

# Is That a Finger in My Chili?

## Using Affective Advertising for Postcrisis Brand Repair

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A study of the effects of reconstructive memory points the way to dealing with the damage to a business's reputation that follows an instance of negative publicity. The study contradicts the commonly held myth that it is best to avoid communicating for a time and let consumers "forget" an unfortunate incident. Instead, given what is now known about reconstructive memory processes, the crisis situation can be used as a means to reestablish a relationship with consumers. This research investigation proposes that postcrisis communication efforts should be focused on emotionally connecting with consumers via autobiographical-referencing advertising. Moreover, although the study focuses on crisis management, the lessons of reconstructive memory can be applied to all phases of brand management.

**Keywords:** reconstructive memory; Wendy's; crisis management; advertising for affect

“**W**oman finds a finger in her Wendy's chili” was a headline plastered all over the national news and the subject of jokes in late-night talk shows during the first few months of 2005.<sup>1</sup> The publicity occurred when a Las Vegas woman accused Wendy's of serving her a tainted bowl of chili. The image of the half-inch fingertip curdled many stomachs in the United States (and perhaps other parts of the world as well). Curiously, Wendy's took an oddly hesitant stance with its public relations position, even after it was found that the woman had placed the fingertip in the chili herself. Wendy's sales plummeted an estimated \$2.5 million.<sup>2</sup> Wendy's chief response as a means of luring customers back in was to offer a “Free Frosty” Weekend, from May 13 to 15, 2005. However, customers gave that promotion a “frosty,” reception and sales were slow to rebound.<sup>3</sup>

In this article, we offer what we believe is a better way to respond to a PR disaster or, even more broadly, to a service failure.<sup>4</sup> In the chili situation, Wendy's tried to appeal to customers' pocketbooks. We suggest a different type of response—that is, to appeal to customers' emotions. Through a technique known as autobiographical referencing, Wendy's could, for instance, have used a nostalgia-based campaign to remind customers of happy experiences they have had at their restaurants. In fact, given what is known about the reconstructive nature of recall, it is possible that through using this technique, Wendy's might have been able to create positive memories of things that may have actually never happened.<sup>5</sup>

The purpose of this article is to explain the reconstructive view of memory and discuss how advertising that appeals to one's own past experiences (i.e., autobiographical referencing) can be used as a means to connect emotionally with consumers. Because brands that have strong relationships with their consumers are better at withstanding problems, or “hiccups,”<sup>6</sup> we propose that reminding consumers of their past connection with a brand may be a particularly effective way to repair the brand's image after a crisis situation. We discuss an experiment where consumers who heard the most about the Wendy's tampering (i.e., Las Vegas customers) are exposed to either an ad campaign that features the “Free Frosty” promotion or an ad that tries to get them to relive positive memories at Wendy's (even things that cannot have happened, such as enjoying “Wendy's Playland”). In that regard, we then present a causal model that shows that appealing to customers' emotions is a more effective way to rebound from a crisis than is appealing to reason (say, by offering monetary incentives). These results have wide-ranging

implications for the hospitality industry and postcrisis management.

## Crisis Communication

Traditionally, crisis-management gurus have focused on taking information-related actions during a crisis, such as being visible to the consumer, providing straightforward information, and being internally consistent with that information.<sup>7</sup> However, what happens to a company in crisis after the issue has seemingly been resolved can be essential to restoring the brand's reputation. Little research has been focused on what companies should do as far as advertising or communicating after a crisis. In fact, the commonly held view is that it is best not to advertise after a crisis, and give consumers time to “forget” the situation. Northwest Airlines followed this strategy, for instance, choosing not to publicly apologize for its “imprisoning” airline passengers during a 1999 snowstorm in Detroit and concentrating on local advertising efforts to restore its image.<sup>8</sup>

Legal liability issues aside, the rationale for this strategy of noncommunication was that Northwest Airlines did not want to remind consumers of its misdirected efforts, nor did it want to inform those consumers who might not have heard about the January snowstorm debacle. Some companies, rather than apologize, have instead used promotions (e.g., coupons, rebates) to “lure” customers back after the trouble has subsided. Wendy's “Free Frosty” promotion was one such tool. According to Denny Lynch, Wendy's senior vice president of communications, “we were using this weekend to kind of restart our sales nationwide. We are hopeful that Americans will remember Wendy's like they did before March 22.”<sup>9</sup>

While sales promotions generally have short-term sales benefits, they fall short in

longer-term image repair.<sup>10</sup> In fact, giving something away for free might convey some implicit admission of responsibility for the situation—potentially a detrimental stance.

### Autobiographical Referencing

Autobiographical referencing is a tool advertisers use to emotionally connect to consumers' past.<sup>11</sup> This approach involves using verbiage such as "Remember when . . .," with the intent of imparting positive and nostalgic feelings. Focus group research done following 9/11 found that this type of advertising technique was the most comforting to consumers. Consequently, many advertisers used autobiographical referencing as a means to reestablish trust with their consumers following that tragedy.<sup>12</sup>

This type of advertising approach should work well after a crisis to "remind" consumers of their past favorable experiences—particularly childhood events, as those have the most emotional impact. The memory myth on which present postcrisis management is based (that somehow the memory will fade over time) is frequently mistaken. Patrick and Folkes, for instance, found that consumers' perception of blame and memory of the Firestone recall did not dissipate over time.<sup>13</sup>

By definition, nostalgia means to take oneself back to an idealized past.<sup>14</sup> Researchers have identified "nostalgic value" as one attribute that facilitates relationship building with consumers. Relationship management is particularly important after a crisis because loyal customers will be more "forgiving" and more likely to return.<sup>15</sup> Reminding consumers of their own youth and experiences at a particular fast-food restaurant might be an important lever in emotionally reconnecting and generating interest.

