153).

Corporations are generally in agreement on the growing importance of CSR and have started to work with non-profit organizations, business partners, clients, or government on public affairs and social issues such as education, poverty, public health, and environment. Corporate social welfare activities for 2008 Sichuan earthquake was a vivid example of CSR in practice.

And, along with the food and product safety crises grabbing headlines on the newspapers, Chinese companies should place more emphasis on corporate social responsibility, which serves as one of the important public relations functions and might
help companies to polish their images—brand themselves as responsible and trustworthy companies. In sum, public relations is playing an increasingly important role in China today, accompanied by numerous new challenges and opportunities.

*Crisis, Crisis Management and Crisis Management Strategies*

The notions of crisis and crisis management have received enormous attention in the public relations literature. Pauchant and Mitroff (1992) defined a crisis as “a disruption that physically affects a system as a whole and threatens its basic assumptions, its subjective sense of self, its existential core” (p. 12). Barton (1993) refined the terminology even further, putting forward that “a crisis is a major, unpredictable event that has potentially negative results. The event and its aftermath may significantly damage an organization and its employees, products, services, financial condition, and reputation” (p. 2). A similar view is held by Coombs (1999), who wrote that a crisis was “an unpredictable, major threat that can have a negative effect on the organization industry or stakeholders” (p. 2). In Chinese culture, what seems to be more interesting to scholars is that the Chinese word for crisis is composed of two characters: one representing danger and the other opportunity.

Based on various definitions, the essence of a crisis can be revealed by scholars. Holsti (1978) noted that a crisis is a situation “characterized by surprise, high threat to important values, and a short decision time” (p. 41). Seeger, Sellnow, and Ulmer (1998) described it as a “specific, unexpected, and non-routine” event (p. 233).
However, crises are not always unexpected. One study conducted by the Institute for Crisis Management, an international public relations company, documented that while one-third of business crises were unexpected, the rest were all “smoldering crises” (Institute for Crisis Management, 2008). In other words, two-thirds of crises were “the kind of issues and problems that could be spotted and fixed” before they became a public issue (Institute for Crisis Management, 2008).

Guth and Marsh (2005) summarized a series of traits of a crisis and assumed that a crisis must contain some or all of these elements: A crisis, pointed out by Guth and Marsh (2005), might be stressful, disruptive, dangerous, predictable, public, escalating, and pivotal. The characteristic of “public” refers that crises often happen within full view of important stakeholders. “Escalating” means “the challenges may start with just a trickle that left unattended or subjected to an inappropriate response could quickly degenerate into a flood” (p. 296). And the last characteristic—“pivotal”—indicates that a crisis is a dialectic challenge to any organizations. The resolution of a crisis is with potential for an outcome that is either positive or negative (or both), which can serve as the best explanation to the construction of the Chinese word crisis—danger and opportunity.

Although plenty of adjectives are employed by scholars to describe the essence of a crisis, there is a general agreement upon its structure. According to Fink’s (1986) framework of crisis stage analysis, all crises follow a predictable four-phase pattern,
comprising of the prodromal crisis stage, the acute crisis stage, the chronic crisis stage, and the crisis resolution stage. This approach offers a comprehensive and cyclical view of a crisis. The *prodromal crisis stage* is a warning stage that the clocking is ticking. Organizations have an ability to be proactive and even avoid potential trouble if they are aware of the signs. The *acute crisis stage* refers to a point of no return—the outbreak of the crisis. At this moment, some damage will be done and how much remains to be seen. The *chronic crisis stage* is known as the “clean-up phase,” a reaction period that features steps taken to resolve the crisis. And the last stage—*crisis resolution*—refers to a time things return to normal, which might be a new normal.

To avoid a negative outcome in a crisis, there is no doubt that crisis management is the key. Fearn-Banks (2002) defines crisis management as “… a process of strategic planning for a crisis or negative turning point, a process that removes some of the risk and uncertainty from the negative occurrence and thereby allows the organization to be in greater control of its own destiny” (p. 2). Coombs (2007a) noted that crisis management is a process created to “prevent or lessen the damage a crisis can inflict on an organization and its stakeholders,” and it contains three phases: pre-crisis, crisis response, and post-crisis (n. p.).

In crisis management, a crisis communication plan and crisis management team allow organizations to react faster and more effectively to prepare for dealing with a crisis. Although they are not exactly the same for each organization, they are created and
formed in accordance with some similar direction by these organizations. For instance, an effective crisis communication plan should contain these key components: “who is the crisis manager,” “who is on the crisis management team,” “where is the emergency operations center,” “where is the media information center,” and “how will you communicate with all stakeholders?” (Guth & Marsh, 2005, p. 299). And an organization’s crisis team usually consists of financial experts, attorneys, public relations professionals, technical experts, and support personnel (Guth & Marsh, 2005).

In contrast to the crisis communication plan and the crisis management team, crisis management strategies are more varied and complicated. Various strategies have been identified and evaluated in crisis management analyses. Five major strategies are introduced to a crisis by Benoit (1995), including (1) denial, (2) evading responsibility, (3) reducing offensiveness, (4) corrective action, and (5) mortification. To repair reputation after a crisis, Coombs (2007b) arranged some crisis major responses and provided a more detailed list from the most defensive to the most accommodative. They are: (1) attack the accuser, (2) denial, (3) scapegoat, (4) excuse, (5) justification, (6) reminder, (7) ingratiation, (8) compensation, and (9) apology. Lee (2004) also presented six crisis responses that usually appeared in the crisis events in Hong Kong (which could be considered representative to Chinese culture), including (1) shifting the blame, (2) minimization, (3) no comment, (4) compensation, (5) corrective action, and (6) apology.
Product Recall and Apology

A crisis often creates three related threats—public safety, financial loss, and reputation loss—which can bring potential damage to an organization, its stakeholders, and an industry (Coombs, 2007a). Coombs (2007a) noted that, inasmuch as “injuries or deaths will result in financial and reputation loss while reputations have a financial impact on organizations,” all three threats are “interrelated” and public safety should be the primary concern in a crisis management (n. p.).

Therefore, once a crisis occurs, crisis management strategies should be employed first to protect the public from the crisis and to help it cope psychologically with the crisis, which also serves as an essential means to restore the organization’s reputation.

Research conducted by Lee (2004) reaffirmed the notion that “the crisis response is as pivotal as the crisis cause in the audience’s eye” (p. 604). In order to protect a reputation after a crisis that involves problem products, apology and product recall should be employed as crisis responses by organizations to show their responsibility and concern to the public safety.

Undoubtedly, in a crisis created by problem products, product recall is a necessary organizational response and it often occurs under government supervision in China. That is the basic requirement in relation to the safety issue. The Food Safety Law of the People’s Republic of China issued by The Central People’s Government of the People’s Republic of China (2009) has specific requirements in regard to product recalls. Article
53 of the Food Safety Law states that:

Where a food producer finds that any food it produces does not conform to the food safety standards, it shall promptly stop the production, recall all the food already placed on market for sale, notify the related producers, business operators and consumers and record the recall and notification information.... The food producer shall make remedies to, make innocuous disposal of, destroy or take other measures against the recalled food, and report to the quality supervision department at or above the county level the information about the recall of food and about disposal of the recalled food. (n. p.)

