# Research on the Public Relations in Crisis Strategy of Tea Beverage Brands in the New Media Environment

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*Abstract:* Under the new media environment, the channels and modes of information formation, dissemination and development have undergone fundamental changes, and enterprises benefit from the positive results of bringing consumers closer, while experiencing more profound effects of Public Relations in Crisis (PR crisis). This paper analyzes corporate PR crisis management, explains the impact of the new media environment on corporate PR crisis and the problems of corporate PR crisis management, and proposes countermeasures for corporate PR crisis management.

### **1. Introduction**

As a major tea consumer, China's tea market is huge, of which the largest proportion is still the original leaf tea market, But traditional tea drinking has been slow to develop, until the emergence of new-style tea, it brought another possibility for the development of tea market. The new tea brands have won the favor of most young people through innovative raw leaf tea products, advanced extraction technology, diversified consumption scenarios and variable marketing strategies, which are considered to be a reflection of consumer fads and social currency. In major cities in China, tea brand chain stores such as springing up in general "break ground" and the pace of expansion is very fierce, like Nayuki and HEYTEA such in high-end tea brands have been rapid development like a raging fire. But food safety is always hanging in the new tea drink head of a sword of Dacromos.

On the evening of August 2, 2021, Xinhua News Agency reported that Nayuki is located in Beijing's popular Xidan Joy City stores and Chang'an Mall stores have health problems, Xinhua News Agency "undercover" reporters confirmed numerous outlets exist cockroaches crawling in the kitchen, fruit decay, rags are not washed, labeling is not true and other food safety issues. Shortly thereafter, on August 29, the same food problems were exposed in the HEYTEA Shanghai Nanxiang Impression City store, where the store staff negligently sold simulated food samples for display as normal drinks to guests, leading to customers entering the hospital to wash their stomachs. Similar food safety problems are endless and frequently exposed, which can be found behind the booming development of the new tea and beverage industry on the one hand, and the severe state of affairs in food safety on the other. Nayuki and HEYTEA as a representative of

high-end tea beverage brands, food safety incidents once exposed, instantly published in the hot search of the Weibo, triggering a crisis in public opinion. Among them, this crisis led to the next day Nayuki share price plummeted, the total market value of HK\$ 2 billion evaporated, which let just listed Nayuki suffered a heavy blow. The exposure of food safety incidents such as these not only lost the trust and love of consumers, but also brought a crisis to the survival and development of the company. Therefore, this paper focuses on the impact of corporate PR crisis in the new media environment and the problems of corporate PR crisis management, and proposes countermeasures for the development of corporate PR crisis management.

#### 2. Research on corporate PR crisis management

This study refers to the definition in Cutlip and Senter's 1952 book, *Effective Public Relations*, which considers public relations as a management function that identifies, establishes and maintains mutually beneficial relationships between an organization and the various publics that determine its success or failure. It emphasizes that public relations is a virtuous two-way interaction between organizations and the public in terms of "communication" <sup>[1]</sup>. The "two-way symmetry" model distinguishes between one-way forms of communication such as "propaganda" and "advertising". And the PR relationship is dependent on communication, which is meant to build a good relationship with internal and external publics <sup>[2]</sup>.

For Enterprise Crisis Management (ECM), Christine and Judith argue that enterprise crisis possesses five characteristics: high uncertainty, low probability of occurrence, high threat, the need for firms to react quickly, the occurrence often causes surprise and shock to members of the organization, and the lack of information to deal with unpredictable results <sup>[3]</sup>. And PR crisis cannot be equated with crisis management, which is an actively large and complex integrated management system of crisis prevention, control, treatment, and resolution <sup>[4]</sup>. PR crisis , or PR relations crisis, is an event that is a potential threat to the future profitability, growth and even survival of the company <sup>[5]</sup>, Lerbinger also believes that PR crisis must have the following three characteristics: first, the event is a threat to the company and will hinder the The second is that if the company does not do anything in the face of the incident, the situation will deteriorate rapidly and irreversibly, and the third is that the incident is sudden. From the above, it can be seen that PR crisis management for the development of enterprise progress, and even survival. The author believes that corporate PR crisis management is a management function of enterprises, through the management process of crisis monitoring, crisis pre-control, crisis decision-making and crisis management, the purpose of which is to achieve the reduction or even avoid the possibility of PR crisis and harm.