*Come back, Jack.* Following the *E. coli* tragedy in 1993, when seven people died from eating tainted food at Jack in the Box restaurants, that company changed meat suppliers, instructed employees to turn up the heat while cooking, and dropped prices. Those actions were not sufficient, however, as nervous customers defected to other restaurants in droves.<sup>16</sup> One way that the chain was able to repair its brand was by bringing back "Jack." Jack, the fictional spokesperson and founder of the company, wears a suit and has a large white clown head. During the 1970s (that is, during current parents' childhood), that clown head housed the drive-through intercom. Jack and his humorous advertising were able to bring life back to the brand (and with it, sales volume).<sup>17</sup> One might think the nostalgia-building approach might not work, though, if a company, such as Wendy's, has not been particularly strong in its appeal toward children and does not have an icon that appeals to children on which to base its positioning efforts. Even in such a situation, autobiographical referencing or nostalgia campaigns can still be successful.

*Time in a bottle.* The case of Stewart's Root Beer suggests that a company's past can be created through marketing efforts. Stewart's reports that many adults seem to remember growing up drinking its frosty root beer in bottles. That memory is impossible, though, since the company began full-scale distribution only in the late 1990s. Prior to that time only Stewart's fountain drinks were available. It could be that the bottles, which are adorned with sayings like "original," "old-fashioned," and "since 1924," provide consumers the illusion of a past that they might have shared as a child. Perhaps those memories were connected to another brand (say, Hires or Nehi) but consumers misattrib-

uted them to Stewarts' because of those slogans.<sup>18</sup>

## Reconstructive Memory

The reconstructive view of memory explains how such a shift in recollections is possible. While autobiographical cues or advertising might seem to work by igniting memories of past experiences and getting the consumer to associate the advertised product with the remembered event, what the consumer remembers may be different from what actually transpired. This can occur because human memory is a reconstructive process, which means that at the time of recall the memory is reconstructed from cues in the present. Perhaps the most famous example of a present-day cue igniting a sequence of memories is Marcel Proust's *In Search of Lost Time*, which begins with the taste of *petite madeleine* cake. While the remembered event may seem genuine to the rememberer, it is subject to many distortions.<sup>19</sup>

Two of the authors of this article reported on a study where participants began to associate Hallmark's use of the Peanuts characters with advertising from their childhood, even though MetLife was the firm that used those characters when the participants were children. In that study, Hallmark benefited from childhood associations with MetLife's Peanuts-based advertising campaigns.<sup>20</sup> Within the fast-food industry, McDonald's has long positioned itself toward children, with its heavy use of Ronald McDonald and friends and especially with its Playland structures.

*Research questions.* Might it be possible that Wendy's could convince consumers that they had happy childhood memories at Wendy's restaurants by employing autobiographical referencing in its adver-

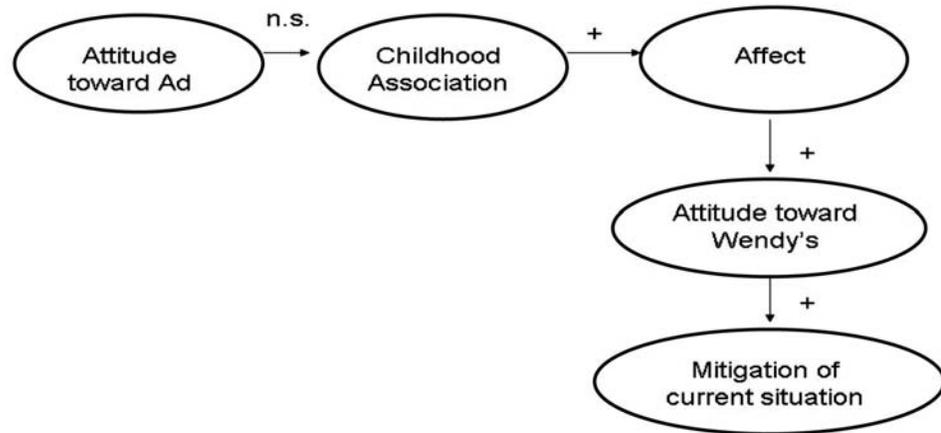
tising? Might the reference to such memories (whether real or reconstructed) help Wendy's repair the damage to its brand following the tampering incident? These questions guided our investigation.