In terms of apologies, many previous scholars posed that the use of apology to salvage a reputation was a preferred strategic option in crisis communications (e.g., Bradford & Garrett, 1995; Dean, 2004). An apology is a form of acceptance of crisis responsibility, which makes an organization more honorable and enables it to reduce the likelihood of negative responses (Coombs, 1999; Lee, 2004). In contrast, an organization’s attempt to deny its fault in a crisis could be a fatal mistake in many public relations practitioners’ eyes (Lee, 2004).

Despite the fact that an apology impacts positively in a corporate crisis, some scholars assume that its function is over-emphasized. Coombs and Holladay (2008), for instance, used an experimental design to clarify the role and value of apology in crisis communication. They argued that “too often the value of an apology is established by
comparing how people react to an apology and to other less victim-centered / accommodative responses” and that is “unfair” (Coombs & Holladay, 2008, p. 252). They compared apology to other crisis response strategies, such as sympathy and compensation, and found that people reacted similarly to those. Their discovery suggested that “apology is not the best strategy” (Coombs & Holladay, 2008, p. 252).

Huang (2008) examined trust and relational commitment in corporate crises and put forward a notion that a timely, consistent, and active response is more powerful than denial, diversion, excuse, justification, and concession strategies in predicting trust and relational commitment. She found that other forms of crisis response might be more effective than offering an apology in a crisis situation.

Further, an apology can be used as evidence in court that might lead the organization to lose a lawsuit and cause great financial loss for an organization (Coombs & Holladay, 2008). Hence, whether a full apology will be the most accommodative strategy in a crisis remains a matter of debate. Under modernization of production, the process of food production and the supply chain of food are more complicated than before. In some cases (like Mengniu’s milk crisis), the crisis responsibility of the food company remains unclear. Whether a food company should offer an apology and whether the apology and a product recall are enough to save the reputation of a company are a series of complex questions worth further researching.
Research Questions

“Food is essential, and safety should be a top priority. Food safety is closely related to people’s lives and health, economic development, and social harmony,” said Chinese Vice premier Keqiang Li at a State Council meeting in Beijing in 2010 (Xinhua, 2010). Inasmuch as food safety exerts significant influence on development and harmony of a country, a food safety crisis can cause serious damage—human illness and death, financial loss, and reputation loss—even disaster to the whole food industry and the country. Since it is so “pivotal,” on the other hand, it can be converted into an opportunity of food enterprise development—become better equipped to meet social and technical challenges, and to increase consumer trust in their food products—through positive interactions when it has come (Guth & Marsh, 2005).

Highlighting the 2008 Mengniu Dairy milk scandal as an important public issue, the first objective of this study is to analyze how the newspapers evaluated Mengniu’s crisis management strategy in the Chinese milk scandal. In a crisis, “the media can be a valuable ally or an enormous headache” (Doeg, 2005, p. 75). No one involved in crisis management today can afford to ignore the impact and widespread tentacles of media. Newspapers remain strong in China with hundreds of millions of readers (Scotton & Hachten, 2010). And media discourse is a central point of concern, for it helps to shape the event and focus public attention to a certain issue (Hilgartner & Bosk, 1988). From this standpoint, the first two research questions for this study are:
RQ1: How did the newspapers evaluate Mengniu and Mengniu’s crisis management in the 2008 Chinese milk scandal in terms of the tone of the articles? (Is it positive, neutral, or negative?)

RQ2: What was the concentration of newspapers’ attention during the milk crisis?

Since modernization, the Chinese process of food production and its link to food distribution is much more complicated than before. When a food safety crisis comes, the crisis responsibility can be ambiguous, such as 2008 Mengniu’s milk crisis. The milk safety problem was claimed to be caused by third-party raw milk suppliers (the milk collection centers) rather than the dairy manufacturer Mengniu.

According to the attribution framework in psychology (Kelley, 1972; Weiner, 1995), individuals seek causal explanations of the events they encounter. Along with the application of attribution theory to crisis management, Coombs (1995) assumed that people searched for a cause of an event and tended to assign responsibility for an event, especially events that are sudden and negative. Crises, more often than not, possess those two characteristics so they create attributions of responsibility (Coombs, 1995). Therefore, what role did Mengniu play in the milk crisis? Victim, accomplice, or chief offender? And, who else should take the responsibility in addition to the raw milk suppliers? Those might be the questions in people’s minds after the breakout of milk crisis and a clear understanding might help to find out what crisis response is best for the milk manufacturer.
The third research question seeks to provide a suggested answer from Chinese newspapers to solve this puzzle:

**RQ3:** According to newspapers coverage, which organization or group should take (1) responsibility and (2) the primary responsibility for the Mengniu’s milk crisis?

During a crisis period, crisis management is the key tool for public relations professionals to minimize the damage and accelerate positive interactions. The 1982 Johnson & Johnson’s Tylenol tampering crisis can serve as a vivid instance—turning crises into opportunities—in terms of drug safety and it remains as an outstanding crisis management case in many public relations textbooks, academic literature, and news coverage (e.g., Benson, 1988; Guth & Marsh, 2005; Seitel, 1994, 2004). If crisis management fails (e.g., Sanlu Group), it can result in serious harm or even end the organization’s very existence (Coombs, 2007a).

Since crisis management is so important, various sets of strategies have been well developed and evaluated in previous scholars (e.g., Benoit and Coombs). Confronted with a crisis such as the Mengniu milk scandal that endangered the public health and possessed ambiguous crisis responsibility, the strategies that apology and product recall might not be able to draw media attention and yield a positive outcome. Under a situation like this, seeking the appropriate crisis strategies are the task of public relations professionals.
Thus, the last two research questions examined Mengniu’s crisis management strategies in the context of newspapers coverage:

RQ4: Did newspapers cover Mengniu’s (1) apology and (2) product recall?

RQ5: In terms of newspapers, (1) which crisis management strategies should Mengniu Dairy have avoided during the milk scandal? (2) which crisis management strategies should Mengniu Dairy have employed during the milk scandal in addition to an apology and product recall?
Chapter 3

Methodology

A content analysis of articles on Chinese print newspaper media Web sites was employed to examine the crisis management strategies of Mengniu Dairy and media perspectives on the Mengniu milk scandal. Content analysis is the study of recorded human communications, such as books, magazines, newspaper, websites, paintings, letters, and so forth (Babbie, 2007). As a research method, Stacks (2002) argued that content analysis “enables us to look at qualitative data in a quantitative manner” (p. 107).

Sampling Design

The sample and unit of analysis for the study were the full reports and complete articles of ten influential and representative Chinese daily newspapers for a twelve-month period from September 11, 2008, when the Sanlu milk scandal was first brought to light by the Chinese news media (the beginning of prodromal stage of Mengniu milk crisis), to September 10, 2009. Newspaper articles were retrieved directly from ten newspapers’ online archives. Data were collected for a full one-year period to track and evaluate the crisis from the news coverage through employing Fink’s (1986) crisis stage analysis framework.

