Australian talkback radio prank strategy: a media-made crisis

Introduction

On 4 December 2012, between 7:30 pm – 10:30 pm (AEST), an Australian commercial radio station aired a prank call in the Hot30 Countdown show that was believed to have contributed to the tragic death of a hospital nurse in Britain. Within days, 2Day FM radio station found itself in the eye of a global storm and soon after the show had to be cancelled. The crisis response strategies adopted by the radio station earned it third position in the 2012 PR disaster list, published in The PR Report (2013). Focusing on the Issue Lifecycle model (cited in Regester and Larkin, 2008; Jacques, 2014), this study offers an empirical analysis of the crisis and develops a crisis lifecycle model.

The commercial radio sector is one of the oldest of the media sectors in Australia. Since the first broadcast by 2SB in Sydney on 13 November 1923, Australian commercial radio has played a vital role in the Australian music and non-music industry (Music in Australia, 2007). Approximately 260 commercial radio stations operate in Australia, mostly in non-metropolitan areas. According to the industry body, Commercial Radio Australia (CRA), the commercial radio sector is an AUD $947 million per annum industry funded primarily through advertising and sponsorships, and accounting for around 8% of total media advertising expenditure in Australia (CRA, 2014).

Commercial radio stations, as part of major network companies such as Southern Cross Austereo (SCA), compete for audiences with the national broadcasters (ABC and SBS), over 350 community radio stations and nearly 2000 open narrowcasting radio services, making radio “the most competitive media sector in Australia today” (Music in Australia, 2007). The enactment of the Broadcasting Services Act 1992 (Australian Government, 2015) streamlined the process for allocating radio broadcasting licences, leading to the mushrooming of radio stations.

Radio is generally seen as a secondary medium, but Tacchi (2000) argues that radio is part of our everyday lives and has become so naturalized that it is difficult to establish its significance. Tacchi (2000) further contends that radio is a deceptively powerful medium, able to engage with people’s emotions, and is emotionally evocative and reassuring. Cantril’s (1940) research on mass panic in the US following an Orson Welles’ Invasion from Mars broadcast on 30 October 1938, in a post-war context, is a classic example of the impact of
radio on society. Premised on the power of radio, this study examines how a radio prank impacted audiences and stakeholders as well as the reputation of the radio station itself. This project is significant in that it is one of the first to use talkback radio as a case in point to engage with issue and crisis management principles and interrogate conventional Australian radio broadcast practices.

**Issue management prescriptions**

In a rapidly transforming mediascape, a robust framework is required to help public entities predict issues and recognise potential crises. Often public entities seem constrained in controlling the rise of an issue. However, with the help of issue management models and tools such as environment scanning and media training, it is possible for organisations to reduce the timeline and impact of an issue (Heath and Palenchar, 2009; Jaques, 2014). The most common understanding of an issue is that it arises as a consequence of a developing political, economic or social trend that a public entity perceives as a problem or an opportunity (Hainsworth, 1990; Regester and Larkin, 2008).

An issue generally evolves in a predictable manner. In a model developed by Hainsworth (1990) and Meng (1992) this evolution is described as a “lifecycle” (cited in Regester and Larkin, 2008: 49). The pressure to respond mounts on the public entity at each stage of the evolution because of the increasing importance of the issue. The issue life cycle model addresses four stages of an issue: potential, emerging, current, and dormant (See figure 1.1). The vertical axis presents the pressure that the developing issue creates for the entity, and the horizontal axis presents different stages of the issue’s progress (Regester and Larkin, 2008).

Figure 1.1: Issues Lifecycle
(Adapted by and cited in Regester and Larkin, 2008: 50)

This model has been critiqued. For instance, Jaques (2007) contends that the model tends to be linear. Regester and Larkin (2008) argue that the model appears to present an issue in a sequential path, evolving from a potential issue to a dormant one, implying that organisations handle only one issue at a time. Jaques (2007) explains that issue management cannot be a linear process because most often multiple issues are handled...
concurrently, where each issue may be at a different stage of its lifecycle. Lamertz, Martens and Heugens (2003: 83) point out a similar problem with the model and state that it “often fails to progress along predictable lines, and deviates frequently from the linear, sequential path”. Nevertheless, scholars concur that the model offers valuable strategic views on issues management. Jaques (2014) contends that the issue lifecycle model is a powerful tool to implement issue management strategies to achieve positive outcomes (See figure 1.2). In this sense, Jaques (2014) offers an improved version of the model with a second curve that focuses on how a crisis could be prevented and its impact reduced through proactive issue management. The second curve in Jaques’s (2014) model is a significant contribution to the field of issue and crisis management.

Figure 1.2: Life Cycle of a Strategic Issue
(Jaques, 2014: 38)

In the words of Henry Kissinger, “An issue ignored is a crisis invited” (cited in Jordan-Meier, 2011: 5). A crisis is a critical and intense issue with potentially negative outcomes that affect public opinion, products, services and reputation. It is a show-stopping event that can threaten the very existence of an entity, requiring decisive and immediate action (Cornelissen, 2008; Howell, 2012).