## Hypothetical Model and Predictions

Our study compares two approaches to repairing Wendy's reputation, namely, the "Free Frosty" promotion and an advertising campaign based on autobiographical referencing. We hypothesize that certain structural relationships regarding memory and affect (see Exhibit 1) hold in the case of the autobiographical ad, but not in what we use as a control (i.e., the "Free Frosty" promotion).<sup>21</sup> We test the variable, attitude toward the ad, to see whether it affects childhood associations with Wendy's. We hypothesized that any such relationship is not significant because the ad serves as a cue for childhood-memory reconstruction. It is not important in this context whether participants like or feel positive about the advertisement itself; what is important is the information that is being delivered that allows consumers to remember their past. The intent is to show that childhood associations with Wendy's is the driver of any subsequent attitude toward Wendy's. That emotional connection should then mitigate any negative feelings stemming from the chili incident.

We also expect there to be differences between the means for the autobiographical ad and control ad on several measures, most notably, affect toward Wendy's. We predict that the autobiographical ad will emotionally engage the consumer more than the sales promotion ad does, and therefore consumers who see the autobiographical ad will report more favorable affect toward Wendy's than will those who see the Frosty ad. Because affect is an important part of brand attitude, we predict

**Exhibit 1:**  
Hypothetical Model



Note: n.s. = not significant.

that overall reported attitude toward Wendy's will be more favorable in the autobiographical ad condition. Having a favorable brand attitude will lead to more positive feelings toward Wendy's, less perceived fault in relation to the tampering allegations, and greater likelihood of consumers' returning in the future (all of which we refer to as mitigation of current situation).

In addition to how an autobiographical ad emotionally engages consumers by cuing their childhood memories, we offer several predictions on what consumers might actually recall from their childhood based on the reconstructive view of memory. First, the ad information will be used to help consumers reconstruct their past experience with Wendy's. The tested autobiographical ad suggests that consumers had many family visits to the restaurant—a suggestion that might cause consumers to “remember” more visits than actually transpired. To control for the possibility that the consumer in fact had many visits to Wendy's and to demonstrate the ad's ability to alter the consumers' recollection of the past, a misleading detail is inserted in the advertisement. In this instance, the

ad misinforms consumers that they remembered playing in Wendy's Playland. If the consumers then “remember” themselves having that experience, that is evidence the ad infiltrated the consumers' memories. Therefore, we predict that the information in the autobiographical ad, whether fact or fiction, will be used as consumers remember their past experiences at Wendy's. The Frosty ad should have no influence on the control group's memories as that ad does not directly refer to aspects of past experiences.<sup>22</sup>

Last, we are also interested in how the autobiographical ad affects memories for McDonald's, the actual operator of Playland. Because the ad features Playland, there is the danger that when consumers see the Wendy's Playland ad, they may think of McDonald's instead.<sup>23</sup> However, given the reconstructive view of memory, it is also possible that they will misattribute the childhood experience of playing on a Playland at McDonald's if they see a suggestion that Wendy's also has had Playlands. In fact, Braun, Ellis, and Loftus found that Disney could make consumers “remember” shaking hands with Bugs Bunny (a Warner Brothers charac-

ter) during their childhood visit to Disneyland by including this reference in Disney's advertising.<sup>24</sup>

## The Study

To test our propositions regarding the effect that autobiographical referencing might have on emotional attitudes toward Wendy's, we developed two print advertisements. Both ads featured a picture of a Wendy's building in the center, the red Wendy's logo in the lower left, and a picture of Dave Thomas in the lower right.

The control ad, offering the "Free Frosty," had an image of a Frosty and the word "free" in the upper left, and the top headline read, "Come in for our Free Frosty Weekend." The autobiographical ad had a Playland superimposed next to the Wendy's building, showed a young child eating a burger, and had the following text in the upper right: "Remember your family trips to Wendy's, every week for tasty burgers and fries. Playing on the slide, jumping into the ball pit, swinging on the swing sets. Memories you never forgot."<sup>25</sup>

Note that the false reference to the Playland was intentional. As explained above, we wanted to determine whether the ad could evoke memories for experiences at Wendy's that never actually happened. In doing this, we are not suggesting that restaurants should intentionally attempt to alter their consumers' memories of the past. Our test is just a means to demonstrate the power that advertising might have on consumers' memories and emotions. For instance, if participants who see the nostalgic ad report a higher instance of visiting Wendy's during their youth (compared to the control group), or of having experiences at Wendy's on the Playland, then we know that the advertisement was effective in reconstructing their memories.

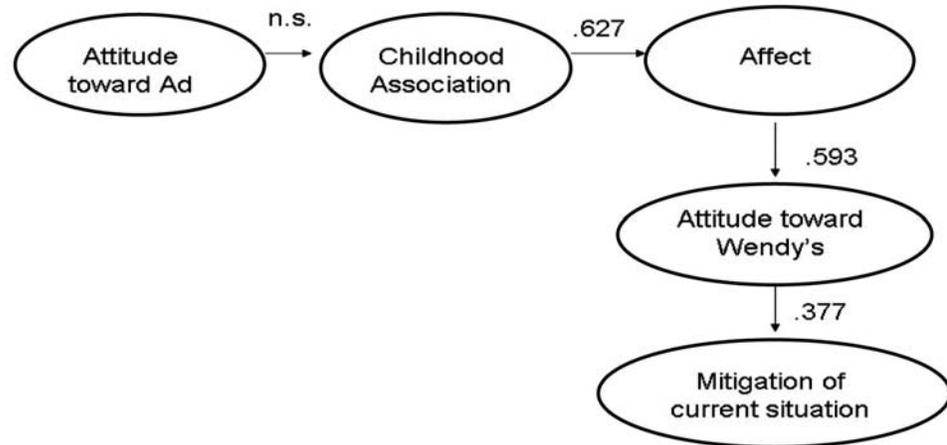
We enlisted one hundred participants (fifty men and fifty women) with the specific aim that the results would be generalizable to the population at large. Average age was twenty-three; the youngest was nineteen, and the oldest forty-three. Participants were undergraduate students at University of Nevada, Las Vegas, who received course credit for their participation. We used the data only from those who were born and raised in the United States, who were regular fast-food consumers, and who indicated that they were aware of the Wendy's situation. We expected awareness to be high because the alleged chili tamperer, Anna Ayala, was from Las Vegas, which meant that this city had more media coverage of the incident than occurred in other parts of the United States.<sup>26</sup>