The *People’s Daily* is an organ of the Central Committee of the Communist Party of China (CPC) that generally provides direct information on the policies and viewpoints of the Party. It was one of the newspapers to study because it represents the voice of CPC
and is among the most influential and authoritative newspapers (current daily circulation 3 million) in China (Chang, 1989; People’s Daily Online, n. d.)

The other nine daily newspapers are published in three large Chinese cities—Shanghai, Beijing, and Guangzhou—with three selected from each city, because they are more innovative and competitive, which ensures that they can provide original, accurate, and the latest news and opinion. Shanghai, Beijing, and Guangzhou were chosen because they are among the largest in population and the largest markets with the largest total gross domestic product (Dube, n. d.). In cities with the largest economic power, media competition is fierce. Therefore, the media must meet public demands for accurate, up-to-date, detailed news from many perspectives in order to attract and retain readers.

According to the list of world’s 100 largest newspapers compiled by World Association of Newspapers (2005) and daily observation (in the context of absence of an authoritative auditing body for print newspaper media in China), the major daily newspapers in Shanghai are Xinmin Evening News, Shanghai Morning Post, and Shanghai Evening Post. In the Beijing area, the top dailies are the Beijing Evening News, Beijing Times, Legal Mirror, Beijing News, and Beijing Youth Daily. In Guangzhou, the Guangzhou Daily, Southern Metropolis Daily (Nanfang City News), Yangcheng Evening News, News Express, and Information Times are the top-ranked newspapers by circulation.
The print newspaper media had to satisfy four conditions to remain in the study. The newspapers that did not meet those criteria were eliminated and other newspapers were chosen instead. The four requirements are (1) the coverage of newspaper is not specifically aimed at a single perspective, such as entertainment or law, (2) the newspaper must have a Web site, (3) the Web site must have an article search tool, and (4) the articles published from September 11, 2008, to September 10, 2009, could be searched via the Web site’s search engine.

Based on these criteria, the nine print newspaper media included in the study from Shanghai, Beijing and Guangzhou were identified. The newspapers were *Xinmin Evening News, Shanghai Morning Post, Shanghai Evening Post, Beijing Evening News, Beijing Youth Daily, Beijing News, Guangzhou Daily, Southern Metropolis Daily,* and *Information News.*

News articles were collected from the ten chosen Web sites of Chinese newspapers’ by searching both Chinese words, 蒙牛 (Mengniu) and 三聚氰胺 (melamine), in the full article. When searching, articles that were repeated, articles from other print newspaper media, and articles that bore little relevance to Mengniu and the 2008 melamine milk crisis (e.g., the articles chiefly concerning the Sanlu Group in the milk crisis, or Mengniu OMP—osteoblast milk protein—case in February 2009) from the same newspaper Web site, were eliminated. Repetitive articles from different newspaper Web sites were retained. The print newspaper media might excerpt articles from other
media or information might came from the same source (e.g., the Chinese government milk test result) from Xinhua News Agency, the largest organ of the Central Committee of the Communist Party of China (Scotton & Hachten, 2010).

A total of 253 articles were collected. Table 3.1 presents the distribution of news coverage by print newspaper media and by news source.

Table 3.1 Distribution of News Coverage by Print Newspaper Media and by News Source

<table>
<thead>
<tr>
<th>Newspaper</th>
<th>In-house</th>
<th>Xinhua</th>
<th>Other</th>
<th>Combination a</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>People’s Daily</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>18</td>
</tr>
<tr>
<td>Shanghai</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Xinmin Evening News</td>
<td>7</td>
<td>8</td>
<td>2</td>
<td>0</td>
<td>17</td>
</tr>
<tr>
<td>Shanghai Morning Post</td>
<td>13</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>17</td>
</tr>
<tr>
<td>Shanghai Evening Post</td>
<td>8</td>
<td>9</td>
<td>2</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Beijing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beijing Evening News</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>13</td>
</tr>
<tr>
<td>Beijing Youth Daily</td>
<td>29</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>36</td>
</tr>
<tr>
<td>Beijing News</td>
<td>12</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Guangzhou</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guangzhou Daily</td>
<td>37</td>
<td>7</td>
<td>4</td>
<td>0</td>
<td>48</td>
</tr>
<tr>
<td>Southern Metropolis Daily</td>
<td>29</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>36</td>
</tr>
<tr>
<td>Information Times</td>
<td>23</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td>Total</td>
<td>180</td>
<td>47</td>
<td>23</td>
<td>3</td>
<td>253</td>
</tr>
</tbody>
</table>

Note. aCombination source denotes that the article originated from two or more press agencies or relevant organizations.
Operationalization

The newspaper name and source were recorded by the researcher. In addition to publication date, each news coverage that met the selection criteria was coded and submitted to content analysis for following variables (see Appendix for the code book): the stage of the crisis, the tone of the article, primary focus, responsible party, major responsible party, apology mentioned, product recall mentioned, negative strategy, and potential strategy. These variables and categories under each variable are operationalized as follows:

- **Stage of the crisis:** The stage of the Mengniu’s milk crisis when the article was published (according to Fink’s [1986] crisis evolution, a four-phase pattern). Utilizing Fink’s framework to analyze the Mengniu’s milk scandal during a one-year period, the scandal can be divided into these four stages: (1) The prodromal crisis stage from September 11, 2008, to September 15, 2008; the period after the disclosure of Sanlu milk scandal and before outbreak of the Mengniu’s milk crisis. (2) The acute crisis stage from September 16, 2008; the day Chinese government inspections revealed the problem existed to a lesser degree in Mengniu’s dairy products, to September 17, 2008, the day Mengniu’s milk scandal was reported widely by the press. (3) The chronic crisis stage from September 18, 2008, to July 5, 2009. That was the period when Mengniu tried to
regain public’s and Chinese enterprisers’ trust and support to go through the financial crisis led by the milk scandal (e.g., appliance maker Lenovo lent 200 million yuan [about US$29] to Mengniu). And (4) the crisis resolution stage, the period after July 6, 2009, the day that a consortium led by state-owned China National Oils, Foodstuffs, and Cereals Corporation announced its decision to purchase a 20% stake from Mengniu. It indicated that the state would support the development of Mengniu and end Mengniu’s dangerous financial situation due to the milk crisis.

• **Tone of the article:** The general feelings, attitudes, or presuppositions toward Mengniu’s milk scandal or Mengniu’s crisis management expressed in the article. Articles were categorized as three kinds of tone: (1) positive; (2) neutral; and (3) negative. Positive tone was coverage that expressed a confident attitude, agreement, or support of the subject Mengniu. Words that often appear in such articles included succeed, confident, trust, reassure and upward. Negatively toned stories were those that expressed a bad or harmful attitude to the subject Mengniu. Common language accompanying negative articles included disappointed, fear, lose confidence, doubt, fail, angry, and so forth. Coverage with neutral tone was defined as an unbiased report with a neutral manner to addressing a
matter of public concern (Bowles, 1989). For instance, an article that simply reported the China government milk test results or the action of government or Mengniu is regarded as in a neutral tone.