#### 3. The impact of the new media environment on corporate PR crises

#### 3.1. The possibility of a PR crisis for enterprises has increased

In the past, the traditional media era was more like a huge closed rectangle, with the media being the immovable information center and source of communication, but nowadays the ecology of public opinion and the media landscape have undergone more profound changes as a result of entering the Internet era. In the new media environment, the channels and modes of information formation, dissemination and development have undergone fundamental changes, especially the increase in the status of self-media, and individuals have become the information leaders who take the initiative to express their own views, making information sources more extensive and information dissemination and acceptance more rapid nowadays. For example, a person with a smartphone can be both a recipient and a publisher of information, and when the release of an event triggers a lot of attention, the event explodes in the whole network in just a matter of minutes, which almost overturns all the theories and measures of previous corporate information manipulation, and the difficulty of corporate PR crisis management is significantly increased.

## 3.2. The time of the outbreak of corporate PR crisis is shortened

Bad news travels fast. In the new media environment, the spread of information is no longer restricted by geographical and time constraints, which also makes the outbreak of corporate crises appear instant. When a corporate crisis is bundled with the Internet, it spreads like a highly contagious virus in a short period of time, and the event quickly spreads on all major public opinion platforms, further moving towards a public opinion crisis, and the situation gets out of control. Moreover, the high speed and breadth of communication compresses the response time of enterprises, and the preparation time for enterprises to face emergencies will only become shorter and shorter, which may break out at any time, and this puts forward higher requirements for the speed of handling corporate PR crisis, and increases the cost of enterprises.

### 3.3. The destructive nature of corporate PR crises has increased

Based on the above, the new media has catalyzed the development trend of corporate crisis events, and the breadth and depth of communication of crisis events have been significantly enhanced, and their destructiveness is self-evident. In fact, the essence of a public relations crisis is an image crisis and credibility crisis, which typically manifests itself in the form of an opinion crisis, i.e., the public reporting, circulation and expression of negative attitudes and negative opinions about an organization by the social media and the public. When an opinion crisis occurs, the organization's image and credibility are under great pressure or damage, and the organization needs to mobilize all its communication resources to cope and deal with it. Therefore, in the new media environment, the possibility of PR crisis increases, the time of outbreak of crisis compresses, and the destructive nature of the crisis is subsequently unprecedented, which undoubtedly poses greater challenges and requirements for corporate PR crisis work.

### 4. Problems of PR crisis management by enterprises

### 4.1. Low alertness to PR crisis and lack of PR crisis warning system

After the above food safety incident came to light, both enterprises quickly set up crisis PR teams, reacted and responded quickly, formulated crisis handling strategies, followed up and investigated the problematic products, and finally released the investigation results and handling results. However, things have already happened and the price paid by the companies to deal with this crisis will be incalculable. One of the problems is that most companies do not have a professional crisis management team until after the outbreak of business leaders personally to respond, which can easily cause the subjective arbitrariness and non-professional crisis management. The second is that enterprises lack a public relations crisis early warning system, the ability to predict the occurrence of crises or rely on individual experience to estimate the probability of occurrence.

### 4.2. The network public opinion supervision system is not sound

The vast majority of enterprises have failed to establish a perfect public opinion monitoring system, and few professionals are set up to carry out research and analysis, so that they cannot systematically grasp the public opinion situation of their own enterprises, thus failing to help them make timely predictions and provide targeted measures in times of crisis. In the new media

environment, the public's awareness of expression has been strengthened, and the outbreak of the incident bundled with the major media platforms on the Internet has accelerated the fermentation of the matter, especially the self-media platforms such as Weibo, WeChat and Tik Tok, which enable the public's massive comments and opinions to gather in a short period of time, and the center of public opinion is full of divergent opinions and true and false isomorphic. The Internet public opinion crisis refers directly to consumers' trust and responsibility to the enterprise, and the enterprise can only obtain and master the initiative of public opinion at the first time to assist the subsequent decision.

### **4.3.** Not realizing that product quality and service guarantee is the basis of public relations

For food companies, product quality and safety are the key to their survival, and food quality is closely related to people's daily lives and health, and the improvement of people's living standards has significantly increased their concern for food safety. Moreover, food safety events are far more dangerous than other product events, and consumers are more concerned about how companies handle such events, and the actions or inactions of companies affect the recovery of consumers' purchase intentions<sup>[6]</sup>.

### 5. Strategies of tea beverage companies to deal with public relations crisis in the new media environment

The brand's self-help or self-bondage is the result of corporate PR crisis management. Through the crisis PR events of Nayuki and HEYTEA, it can be seen that crisis is always and everywhere, and it is impossible and impossible to avoid the occurrence of crisis, but what enterprises can do is to manage the crisis well and have the knowledge and ability to turn danger into success, which requires enterprises to do a good job of corporate PR crisis management. Therefore, this section proposes countermeasures for modern corporate crisis PR management, with the intention that companies in related fields can learn from the experience and improve corporate crisis awareness and crisis management.