This study employed a between-subjects design, which means that participants saw only one version of the ad (either the control or the autobiographical) at random.

During each twenty-minute session, participants received a written questionnaire and the target ad. Participants were given five minutes to read and provide feedback on the ad and rate their attitude toward the ad. At their own pace they responded to the questionnaire about their attitudes toward three fast-food restaurants (i.e., Wendy's, McDonald's, and Burger King).<sup>27</sup> Participants then rated the extent to which certain positive-affect words (i.e., fond, happy, sentimental, affectionate) were related to those brands.<sup>28</sup> Participants rated how much each restaurant was associated with their childhood and provided an estimate of how often they visited as a child.<sup>29</sup>

Participants then indicated how likely it was that certain events at Wendy's may have happened to them as a child—the key events being "playing on a Playland" and "weekly visits with the family." They then

**Exhibit 2:**  
Autobiographical Ad Condition



Note: n.s. = not significant.

repeated those ratings for events at McDonald's.<sup>30</sup> Last, the participants were asked questions about the Wendy's situation: whether they were aware of it (and to describe it), how much blame they placed on Wendy's management, how they felt toward Wendy's following the incident, the likelihood of their visiting Wendy's in the future, the likelihood of their buying chili on a future visit, and the likelihood of their taking their own children to Wendy's someday.<sup>31</sup>

### Model Analysis

Exhibit 2 features the results of the model of the autobiographical group data using modeling software. Various measures indicated a strong fit of the model to the data.<sup>32</sup> As we hypothesized, the path from attitude toward the ad to childhood associations with Wendy's is not significant, reinforcing the notion that the overall feeling about the ad itself or its aesthetics was not important. What was important was how the ad's information influenced the childhood memories associated with

Wendy's. The remaining paths are all strongly positive and significant, supporting our hypotheses. That is, the model works well in the autobiographical context and demonstrates a way to mitigate Wendy's difficulties.

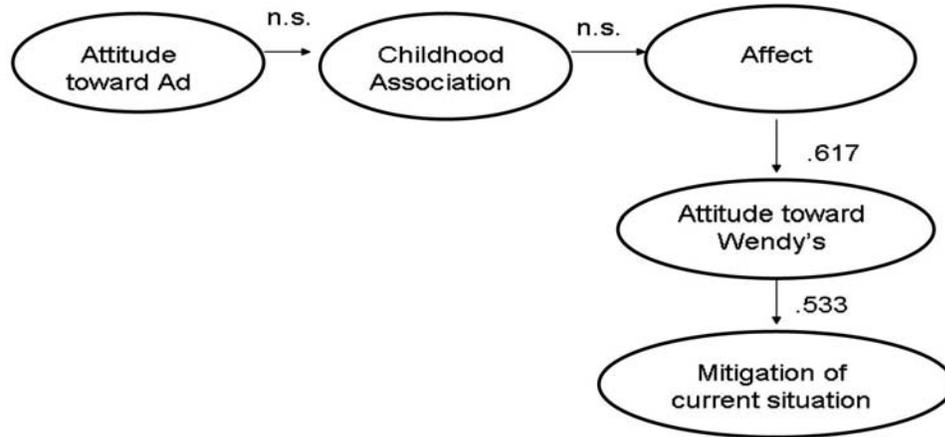
Exhibit 3, in contrast, features the results of the analysis of the "Free Frosty" group. As expected, the structural relationships are weak. In fact, the model as formulated shows a weak fit to the data.<sup>33</sup> In addition, the first two paths are not significant, meaning that the relationship between advertisement and memory does not occur in the control group. The contrast with the autobiographical data model's results further substantiates our contention that it is better to engage consumers emotionally after a crisis situation than to appeal to their rational side by offering free merchandise.

### Mean Differences

As predicted, in comparison with participants who saw the Frosty ad, those who viewed the autobiographical ad reported

**Exhibit 3:**

## Control Group



Note: n.s. = not significant.

more favorable affect toward Wendy's; more favorable attitudes toward Wendy's; a more favorable opinion about the company in view of the tampering, including a stronger belief that Wendy's was not at fault; more positive feelings toward Wendy's in view of the incident; greater likelihood of returning; greater likelihood of ordering the chili in the future; and greater likelihood of taking their own kids to Wendy's someday.<sup>34</sup> See Exhibit 4 for the means.