- **Focus**: The subject or theme that authors paid special attention to. The highlights of the article were categorized as (1) finance (including the stock market and the sales market); (2) milk manufacturers’ response or action (e.g., Mengniu’s product recall, apology and so forth); (3) the government’s response or action (e.g., stepping up inspection program, arresting offenders, or formulating dairy safety regulations); (4) the public’s response or action (e.g., expressing anger, drinking soymilk instead of milk, or purchasing foreign formula online); (5) the business partners’ or retailers’ response or action (e.g., the ceasing of sale or use of milk products or the illegal sale or use of milk products); (6) crisis responsibility, social responsibility, or ethic; (7) milk source and technology of dairy products (e.g., pasture, raw milk base, or protein quantification method); (8) melamine (including medical complication caused by melamine); (9) milk farmers (e.g., milk farmers’ life after milk crisis); and (10) other.

- **Responsible party**: The party blamed in the crisis, which should take actions to make amends for its fault. The parties were categorized as (1)
Mengniu; (2) milk farmers; (3) milk collection centers; (4) celebrity spokespersons; (5) food associations; (6) the Chinese government; (7) other; and (8) no mention.

- **Major responsible party:** The party blamed chiefly in the crisis, which should take more actions to make amends for its fault. The parties were categorized as (1) Mengniu; (2) milk farmers; (3) milk collection centers; (4) celebrity spokespersons; (5) food associations; (6) the Chinese government; (7) other; and (8) no mention.

- **Apology mentioned:** Whether Mengniu’s apology was mentioned in the article. For instance, if the article mentions that Mengniu offered an apology or the 22 dairy manufacturers that produced contaminated milk products issued a joint statement and apologized for the milk crisis, the article was coded, “yes.”

- **Product recall mentioned:** Whether Mengniu’s product recall was mentioned in the article. Articles that refer to the ceasing of sale or use of milk products by Mengniu’s business partners and retailers were not regarded as directly mentioning Mengniu’s product recall.

- **Negative strategy:** The categories were adapted from Coombs’s (2007b) crisis communication strategies and include (1) excuse; (2) justification; (3) making use of consumer nationalism; (4) other; and (5) no mention.
Excuse denoted that the milk manufacturer tried to minimize its responsibility for the crisis by denying intent to do harm or claiming incapacity to manage the events that trigged the milk crisis (e.g., contaminated milk was the result of small milk centers’ and farmers’ action, Mengniu knew nothing about the crime, or Mengniu meant to keep the products safe but lack of control of the whole event). Justification referred a notion that Mengniu tried to minimize the milk crisis with a statement that little serious damage caused by their dairy products. Making use of consumer nationalism referred that Mengniu claimed it to be a nation enterprise and tried to invoke consumers’ national identities to gain their support and trust again.

- Potential strategy: The categories were adapted from Coombs (2007b, 2007a) crisis communication strategies, including (1) ingratiation; (2) being proactive before crises come; (3) more corrective actions; (4) more compensation; (5) providing a constant flow of information; (6) showing more social responsibility; (7) other; and (8) no mention. Ingratiation denoted that the actions Mengniu taken to appease the public involved, such as sales promotion, giving out free samples, and so forth. Being proactive before crises come meant that in the prodromal crisis stage Mengniu should take some positive actions (e.g., do more test on their
dairy products). More corrective actions indicated that more action aim at repairing the damage and preventing the reoccurrence of the same problem should be taken by Mengniu. More compensation implied that more monetary compensation should be provided to consumers. Providing a constant flow of information included the open and transparent control-problem-product measures. Showing more responsibility included the donation to the charitable organizations, volunteer programs, and so forth.

Coding and Reliability

Two coders, the author and a Chinese public relations graduate student at the University of Miami, coded the newspaper articles. Both possessed native primary speaking and reading ability in Chinese. The coders received three hours of training with the coding procedures. After training, a pretest was conducted to troubleshoot potential problems. The coders independently coded (a random sample of 20% of the articles) to establish intercoder reliability. Holst’s coefficient (1969) was calculated and resulted in a reliability coefficient of .90 (Stacks, 2002).

Data Analysis

All data were entered into SPSS 16.0 for Windows for analysis.
Chapter 4

Results

By coding 253 articles from ten Chinese newspapers’ Web sites from September 11, 2008, to September 10, 2009, the distribution of news coverage by news source and the results of five research questions were posed.

While one of the Chinese newspapers—the People’s Daily—is a national organ of the Central Committee of the Communist Party of China, the other nine are published in three large Chinese cities—Shanghai, Beijing, and Guangzhou. Of the 253 articles, 180 (71.1%) originate from an in-house source, followed by 47 (18.6%) from Xinhua News Agency, 23 (9.1%) from other press agencies or relevant organizations (e.g., Mengniu), and 3 (1.2%) from two or more press agencies or relevant organizations (see Table 4.1).

Table 4.1  Distribution of News Coverage by News Source

<table>
<thead>
<tr>
<th>News Source</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-house</td>
<td>180</td>
<td>71.1</td>
</tr>
<tr>
<td>Xinhua</td>
<td>47</td>
<td>18.6</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>9.1</td>
</tr>
<tr>
<td>Combination*</td>
<td>3</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>253</td>
<td>100</td>
</tr>
</tbody>
</table>

*Combination source denotes that the article originated from two or more press agencies or relevant organizations.
Research Question 1

The first research question analyzed how the newspapers evaluated Mengniu or Mengniu’s crisis management in the milk scandal in terms of the tone of the articles (positive, neutral, or negative). The result of the coding (see Table 4.2) showed that more than three-fourths of the news coverage (81.8%) reported Mengniu or Mengniu’s crisis management in a neutral tone. In the remaining articles, the presence of negatively toned coverage (12.6%) was approximately twice as prevalent as that of positively toned stories (5.5%).

Table 4.2  Distribution of News Coverage by Tone

<table>
<thead>
<tr>
<th>Tone of News Coverage</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>14</td>
<td>5.5</td>
</tr>
<tr>
<td>Neutral</td>
<td>207</td>
<td>81.8</td>
</tr>
<tr>
<td>Negative</td>
<td>32</td>
<td>12.6</td>
</tr>
<tr>
<td>Total</td>
<td>253</td>
<td>100</td>
</tr>
</tbody>
</table>

Note. $X^2 (df=2) = 269.56$, $p<.001$. The distribution is significant.

To further analyze this research question in a crisis timeline, Figure 4.1 showed that Mengniu had the most news coverage relevant to the milk crisis ($n=138$ [4 in positive tone, 126 in neutral tone, and 8 in negative tone]) in the first month since the disclosure of Sanlu’s milk crisis (September 11, 2008). The second month (October 11, 2008—November 10, 2008) followed the first month with 54 articles (2 in positive tone, 38 in neutral tone, and 14 in negative tone).
The news coverage for these two months accounted for 75.9% of the total 253 articles for the one-year period. Furthermore, no matter which month the articles were published in, the number of articles with neutral tone was not lower than that of positively toned or negatively toned articles.

