

What is Brand Trauma?[©]

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When organizations violate rules and regulations or are wrapped in a crisis because of accidents, carelessness or negligence both the law and society can join forces to make the offending organizations account for and sometimes pay for their crimes or mistakes. Apart from the obvious fines, compensation paid to those injured or for damages, and, sometimes even prison terms for those found culpable organizations also can experience a phenomenon we have labeled as "brand trauma".

Brand trauma is the loss of influence, credibility, esteem, privilege or image an organization's brand can experience as a result of a crisis. As a traumatic event, a crisis can threaten, destabilize or even plunder stakeholders' beliefs, attitudes and assumptions regarding the organizational social network of which they are a part. When actions of those in an organization are the catalyst for the crisis a simple model emerges: the behaviors of some trigger reactions of others.

Emerging brand trauma migrates throughout an organization's stakeholder network, whether members of the network experienced or witnessed the trauma-causing event. These stakeholders, often personalizing the trauma-causing event, can demonstrate a range of symptoms ranging from acts of aggression directed at the organization or its brand to behaviors aimed at distancing or generally avoiding the any contact or association with the organization and its brand.

Brand trauma is an important condition because an organization's brand is one of its most distinctive features. Nominally, an organization's brand is synonymous with its identity. For example, the American Marketing Association defines a brand as the "name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers." (The American Marketing Association, 2011)

An organization's brand or image can be such an important, sometimes essential part of an organization's make-up that threats to the brand are viewed as a crisis and the need to respond given top priority. Books and consultants are available as resources for an organization's staff charged with managing or repairing damage associated with a brand crisis. These are useful but their emphasis, almost by necessity, is often reactive; their focus is on stopping or getting out of the way of the crisis rather than on matters associated with preventing a future crisis or dealing with the multidimensional range of effects associated with the crisis. (Johar et al., 2010; MacArthur, 2000; Dunn, 2010; Dutta and Pullig, 2011) The emphasis is "crisis management", of getting the crisis "behind us" so that "we can get on with the future." There is a sense of relief, a belief that once the crisis "ends", that's it; it's over.

We look at a number of issues associated with a brand crisis but "brand trauma" -- the potentially wide-scale effects associated with the crisis that can effect an organization's brand -- is of particular interest. There are several reasons to examine the role of brand trauma on an organization or its stakeholders -- those people and organizations who comprise the

organization's social network not the least of which is the fact that trauma's effects may never go away; the impact of the trauma can become implanted into a stakeholder's memory. Indeed, sometimes the impact of a brand crisis can become part of the lore associated with an organization. Simply mentioning "BP", the Exxon Valdez or Tylenol can stimulate images of an organization or industry.

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And for more detailed information . . .

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