### Reconstructive-Memory Effects

While the findings above should encourage companies that face public relations challenges like those faced by Wendy's, our study also demonstrates reconstructive memory. Indeed, we found that when compared with the control group, those who received the autobiographical ad associated Wendy's more with their childhood, reported enjoying Wendy's more during their childhood, and estimated visiting Wendy's more often during their childhood than those who received the control ad (see Exhibit 4).<sup>35</sup>

Specifically, when asked how confident they were that certain events had happened to them at a Wendy's restaurant during their childhood, those who received the autobiographical ad reported greater confidence than did control participants that all of the following four events had happened to them at a Wendy's restaurant: finding an extra toy, going through a drive-through after a game, going on a weekly family trip to Wendy's, and playing at a Wendy's Playland.<sup>36</sup> Note that the ad had suggested frequent family trips (which could be an accurate memory), as well as the Playland reference (which could not have occurred). It appears that just referring to childhood events made all the given events seem plausible. That meant that the ad was effective in providing a frame in which those who received the autobiographical reference colored their memories of Wendy's.

### Competitor Effects

The final issue of interest is what happens to perceptions of competitors when another brand tries to hijack memories

**Exhibit 4:**  
Wendy's Results

	<i>Auto- biographical Ad</i>	<i>Free Frosty (Control) Ad</i>
Overall mean differences		
Affect toward Wendy's (composite measure, higher values = more positive, on 10-point scale)	5.2	3.7
Attitude toward Wendy's (composite measure, higher values = more positive, on 10-point scale)	7.5	5.8
Opinion of Wendy's after tampering (1= <i>not very favorable</i> , 10 = <i>very favorable</i> )	9.2	6.6
Belief that Wendy's was not at fault (1= <i>completely Wendy's fault</i> , 10 = <i>not at all Wendy's fault</i> )	8.0	5.1
Likelihood of revisiting Wendy's (1= <i>not very likely</i> , 10 = <i>very likely</i> )	7.8	4.7
Likelihood of buying the chili in the future (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	5.6	3.3
Likelihood of taking kids to Wendy's someday (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	7.1	4.4
Reconstructive memory effects		
Wendy's association with childhood (1 = <i>not at all associated</i> , 10 = <i>highly associated</i> )	4.4	2.2
How much enjoyed Wendy's as a child (1 = <i>not at all</i> , 10 = <i>extremely well</i> )	4.8	2.7
Estimation of how often visited during childhood (1 = <i>never</i> , 10 = <i>every day</i> )	3.2	1.9
Likelihood found extra toy at Wendy's (as child) (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	2.5	1.7
Likelihood went to Wendy's drive-through after a game (as child) (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	2.3	1.3
Weekly family visits to Wendy's as a child (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	3.8	1.7
Played at a Wendy's Playland (false) (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	2.1	1.1

associated with their brand. In this case, our hypothetical Wendy's campaign attempted to use McDonald's Playland as a springboard for reconstructing memories. One might expect that using a competitor's well-known attribute would cause consumers to think of the competitor rather than the advertised brand. That was the case for the seven participants who mentioned that the Wendy's autobio-

graphical ad made them think of McDonald's. One participant wrote, "The ad reminded me of McDonald's because of the Playland; never seen one at Wendy's." None of the control ad participants made an association to McDonald's when viewing the Frosty ad.

Even though some participants made an association with McDonald's, though, that did not benefit McDonald's. There

**Exhibit 5:**

## Competitor Effects

	<i>Auto- biographical Ad</i>	<i>Free Frosty (Control) Ad</i>
Overall feelings toward McDonald's		
Affect toward McDonald's (composite measure, higher values = more positive, on 10-point scale)	5.2	4.7
Attitude toward McDonald's (composite measure, higher values = more positive, on 10-point scale)	5.8	5.4
Reconstructive memory effects		
McDonald's association with childhood (1 = <i>not at all associated</i> , 10 = <i>highly associated</i> )	5.2	4.7
How much enjoyed McDonald's as a child (1 = <i>not at all</i> , 10 = <i>extremely well</i> )	5.8	5.4
Estimation of how often visited during childhood (1 = <i>never</i> , 10 = <i>every day</i> )	6.9	6.8
Likelihood found extra toy at McDonald's (as child) (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	3.8	3.7
Likelihood went to McDonald's drive-through after a game (as child) (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	2.9	3.1
Weekly family visits to McDonald's as a child (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	6.2	6.2
Played at a McDonald's Playland (1 = <i>not very likely</i> , 10 = <i>very likely</i> )	6.2	6.4

were no differences in attitude or affect toward McDonald's between those participants who had viewed the autobiographical ad and participants who viewed the control ad (see Exhibit 5). There were also no differences between the two groups in childhood association, enjoyment at McDonald's during childhood, or estimate of how often they visited McDonald's. In addition, there was no difference between the participant groups as to the participants' confidence that certain events during their childhood had happened at a McDonald's restaurant.<sup>37</sup>

## Discussion

This study explored whether the use of autobiographical referencing would be a helpful technique in resuscitating

Wendy's reputation. We found that those who received the autobiographical ad reported having more and fonder memories of visiting Wendy's as a child, as well as a greater likelihood of returning despite the tampering incident. In addition, we found that the ad did lead to reconstructive effects, where those exposed to the false ad "remembered" playing at Wendy's Playland during their childhood. At the same time, participants' feelings toward McDonald's were not damaged by the Wendy's advertisement. Overall feelings and attitude toward McDonald's were the same for both the autobiographical ad group and those viewing the control ad. The Wendy's ad seemed to either repress or lead to misattribution of the McDonald's Playland memories.