![Tone of News Coverage in Twelve Months (September 11, 2008—September 10, 2009)](image)

**Figure 4.1  Tone of News Coverage in Twelve Months (September 11, 2008—September 10, 2009)**

Utilizing Fink’s (1986) framework of crisis stages to analyze the news coverage yielded a similar result. In the acute, chronic, and resolution crisis stages, the number of articles with neutral tone to Mengniu or Mengniu’s crisis management was higher than the positively toned and negatively toned articles (see Figure 4.2). The pre-crisis
stage—the prodromal crisis stage—in which there was no news coverage relevant to the Mengniu and melamine milk crises was not presented in the Figure 4.2.

![Figure 4.2](image)

**Figure 4.2  Tone of News Coverage in Three Crisis Stages**

Moreover, out of 253 articles, 213 (84.2%; 8 in positive tone, 175 in neutral tone, and 30 in negative tone) were distributed in the chronic crisis stage, a reaction period that featured steps taken to resolve the milk crisis. Compared with the number of positively toned articles, the number of negatively toned articles was nearly four times as great as that of positively toned articles in the chronic crisis stage. However, in the crisis resolution stage (in which things return to normal), the presence of positively toned news
coverage is greater than that of negatively toned news coverage. And in the acute crisis stage in which Mengniu milk crisis actually occurred, no news coverage featured Mengniu with a positive or negative tone.

Research Question 2

The second question asked during the milk crisis was what the concentration of print newspaper media’s attention was. To seek a more detailed result, it was set as a multiple choice question, and Table 4.3 investigated it in terms of last three crisis stages (the first crisis stage was not be analyzed given that there was no news coverage relevant to both the Mengniu and melamine milk crises collected during the first crisis stage).

However, the analyses did not meet the chi-square’s requirement that no more than 20% of the categories should have expected frequencies less than 5 (SPSS Inc., 1996, p. 232). In this cross-tabulation of variable Focus and variable Stage, 56.7% of the cells have an expected count less than 5 and the minimum expected count is .18. Therefore, a chi-square value was not reported.

As can be seen in Table 4.3, during a one-year crisis period, the government’s response or action (49.4%), finance (28.9%), and milk manufacturers’ response or action (24.1%) were the center of the newspapers’ attention, while the business partners’ or retailers’ response or action (17%), the public’s response or action (15.4%), milk source and technology of dairy products (10.7%) and so forth got less focus. And only 14 (5.5%) out of 253 articles discussed crisis responsibility, social responsibility, or ethics.
Table 4.3  Focus of News Coverage in Three Crisis Stages

<table>
<thead>
<tr>
<th>Focus</th>
<th>The Acute Crisis Stage</th>
<th>The Chronic Crisis Stage</th>
<th>The Crisis Resolution Stage</th>
<th>Total (%)&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>0</td>
<td>49</td>
<td>24</td>
<td>73 (28.9)</td>
</tr>
<tr>
<td>Milk Manufacturers’ Response or Action</td>
<td>0</td>
<td>53</td>
<td>8</td>
<td>61 (24.1)</td>
</tr>
<tr>
<td>Government’s Response or Action</td>
<td>13</td>
<td>111</td>
<td>1</td>
<td>125 (49.4)</td>
</tr>
<tr>
<td>Public’s Response or Action</td>
<td>1</td>
<td>38</td>
<td>0</td>
<td>39 (15.4)</td>
</tr>
<tr>
<td>Business Partners’ or Retailers’ Response</td>
<td>1</td>
<td>42</td>
<td>0</td>
<td>43 (17.0)</td>
</tr>
<tr>
<td>Crisis Responsibility, Social Responsibility, or Ethics</td>
<td>0</td>
<td>13</td>
<td>1</td>
<td>14 (5.5)</td>
</tr>
<tr>
<td>Milk Source or Technology of Dairy Products</td>
<td>4</td>
<td>17</td>
<td>6</td>
<td>27 (10.7)</td>
</tr>
<tr>
<td>Melamine</td>
<td>5</td>
<td>8</td>
<td>0</td>
<td>13 (5.1)</td>
</tr>
<tr>
<td>Milk Farmers</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>3 (1.2)</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>7</td>
<td>0</td>
<td>7 (2.8)</td>
</tr>
</tbody>
</table>

<sup>Note.</sup> The variable focus has multiple responses.
<sup>a</sup>This column displays the percentage of the news coverage (N=253).

During the acute crisis stage, the top three categories that most frequently received print newspaper media’s attention were the government’s response or action with 13 articles, melamine with 5 articles, and milk source or technology of dairy products with 4 articles. In the chronic crisis stage, the top three categories were the government’s response or action with 111 articles, milk manufacturers’ response or action with 53 articles, and finance with 49 articles.
It seemed that during the acute and chronic crisis stages the government’s response or action was in the print newspaper media spotlight. However, it appeared less frequently, with only one article in the crisis resolution stage. In the last crisis stage, newspapers paid more attention to finance, milk manufacturers’ response or action, and milk source and technology of dairy products.

Research Question 3

The third research question inquired into which organization or group should take (1) responsibility and (2) the primary responsibility for the Mengniu milk crisis according to newspapers coverage.

The news coverage in the first two crisis stages was not examined in these two sub-questions for the following logical reasons: (1) The prodromal crisis stage (the first crisis stage) was a warning stage in which Mengniu’s milk crisis had not really occurred yet. As a result, these two sub-questions did not exist during this period because of temporal order. (2) The acute crisis stage (the second crisis stage) featured the outbreak of the Mengniu milk crisis. During that period (September 16, 2008, to September 17, 2008), Mengniu’s contaminated dairy products had just been revealed by the Chinese government inspections and reported by the press. What can probably be claimed with more justification is that, although the Mengniu milk crisis had occurred during that period, the media still had to take some time to verify the cause and judge the responsible party or primary responsible party for the crisis.
To the first sub-question (multiple choice question) concerning the responsible party, the results (see Table 4.4) reveal that of the 240 articles from the chronic and resolution stages (the third and forth crisis stages), 39 (16.2%) mentioned crisis responsible parties for the crisis. Thirty-one (12.9%) articles suggested Mengniu should take responsibility for the crisis (even though Mengniu declared that the problem was caused at part of the supply chain—the small milk collection centers—without their knowledge). Twelve (5.0%) articles considered the small milk collection centers the responsible party. The category, Chinese government, followed closely at 4.2% with 10 articles.

Table 4.4  Distribution of News Coverage by Responsible Party

<table>
<thead>
<tr>
<th>Responsible Party</th>
<th>Frequency</th>
<th>Percent of News Coverage(a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mengniu</td>
<td>31</td>
<td>12.9</td>
</tr>
<tr>
<td>Milk Farmers</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>Milk Collection Centers</td>
<td>12</td>
<td>5.0</td>
</tr>
<tr>
<td>Celebrity Spokespersons</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>Chinese Government</td>
<td>10</td>
<td>4.2</td>
</tr>
<tr>
<td>No Mention</td>
<td>201</td>
<td>83.8</td>
</tr>
</tbody>
</table>

Note. \(X^2 (df=5) = 719.19, p<.001\). The distribution is significant.