### **5.1. Improve the PR crisis management mechanism**

Preparedness ensures success, unpreparedness spells failure. First, a quick response at the crisis point, immediately start the crisis management procedures. The first time to set up a crisis management command center, quickly isolate the crisis, control the speed and way of the spread of the crisis, while developing a special plan for crisis management, and do a good job of organizing internal and external public contact and communication by preparation. The second is to collect information on the incident, conduct a comprehensive crisis investigation and grasp the development of public opinion. Including verification of basic information, the current state of development, the key to solving the crisis problem. Third, actively communicate, control and guide the development of public opinion. Actively respond through the platform, correctly guide the trend of public opinion, reduce unnecessary misunderstandings and untrue speculations unfavorable to the development of the enterprise, and actively carry out communication and communication with the public. Fourth, reshape the image of the enterprise and do a good job of follow-up work. Take responsibility for the damaged party in a timely manner, actively and frankly release the results and corrective measures to the public, especially the enterprise's own product and service quality issues, and implement corresponding strategies to respond to the call for positive social responsibility and change the public's bad impression of the enterprise.

## **5.2. Enhance the awareness of corporate PR crisis**

You should think of danger in time of peace. To think so can lead to preparation and preparation averts calamities. Thinking of danger in time of peace is the basic quality of managers to be aware of crises, and it is the fear of the survival of the enterprise. For the small probability of occurrence but the impact of the "black swan" event, especially food manufacturing enterprises should pay more attention to food safety "gray rhinoceros", the probability of occurrence and the impact of the potential crisis is huge. Do not deceive yourself and others by ignoring a crisis when you know the risks exist, or by assuming that it is just a minor "problem" and arrogantly believing that you can avoid the risks, which eventually accumulate into a highly damaging crisis. It is important not to take them lightly, but not to ignore them.

### 5.3. Establish an early warning mechanism for information monitoring and crisis response

Every major crisis is the accumulation of a series of minor incidents or a reminder of signs, so enterprises should always pay attention to and pay attention to their own public opinion with the help of public opinion monitoring system, and not to take a chance. Internet public opinion follows the principle of "sparse" not "stagnant". If enterprises fail to detect or let it develop, they are bound to be helpless in the face of sudden PR crises. The factors from outside the organization crisis, the enterprise is passive response, but if it is from within the enterprise and the crisis factors can be achieved early warning and control. Crisis management is divided into three stages: beforehand management, during management and after management. If we can control the best stage in advance, and strengthen cooperation with key media and major platforms, monitor public opinion, raise crisis awareness, and control the development of the crisis in the best stage of the precursor period to win valuable time for crisis management, the difficulty of crisis management will be greatly reduced.

# **5.4. Honesty and proper handling are key**

Brave face, open and honest is the best response, ostrich policy is not desirable. Many companies in the crisis after the start of cold treatment mode, and use a variety of methods to close the source, the "drag" as a strategy to implement, and even take the approach of hiding the truth of the matter, hoping that the passage of time, the incident will naturally calm things down. It is not expected that the "grassroots" nature of the new media will not only let the crisis die out in silence, more likely to be "spring breeze blowing again". If you can't respond in good faith at the first time, the follow-up enterprise then come out to do any explanation will not help, will only lose credibility and will condemn both in speech and in writing. Therefore, in the face of the outbreak of the incident, the enterprise in action to react quickly, the ability to assume the courage, attitude and frank admission, must not rashly suppress the negative information, but should increase the strength of positive information, improve the negative emotions of consumers, and the public to build a communication platform, timely disclosure of effective information, rapid implementation of relevant treatment decisions including accountability of those responsible, and consider the rectification measures to the public.

# 5.5. Strengthen the aftermath and avoid the outbreak of secondary crises

When crisis PR has a stage result, the enterprise has completed a series of remedial strategies such as compensating victims, correcting behavior, and sincerely apologizing. Better late than never. The repair work can restore the corporate image and revive the confidence of the organization. It should

be noted that public opinion requires the establishment of an emergency response team and working mechanism, but hasty response and rash voice are often used to be caught in the crosshairs of others, which not only fails to resolve the public opinion, but also easily generates secondary public opinion. In addition, enterprises should actively cooperate with the regulatory authorities to establish a food safety mechanism, timely explain their situation to the supervision, and invite the relevant regulatory authorities to conduct regular investigations into the enterprise. In addition, the "grassroots" nature of the new media will always exist because of the Internet, and the possibility of a resurgence of the crisis will always exist, lurking underneath the image of the company that has just been redeemed, so be wary of another public opinion crisis.

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