To be sure, the autobiographical ad was effective in stirring up memories. After viewing the ad, one participant wrote, "It pulls your emotional strings . . . made me think of my own childhood." Another commented, "Use of the Playland was effective in bringing back childhood." A third participant wrote, "Makes me want to go to Wendy's to play." Still another responded, "I have a big family, so I was thinking of all of it in Wendy's, and when I was a little kid I remember how cool the ball pit was. And then I thought of all the different games we liked to play while waiting for our food."

In contrast, most people who saw the control ad focused on the "Free Frosty" promotion. This was not necessarily a positive for Wendy's, however, as one participant commented, "When I see the word free, it makes me interested but I've got to know what I have to do to get a free frosty. . . . I become skeptical without knowing everything." Another wrote, "The ad makes me think about the finger incident and how Wendy's is trying to get back the market share they lost during the scandal." One other participant took that idea a step further, as follows: "I am skeptical about free stuff, especially from Wendy's. If they were not at fault, why give away free stuff?" In fact, eleven (22 percent) of control participants, as compared to five (10 percent) of autobiographical participants, directly mentioned the finger incident—a statistically significant difference.<sup>38</sup> One response to the advertising also confirmed the traditional view of waiting to advertise the product until memory fades. This participant wrote, "The chili finger news makes me wanna back up and buy somewhere else instead." In the end, the results demonstrate that postcrisis management through autobiographical referencing is effective and can

engender the brand to the consumer at a deeper emotional level.

### Managerial Implications

Though this article was focused on how to employ reconstructed memory to help restore a brand damaged by a crisis, the importance of advertising and management of consumer experiences (through their memories) is an important lesson for all hospitality organizations. The finger incident just exacerbated Wendy's brand-management challenges.<sup>39</sup> With the death of Dave Thomas, the company seems to have lost its core identity, along with its voice and spokesperson. A marketing approach that restores the company's voice and identity could turn this crisis into a success. After all, when else is the world watching a company's every move?

The traditional view of waiting and letting consumers forget the crisis is dangerous and often ineffective. Wendy's crisis should have been resolved by the arrest of the false accuser since that event addressed consumers' need for facts, data, and hard information. Clearly, though, facts and information are not sufficient in such a situation. The postcrisis period should address consumers' emotional needs as well (e.g., reassurance, comfort, trust). The company's communication should also reinforce its values and invoke its symbols. Price promotions, coupons, and freebies may gain momentary attention, but their effects soon wear off while failing to instill consumer trust. To the contrary, we found that offering promotions raises issues regarding the company's responsibility in the crisis.

*Rebuilding strategy.* Another lesson for postcrisis management is that brand managers can tap into the heritage of the brand as a reference point (i.e., building a new strategy). Thus, the restaging is able to

capitalize on strong emotions and connections that already exist in the marketplace. In our study, Wendy's was able to capitalize on happy experiences at McDonald's. Because Wendy's was built on "old-fashioned" hamburgers and features a nostalgic-looking logo, the brand was in a good position to appeal to consumers' nostalgia. However, over time, some of these associations may not be so strong or apparent in the marketplace. The childhood play area association was an obvious opportunity, but as the quick-service industry evolves, other associations may become more prominent (e.g., tie-ins with Disney movies). Thus, as the marketplace changes, there continue to be opportunities for repositioning the brand by designing a promotional strategy or brand strategy that taps into deep emotions. Additionally, though our focus was on fast-food restaurants, our results may have implications for resorts and restaurants that have tremendous brand equity at stake.

Beyond recovering from the crisis at hand, companies that have rebounded with renewed energy have used their misfortune to reshape the playing field. Following the fatal Tylenol tampering incident, McNeil Labs developed safety seals to reassure customers—a development that is now an industry standard. With its new packaging, Tylenol instantly eliminated concerns about product tampering and reinforced its stance of being a safe analgesic. Similarly, Jack in the Box instigated the highest safety standards for cooking beef in the quick service restaurant industry. While it also needed an emotion-based advertising campaign to win back customers, the chain established its food-safety status. In contrast, companies that did not learn from their crisis (such as Northwest Airlines) missed a great opportunity to become a leader in

their field. Whether Wendy's uses this mishap to reshape its future will become apparent over time.