This table presents the frequency of multiple responses.

\(a\)This column displays the percentage of the news coverage in the third and forth crisis stages (N=240).

For the second sub-question concerning the party who should take primary responsibility for the crisis, the analysis (see Table 4.5) displayed that only 3 articles
mentioned it and all of them assumed the milk collection centers to be the primary responsible party.

**Table 4.5  Distribution of News Coverage by Primary Responsible Party**

<table>
<thead>
<tr>
<th>Primary Responsible Party</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk Collection Centers</td>
<td>3</td>
<td>1.2</td>
</tr>
<tr>
<td>No Mention</td>
<td>237</td>
<td>98.8</td>
</tr>
<tr>
<td>Total</td>
<td>240</td>
<td>100</td>
</tr>
</tbody>
</table>

*Note. $X^2 (df=1) = 228.15$, N=240, $p<.001$. The distribution is significant.*

**Research Question 4**

The fourth research question examined whether the print newspaper media covered Mengniu’s (1) apology and (2) product recall. This question merely sought the answer from the news coverage in the chronic and resolution crisis stages (the third and fourth crisis stages). The reasons were similar to those discussed in research question three. First, because of the temporal order (Mengniu’s milk crisis had not actually occurred yet and no apology or product recall was provided by Mengniu in this stage), this question was meaningless in the prodromal crisis stage. Second, although Mengniu made an apology and request to return the problem dairy products on September 17, 2008 (during the acute crisis stage), these crisis responses were first issued by newspapers on September 18, 2008 (during the chronic crisis stage) because the daily newspapers had a publishing delay. Therefore, the news stories in the acute crisis stage were also not be analyzed.
Table 4.6  Frequency of the Coverage of Apology and Product Recall

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apology Mentioned</td>
<td>26</td>
<td>10.8</td>
</tr>
<tr>
<td>Product Recall Mentioned</td>
<td>18</td>
<td>7.5</td>
</tr>
<tr>
<td>Both Apology and Product Recall Mentioned</td>
<td>7</td>
<td>2.9</td>
</tr>
<tr>
<td>Neither Apology nor Product Recall Mentioned</td>
<td>203</td>
<td>84.6</td>
</tr>
</tbody>
</table>

Note. N=240 (the news coverage in chronic crisis and crisis resolution stage)

As can be seen in Table 4.6, out of 240 articles during the third and fourth crisis stages from print newspaper media’s Web sites, 203 (84.6%) did not have an apology or product recall mentioned. Furthermore, Figure 4.3 presents the number of articles that mentioned apology or product recall or both that were neutral or negative in tone. None of them appeared with positive tone.

![Figure 4.3](image)

Figure 4.3  News Coverage With Apology and/or Product Recall Mentioned


Research Question 5

The last question analyzed in terms of print news media coverage (1) which crisis management strategies Mengniu Dairy should have avoided during the milk scandal and (2) which crisis management strategies Mengniu Dairy should have employed during the milk scandal in addition to an apology and product recall. They were set as multiple choice questions. The articles examined in those sub-questions were from the third and fourth crisis stage for similar reasons as mentioned in question three and question four (Mengniu’s milk crisis had not occurred in the first crisis stage and the daily newspaper need some times to evaluate Mengniu’s crisis management strategy).

Table 4.7 Distribution of News Coverage by Negative Strategy

<table>
<thead>
<tr>
<th>Negative Strategy</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentioned</td>
<td>11</td>
<td>4.6</td>
</tr>
<tr>
<td>Excuse</td>
<td>2</td>
<td>0.8</td>
</tr>
<tr>
<td>Justification</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>Making Use of Consumer Nationalism</td>
<td>8</td>
<td>3.3</td>
</tr>
<tr>
<td>No Mention</td>
<td>229</td>
<td>95.4</td>
</tr>
<tr>
<td>Total</td>
<td>240</td>
<td>100</td>
</tr>
</tbody>
</table>

Note. $X^2 (df=3) = 635.17$, N=240, p<.001. The distribution is significant.

Although this sub-question was set as multiple choice question, it did not get more than one answer in the coding.

The result of coding showed that in terms of negative strategy, out of 240 articles from the print newspaper media’s Web sites in the chronic and resolution crisis stages, 11 (4.6%) mentioned negative strategy (see Table 4.7).
In those 11 articles, making use of consumer nationalism appeared most frequently with 8 articles, followed by excuse and justification.

In terms of potential strategy, Table 4.8 showed that out of 240 articles in the chronic and resolution crisis stages, 229 (95.4%) did not mention anything relevant to the potential strategy that should employed by Mengniu. The number of articles that mentioned potential strategy was the same as the number of articles that mentioned negative strategy. Of them, the category more corrective actions (2.9%) appeared most frequently, followed by the category being proactive before crises come (0.8%), more compensation (0.8%), providing a constant flow of information (0.4%) and other (0.4%).

<table>
<thead>
<tr>
<th>Potential Strategy</th>
<th>Frequency</th>
<th>Percent of News Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentioned</td>
<td>11</td>
<td>4.6</td>
</tr>
<tr>
<td>Being Proactive Before Crises Come</td>
<td>2</td>
<td>0.8</td>
</tr>
<tr>
<td>More Corrective Actions</td>
<td>7</td>
<td>2.9</td>
</tr>
<tr>
<td>More Compensation</td>
<td>2</td>
<td>0.8</td>
</tr>
<tr>
<td>Providing A Constant Flow of Information</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>0.4</td>
</tr>
<tr>
<td>No mention</td>
<td>229</td>
<td>95.4</td>
</tr>
</tbody>
</table>

Note. \( X^2 (df=5) = 1049.70, N=240, p<.001 \). The distribution is significant.

The variable potential strategy has multiple responses.
Chapter 5

Discussion

In recent years, it has been nearly impossible to open a newspaper without learning about another corporate scandal (DiStaso & Scandura, 2009). News coverage is of particular importance to a corporation involved in a scandal attempting to manage its reputation since much of what consumers and other external stakeholders learn about the corporation and the crisis that troubled it comes from the news media (Deephouse & Carter, 2005; Carroll & McCombs, 2003).

Reasons for Covering News with Neutral Tone

Through the use of a content analysis of 253 articles on 10 Chinese print newspaper media’s Web sites, this study analyzed how the print newspaper media reported and evaluated Mengniu’s milk crisis and crisis management in the Chinese milk scandal. The study first explored the news stories that covered both the 2008 Mengniu and the melamine milk crises appeared most frequently in the first and second months after the first melamine-tainted milk powder scandal came to light, and the majority of them were reported with neutral tone. It is legitimate for the Chinese print newspaper media to place much more emphasis on Mengniu milk crisis during those two months. However, confronted with such a negative event, it becomes natural to ask why such a large amount of new coverage was neutral in tone. This is a question worthy of consideration and the influence of the Chinese government on the media’s function might serve as one of the main reasons.
Scotton and Hachten (2010) upheld a view that “the media in China by some measures are as free and vigorous—within limits—as most media in the world” (p. 4). For certain sensitive topics, perceptive news editors in China know which stories are acceptable and which are not under the supervision of the Communist Party. In other words, they know “where the line is” (Scotton & Hachten, 2010). That is to say, although the contemporary Chinese print newspaper media no longer serve only as a party propaganda tool, they, to a certain extent, are still affected by the Chinese government. The freedom of press in the Western sense is still something that is yet to come in China (Ke, 2010).