Our study provides Wendy's with one possible approach to countering the negative publicity of the chili-tampering incident. We found the reconstructive memory approach to be more effective in improving Wendy's reputation than its status quo position. Wendy's probably is not going to construct its own Playland-type facilities, but there may be less dramatic ways to invoke an emotional connection. The chain could hearken to founder Dave Thomas, his daughter Melinda (Wendy, for short), and the "old-fashioned burger" iconography. These already appear on the chain's Web site, but they all could be woven together in advertising to make for an emotionally engaging trip down memory lane for consumers. The key for Wendy's success (as well as that of other brands) is to identify the particular emotional trigger or experience that bonds the brand with the customer. Those key experiences can be uncovered with psychoanalytic probing techniques, such as early memory probing or picture elicitation techniques that grab the consumers' subconscious mind.<sup>40</sup>

#### Endnotes

1. For example, see Kate MacArthur, "Chili-Finger Fiasco Continues to Poke at Wendy's," *Advertising Age* 76 (April 25, 2005): 20.
2. Allan J. Liddle, "Tipster Fingers Hoax Suspect as Wendy's Awaits Sales Comeback," *Nation's Restaurant News* 39 (May 23, 2005): 3-5.
3. Numerous Web sites criticized Wendy's "Free Frosty" promotional efforts; here is one that reported on the "frosty" reception: Rick Aristotle Munarriz, "Wendy's Frosty Reception," *The Motley Fool.com*, published on May 16, 2005, at [www.fool.com/News/mft/2005/mft05051603.htm](http://www.fool.com/News/mft/2005/mft05051603.htm).
4. For instance, see Laurence Barton, "Crisis Management: Preparing for and Managing Disasters," *Cornell Hotel and Restaurant Admin-*

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  14. Daniel D. Muehling and David E. Sprott, "The Power of Reflection: An Empirical Examination of Nostalgia Advertising Effects," *Journal of Advertising* 33, no. 3 (2004): 25-36.
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  18. G. W. Prince, "Yesterday, Today and Tomorrow," *Beverage World*, March 15, 2000, pp. 52-54.
  19. Elizabeth F. Loftus, "Creating False Memories," *Scientific American* 277, no. 3 (September 1997): 70-75. See also Marcia K. Johnson, Mary A. Foley, Aurora F. Suengas, and Carol L. Raye, "Phenomenal Characteristics of Memories for Perceived and Imagined Autobiographical Events," *Journal of Experimental Psychology: General* 117 (December 1988): 371-76, noting that consumers are more likely to have source confusion errors when there are similarities between messages.
  20. Kathryn A. Braun-LaTour and Michael S. LaTour, "Assessing the Long-Term Impact of a Consistent Advertising Campaign on Consumer Memory," *Journal of Advertising* 33, no. 2 (2004): 49-61.
  21. We hypothesize that the structural relations proposed hold in the case of the autobiographical ad context and not the control ad. Therefore, the hypothetical model references the experimental group's analysis. The same formulation is tested with the control group to verify the lack of viable structural relations there.
  22. The same logic regarding usage of false information was used in Kathryn A. Braun-LaTour, Michael S. LaTour, Jacqueline E. Pickrell, and Elizabeth F. Loftus, "How (and When) Advertising Can Influence Memory for Consumer Experience," *Journal of Advertising* 33, no. 4 (2004): 7-26. Note that we do not endorse the intentional falsifying of documents, as per John E. H. Sherry, "False and Misleading Promotional Material: A Word of Caution," *Cornell Hotel and Restaurant Administration Quarterly* 34, no. 4 (August 1993): 14-15.
  23. See Kevin Lane Keller, "Memory and Evaluation Effects in Competitive Advertising Envi-