In terms of the Mengniu’s milk crisis, through looking more specifically into the year in which the milk crisis erupted, it is not hard to detect that 2008 is of special significance for China. The hosting of the 2008 Olympic Games and the launching of Shenzhou VII spacecraft placed China in the world’s media spotlight, and they exerted a great and far-reaching influence on the image of China. That might be the major motivation for the Communist Party to exercise more influence over the press function in 2008. As The Wall Street Journal, The Washington Times, and The New York Times noted, the Communist Party tried to tone down the negative coverage that might paint a bad picture of China (Bandurski, 2008; The Washington Times, 2008; Thomas, 2008). Therefore, the fact that the presence of neutrally toned news coverage (81.8%) was nearly seven times as prevalent as that of negatively toned news coverage (12.6%) might be one of the results of the Communist Party’s control of the press during 2008, even though
there were only 18.6% articles directly originated from Xinhua News Agency, the official press agency of the government of the People’s Republic of China (PRC).

The above reason could also explain the coding results of Research Question 3 and Research Question 5—why a majority of the articles did not mention the responsible party, primary responsible party, negative strategy, and potential strategy. Obviously, the news coverage’s failure to mention this information is not because the media assumed that no party needed to take responsibility for this event or that the public was totally satisfied with Mengniu’s crisis management. After all, the Mengniu milk scandal harmed public safety and was a negative event; it also resulted in a precarious financial situation for Mengniu. The negative toned articles appeared more than twice as many times as the positive toned articles which supported the notion that Mengniu’s crisis strategies needed to improve. Thus, the study attempted to explain the little-mentioned results by the reason of Chinese Communist Party’s control. The Wall Street Journal pointed out a notion revealed by some Chinese journalists that the discussion of the cause of the milk crisis and government responsibility, including questions about government cooperation with dairy companies, were off limits (Bandurski, 2008).

In addition to the Chinese government’s influence on media function, other factors could also influence the tone of news coverage, such as the geographical variation and the Westernization of the Chinese media. For instance, the number of the news outlets, the number of milk scandal victims, and the level of psychological bearing ability of the local inhabitant varied from city to city. This study explored the news coverage in
the large Chinese cities, in which more news media exists, local inhabitant might possess stronger psychological bearing ability (because of the fierce competition and great pressure), and the proportion of the victims might be lower (because residents there enjoy wider choice of dairy products in the fierce market competition). Therefore, there is a chance that the above reason might cause less negative news stories in those regions.

Also, the contemporary Chinese media is more “Westernized” than before. To a certain extent, they tend to cover news more objectively, which may cause neutral toned coverage to appear more frequently in the newspapers.

Responsible Party and Crisis Management Strategies

In terms of other articles that mentioned those variables (responsible party and negative and potential crisis management strategies), the results from them, though limited, have referenced values. In addition to the articles coded with “no mention” in Research Question 3 (responsible/primary responsible party), the others suggested that Mengniu, the milk collection centers, as well as the Chinese government, should take responsibility for the crisis. Mengniu was regarded as one of the responsible parties most frequently with 31 articles among the 39 articles studied, even though Mengniu declared that it knew nothing about the event beforehand and the problem was caused by the small milk collection centers.

With respect to Research Question 5 (negative strategy and potential strategy), in addition to the articles coded with “no mention,” 8 out of the other 11 articles indicated that Mengniu should not have made use of Chinese consumer nationalism. There are two
main reasons for this. First, they queried that Mengniu was not a real national enterprise given that it was incorporated in the Cayman Islands (a British territory in the Caribbean northwest of Jamaica, an international banking center) and had been registered in Mauritius (an island in the southwestern Indian Ocean), with a wholly owned subsidiary called China Dairy (Mauritius) Limited. Second, they expressed disappointment that they would not support a national brand without consideration of national interest. That feeling might be generated by the continuous food safety problem in China. Hence, the question of whether the continuous food safety crises in recent years have had an impact on Chinese consumer nationalism is worthy of further study.

Moreover, of 11 articles with potential strategy mentioned, 7 suggested that Mengniu should take more corrective actions to prevent the crisis from happening again.

Despite the fact that the news coverage from ten Chinese newspapers’ Web sites provided limited information on Mengniu’s negative and potential crisis management strategies, the data suggested that apology and product recall were not good enough for Chinese consumers. Almost 85% of the articles in the chronic crisis and crisis resolution stages had neither apology nor product recall mentioned. One possible explanation for this is that Mengniu’s apology and product recall did not get much attention from the press, though they had been reported. Furthermore, the majority of them appeared in the news coverage with neutral tone and the rest in negative tone. None of them were observed in the news coverage that featured Mengniu with positive tone. This result implies that apology and product recall brought little praise for Mengniu. In other words,
they might be the basic requirements for the public but are not good enough to merit forgiveness for the milk crisis.

To explore how Chinese newspapers reported and evaluated Mengniu during the milk scandal in more detail, this study analyzed the news coverage by Fink’s (1986) framework of crisis stages as well. The data revealed that there was no news coverage relevant to both Mengniu and melamine during the prodromal crisis stage in which Mengniu had an ability to be proactive and control the event before it happened. This finding indicated that during the warning stage when signs of potential trouble existed (the disclosure of Sanlu’s melamine-contaminated milk products) Mengniu expressed little concern about the event and did little pre-crisis action in public to demonstrate putting public safety first, such as conducting more milk testing and taking the initiative at informing consumers about its milk problem.

Mengniu should have noticed that its probability of experiencing the same milk problem was higher because it, just like Sanlu Group, obtained the raw milk from the small milk collection centers, which were considered the source of tainted milk. However, they ignored the warning sign and gave up the opportunity to be proactive and demonstrate their concern for public safety, which might be one of the factors that resulted in losing public support and falling into economic crisis. As Coombs (2007a) put it, “a failure to address public safety intensifies the damage from a crisis” (n. p.). And although this study could not further confirm the significance of being proactive (expressing concern and taking pre-crisis action in the public) before the crisis came
because of the limit data on potential strategy in the Research Question 5, it is a matter worthy of particular emphasis.

Utilizing Fink’s (1986) framework of crisis stages to analyze the news coverage, the study also found that more than half of the articles focused on the government’s response and action and most of them appeared in the acute and chronic crisis stages (only one article in the crisis resolution stage). And since the milk scandal was a corporate crisis (not a government crisis), it is interesting that the number of articles that focused on the government’s response or action was approximately twice as many as those with milk manufacturers’ response or action focused during the whole year. This finding confirmed the leading role of the Chinese government in the food corporate crisis management. Also, Mengniu’s dangerous financial crisis (led by the milk scandal) being resolved with the support of the state later further proved the significance of Chinese government for Mengniu. Furthermore, since the Chinese government has a close connection to the media, having a partnership or good relationship with Chinese government would be very helpful when dealing with the media in a crisis.

In sum, as Kent and Taylor (1999) noted, “in most Asian countries, government rather than consumer publics will emerge as the key public” (p. 19). Clearly, in the face of a crisis in Chinese society, it is quite essential for public relations practitioners of a food organization to build external relationships/partnership and network with the local government and take a positive attitude in cooperating with the local government agencies. It serves as a vital crisis management strategy in Chinese food industry.
Conclusion

This study was conducted to examine how newspapers reported and evaluated Mengniu’s milk crisis and crisis management in the Chinese milk scandal and to provide suggestions for Mengniu Dairy’s crisis management, as well as the Chinese food industry in general, in addition to apology and product recall. Although this is not the first study of crisis management strategy, it is a significant step towards exploring the crisis management strategy of a food company in a non-Western setting by examining news coverage as a disclosure tool under a circumstance in which crisis responsibility is ambiguous. This study identified the significant role of the Chinese government in corporate crisis management and supported an argument that apology and product recall were not good enough for Chinese consumers.

Two suggestions are offered for Mengniu’s crisis management. First, building a good external relationship and cooperating with the local government would be a vital food crisis management strategy in China. Second, being proactive and addressing public safety during the prodromal crisis stage might be a good opportunity for Mengniu to better control the crisis and eliminate its negative consequences.

In addition, analysis of the articles with responsibility party mentioned (though limited, have referenced values) explored that in addition to small milk collection centers, Mengniu and the Chinese government should take responsibility for the crisis even though Mengniu declared that the problem was caused at part of the supply chain—the third-party milk collection center. Meanwhile, the limited information provided by the
articles also indicated that Mengniu should take more corrective actions and should not have made use of Chinese consumer nationalism.

Limitations and Recommendations for Further Research

First and for most, further research is required to identify the cause of that most news coverage relevant to the milk crisis was neutral in tone. As discussed previously, several possible reasons are put forward, including the Chinese government’s influence on media function, geography variation of the Chinese media, and the Westernization of the Chinese media.

Second, this study was limited in its ability to get sufficient information from the Chinese newspapers’ Web sites to some research questions (responsible/primary responsible party and negative/potential strategy). To learn from this limitation, future research can be conducted through collecting data from more other online communication tools, such as blogs, popular Internet portals, bulletin boards services (BBS) and so forth.

As discussed, the Chinese Communist Party’s press control in 2008 might be the most likely explanation for this limitation. Despite the fact that the Chinese government tries to make all media/communication access under its control (e.g., newspaper, radio, television, and internet), daily observation indicates that it is a nearly impossible task, especially in the Internet world. Blogs are a good example. By the end of 2007, there were 30 million Chinese blogs served as platforms for self-expression, networking or leaning (Jin, 2010). Chinese bloggers, many of whom are young and tend to enjoying
more freedom of thought and self-expression, like to “go under the firewall.” They dare to express their own opinion, even when it is a challenge to authority.

Third, future research can study microscopically Mengniu’s press release relevant to the milk scandal, which were delivered to the journalists and editors, to better understand Chinese journalists’ and editors’ preference and interest on a food crisis and the types of press release they frequently picked up, such as publicizing Mengniu’s efforts for the milk scandal, expressing sorrow or concerns for the victims or consumers, statement of apology, and so forth.

Fourth, since the limited information gained from the newspapers’ Web sites indicated that making use of consumer nationalism is not a sensible decision, in the future, greater efforts could also be made to continually explore the issue of consumer nationalism and its impact on a food crisis. Many Chinese researchers (e.g., Wang, 2006; Wang, Zhiying & Wang, Jian, 2006; Li, 2009) have identified the great impact of consumer nationalism on Chinese consumer behavior. However, intense competition among domestic and multinational manufacturers under the current economic development could render Chinese consumers more sophisticated and product-quality driven. This serves as a potential factor influenced the effect of consumer nationalism.

Fifth, since this study merely analyzed a Chinese food company crisis case with ambiguous crisis responsibility, as a final suggestion, continued research of other similar food crisis cases that with ambiguous crisis responsibility in the food industry is highly recommended. Further endeavors should be able to build on this research to generate
more definite conclusions and better identified effective crisis strategies for the food companies when the food safety problem happened in the supply chain, but not inside the companies.
References


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Appendix

Content Analysis Codebook

Newspaper Name:
Article Number:
Publication Date:
Source:
Coder:

Stage of the Crisis: Indicate at what crisis stage the article is published.
1. The prodromal crisis stage (September 11, 2008 – September 15, 2008)
2. The acute crisis stage (September 16, 2008 – September 17, 2008)
3. The chronic crisis stage (September 18, 2008 – July 5, 2009)
4. The crisis resolution stage (July 6, 2009 – September 10, 2009)

Tone of the Article: Indicate the attitude of the article.
1. Positive
2. Neutral
3. Negative

Focus: Indicate the main content of the article.
1. Finance (including the stock market or the sales market)
2. Milk manufacturers’ response or action
3. The government’s response or action
4. The public’s response or action
5. The business partners’ or retailers’ response or action
6. Crisis responsibility, social responsibility or ethic
7. Milk source or technology of dairy products (Milk production technology, pasture, milk source, raw milk base or protein quantification method)
8. Melamine
| 9. Milk farmers |
| 10. Other |

**Responsible Party:** Indicate the responsible party mentioned in the article.

| 1. Mengniu |
| 2. Milk farmers |
| 3. Milk collection centers |
| 4. Celebrity spokespersons |
| 5. Food associations |
| 6. The Chinese government |
| 7. Other |
| 8. No mention |

**Primary Responsible Party:** Indicate who should take the primary responsibility.

| 1. Mengniu |
| 2. Farmers |
| 3. Milk collection centers |
| 4. Celebrity spokespersons |
| 5. Food associations |
| 6. The Chinese government |
| 7. Other |
| 8. No mention |

**Apology Mentioned:** Indicate whether the writer mentions Mengniu’s apology in the article.

| 1. Yes |
| 2. No |

**Product Recall Mentioned:** Indicate whether the writer mentions Mengniu’s product recall in the article.

| 1. Yes |
2. No

Negative Strategy: Indicate the negative crisis management strategies discussed in the article, which Mengniu has taken in the crisis.

1. Excuse
2. Justification
3. Making use of consumer nationalism
4. Other
5. No mention

Potential Strategy: Indicate the potential crisis management strategies discussed in the article, which Mengniu can take in the crisis.

1. Ingratiation
2. Being proactive before crises come
3. More corrective actions
4. More compensation
5. Providing a constant flow of information
6. Showing more social responsibility
7. Other
8. No mention