- ronments," *Journal of Consumer Research* 17 (March 1991): 463-76.
24. Kathryn A. Braun, Rhiannon Ellis, and Elizabeth F. Loftus, "Make My Memory: How Advertising Can Change Our Memories of the Past," *Psychology & Marketing* 19 (January 2001): 1-23. That research was based on the following earlier investigated idea that imagining an event from childhood makes it seem more likely to have happened: MaryAnne Garry, Charles G. Manning, Elizabeth F. Loftus, and Stephen J. Sherman, "Imagination Inflation: Imagining a Childhood Event Inflates Confidence that It Occurred," *Psychonomic Bulletin & Review* 3, no. 2 (1996): 208-14.
  25. Though experiments have not often been used in hospitality research, they offer an excellent way to theoretically test different strategies; here, an experiment allowed us to compare the status quo promotional ad against the autobiographical ad. See Ann Lynn and Michael Lynn, "Experiments and Quasi-Experiments: Methods for Evaluating Marketing Options," *Cornell Hotel and Restaurant Administration Quarterly* 44, no. 2 (April 2003): 75-84. Data were collected in late May and early June 2005, several weeks after Ayala was arrested. Note that the autobiographical ad contained more words than the control ad did. Future research might consider looking at whether the number of words makes any difference.
  26. Wendy's spokesman Denny Lynch said the sales slump was greatest in San Jose (where the allegation was made) and in Las Vegas (where the incident generated the most publicity). "The sales in Las Vegas have been hurt as if the incident occurred there, which isn't fair," Lynch said, as quoted in Brian Haynes, "LV Woman Arrested in Finger Case," *Las Vegas Review Journal*, April 22, 2005, [www.reviewjournal.com/lvrj\\_home/2005/Apr-22-Fri-2005/news/26353584.html](http://www.reviewjournal.com/lvrj_home/2005/Apr-22-Fri-2005/news/26353584.html).
  27. Attitudes were measured on four Likert-type 10-point scales anchored by *unfavorable-favorable*, *bad-good*, *pleasant-unpleasant*, and *negative-positive*. Higher values indicate more positive attitudes. These scales were highly correlated (Cronbach's alpha = .89 for attitude toward the ad, Cronbach's alpha = .95 for Wendy's, and Cronbach's alpha = .95 for McDonald's), so they were combined to form an attitude index. Note that Burger King was meant to be filler so as not to draw the participants' attention directly to the Wendy's and McDonald's comparison (though the attitude toward Burger King scales were also correlated).
  28. These four affect adjectives, which were thought to represent positive, nostalgic feelings, were adapted from Marian Chapman Burke and Julie A. Edell, "The Impact of Feelings on Ad-Based Affect and Cognition," *Journal of Marketing Research* 16 (February 1989): 69-83. Participants rated how much each word related to the restaurants. The scales were anchored by 1 = *not at all associated* and 10 = *highly associated*. The four affect scales were highly correlated, Cronbach's alpha = .93 for Wendy's and Cronbach's alpha = .89 for McDonald's.
  29. Specifically, they rated on a 1 to 10 point scale, anchored by 1 = *not at all associated* and 10 = *highly associated*, the question, "How much do you associate \_\_\_\_\_ with your childhood?" They answered the question, "How much did you enjoy going to \_\_\_\_\_ when you were a child?" anchored by 1 = *not at all* and 10 = *extremely well*. They were also asked to give an estimate of how often they went to each fast-food restaurant as a child, anchored by 1 = *never* and 10 = *every day*. These three measures were correlated, Cronbach's alpha = .87 for Wendy's and Cronbach's alpha = .83 for McDonald's.
  30. Two filler events were also included: "Finding an extra toy in a kid's meal" and "Going through the drive-through after winning a game." Participants rated how confident they were that these four events happened to them under the age of ten at Wendy's, where 1 = *not at all confident* and 10 = *extremely confident*. They then rated their confidence these same events had occurred to them at McDonald's.
  31. The fault measure was anchored by 1 = *completely Wendy's fault* and 10 = *not at all Wendy's fault*. The feeling toward Wendy's after-the-incident measure was anchored by 1 = *not very favorable* and 10 = *very favorable*. How likely they are to visit Wendy's in the future, how likely they are to order Wendy's chili in the future, and how likely they are to take their own children (once they have them) to Wendy's were all anchored by 1 = *not very likely* and 10 = *very likely*. These five measures were highly correlated, Cronbach's alpha = .88, and were combined for the purpose of our causal model.
  32. Maximum likelihood analysis was used for model testing. For the autobiographical group,  $\chi^2 = 11.29, p = .08, 6 df$ , goodness of fit index (GFI) = .923. A nonsignificant chi-square is highly desirable as an indicator of fit. The common benchmark for GFI is .9. See James L. Arbuckle and Werner Wothke, *Amos 4.0 Users Guide* (Chicago: Small Waters, 1999).
  33. For the control group,  $\chi^2 = 26.77, p < .001, 6 df$ ; GFI = .847.
  34. The *t*-test statistics for these measures are affect toward Wendy's,  $t_{(98)} = 3.26, p = .001$ ; attitude toward Wendy's,  $t_{(98)} = 4.7, p < .0001$ ; fault

- for the situation,  $t_{(98)} = 4.76, p < .0001$ ; feelings after the situation,  $t_{(98)} = 6.02, p < .0001$ ; reward with visit,  $t_{(98)} = 5.7, p < .0001$ ; buy chili,  $t_{(98)} = 3.31, p < .0001$ ; and take children,  $t_{(98)} = 4.2, p < .0001$ .
35. The  $t$ -test statistics for these measures are associate Wendy's with their childhood,  $t_{(98)} = 4.37, p < .0001$ ; enjoyed Wendy's during their childhood,  $t_{(98)} = 3.78, p = .0003$ ; and how often frequented Wendy's,  $t_{(98)} = 3.28, p = .001$ .
  36. The  $t$ -test statistics for these measures are finding an extra toy,  $t_{(98)} = 2.4, p = .01$ ; drive-through,  $t_{(98)} = 3.18, p = .002$ ; family trip,  $t_{(98)} = 4.8, p < .0001$ ; and Wendy's Playland,  $t_{(98)} = 3.94, p < .0001$ .
  37. All of these measures were on a 10-point scale with higher values indicating more positive feelings and attitudes (or higher confidence). None of these differences was significantly different. In addition, the correlations between feelings toward Wendy's and feelings toward McDonald's were not significant; neither were attitudes toward Wendy's and attitude toward McDonald's.
  38. The number of people who mentioned the finger incident upon viewing the ad was significantly larger (22 percent) in the control (Frosty) group than in the autobiographical group (10 percent),  $\chi^2_{(N=100)} = 2.67, p = .10$ .
  39. MacArthur, "Chili-Finger Fiasco Continues to Poke at Wendy's."
  40. For a discussion of the Zaltman Metaphor Elicitation Technique, an in-depth interview method to dig into emotional brand connections, see Gerald Zaltman, *How Customers Think* (Cambridge, MA: Harvard Business School Press, 2003); see also Hy Mariampolski, *Qualitative Market Research: A Comprehensive Guide* (Thousand Oaks, CA: Sage, 2001), for a discussion of early memory probing.



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