However, not all crises evolve from issues. While, a rising issue, detectable and predictable via environment scanning, allows for systematic proactive planning and action - no amount of environment scanning can help foresee an event arising from, for example, an act of God. Then again, a man-made crisis may arise through irregularities and when a “crisis-sensing mechanism” (Coombs, 2007: 21) is not in place for identifying, assessing and intervening to prevent the crisis from occurring (Smith and Elliott, 2006; Lerberger, 2012). Crisis management strategies enable the practice of beneficial communication with key stakeholders to protect and/or repair the organisation’s reputation (Lerberger, 2012). Broadly, Boin et al. (2005: 2) state that a crisis occurs “when policy makers experience a serious threat to the basic structures of the fundamental values and norms of a system,
which under time pressure and highly uncertain circumstances necessitates making vital decisions.”

Once a crisis is detected, identifying its specific features enables appropriate responses (Zaremba, 2010; Coombs, 2014). A crisis Matrix was introduced by Coombs (1995) which defines four types of crises with two measurements – Internal/External and Intentional/Unintentional and these can intersect to create four mutually exclusive crisis categories; Faux Pas, Accidents, Terrorism and Transgressions (Coombs, 1995: 455). As soon as the crisis category is identified, it is possible to determine the crisis communication strategy. Implementation of the communication strategy requires control over the situation, with authorised and credible news provided to the media and stakeholders. Additionally, all media enquiries must be dealt with promptly to prevent journalists seeking information from elsewhere that may further damage reputation capital (Coombs, 1995; Cornelissen, 2008).

With the advent of the Internet, new platforms have emerged in new communication territories across nations (McCombs, 2005). Bernard Cohen (cited in Lattimore et al., 2012) contended that the media does not influence how consumers think, but rather tells them what to think about. The public take their cue from the news media to choose which issues to focus their attention on, while the news media decide what news the public will/should be aware of (Wu and Coleman, 2009). McCombs (cited in Johnston and Sheehan, 2014: 397) defined agenda-setting as the “ability to influence the salience of topic on the public agenda...The public uses these cues from the mass media to organize their own agendas and decide which issues are important...in other words the news media set the public agenda.”

The news media, by and large, communicate the main issues and this tends to be reflected in the public’s perception (McQuail, 2010; Carroll and McCombs, 2003). Trenaman and McQuail (cited in McQuail, 2010: 113) critiqued the agenda setting perspective by pointing out that the news media enables the public to “think about what they are told”, but do not encourage them to “think what they are told’. As a result, the agenda-setting theory has expanded in many forms, like the ‘focusing event theory’ (Birkland and Warnement, 2013). A crisis moves from agenda-setting to ‘focusing event’ when it reaches the highest level on the media’s agenda. This means that the news content across media tends to move from discussing the cause to reassessing policies or considering new policies to prevent similar crises from recurring (Ulmer et al., 2015).
Conversely, framing focuses on how the news media constructs and presents an issue, and how reception of the constructed news for the given situation is formed (Entman, 1993; Scheufele, 1999; Chong and Druckman, 2007). In the communication process frames are found in different subsections, like communicator, text, receiver and culture (Entman, 1993: 52-53). These subsections influence the way communication is understood and perceived. Journalists and public relations professionals apply framing as a strategy in issue and crisis management.

Thus, a crisis is simply bad publicity, which has the potential to harm the entity much more than the other outcomes arising from the incident (Bland cited in Keown-McMullan, 1997).

A case analysis of the Australian commercial radio broadcaster, 2Day FM is presented next. Interestingly, this case is not a textbook example of how a crisis emerges from unattended issues, rather it is about how a range of issues can emerge from an unattended crisis.

**2Day FM’s royal prank**

2Day FM, part of Southern Cross Austereo’s (SCA) Today Network, is a commercial radio station broadcasting from Sydney, Australia. Considered number one with over 3.5 million metro listeners and over 1.1 million users online (SCA, 2013), the station has had its share of controversies. For example, in 1997, David Rymer, host of the then Top 30 Countdown, was castigated in the news media for an on-air stunt when he called a top-ranking Year 12 student, with her mother’s consent, to inform her that her results were incorrect. The girl’s father took legal action. In 2005 Craig Lowe, the host of the nightly networked show Lowie’s Hot30 was forced to resign after another on-air faux pas, involving a porn star (Lowe, 2006:8). Then in 2009, Kyle Sandilands, the host of 2Day FM’s Kyle and Jackie O show, was the focus of several scandals, including strapping a 14-year-old child to a lie detector. In this segment the distressed child was asked to discuss her sexual history live on-air in front of her mother. The stunt was cut short as soon as she claimed to have been raped when she was only 12 (News.com.au., 2013: 1). In the same year, Sandilands was suspended for a month for suggesting that comedian Magda Szubanski should be put in a concentration camp where she can, "Watch the weight fall off" (Jamieson and Nethercote, 2009: 9).

According to the SCA, the show Hot30 Countdown (cancelled since 10 December 2012) was broadcast in Sydney from Monday to Thursday, 7.30pm - 10.30pm and Friday, 7.30pm -
10.00pm. The program was also broadcast nationally as part of its syndication across the Southern Cross Media Group commercial radio network. The show hosted by two presenters – Mel Greig and Michael Christian – was a music-based pop culture program, which played listeners’ favourite songs, and reflected on ‘what’s hot right now’ (SCA, 2013). The program aimed to be interactive with its audiences and broadcasted a mixture of live and pre-recorded content (ACMA 2015). Essentially, Hot30 Countdown featured light content, meant to entertain its listeners.

On December 3, 2012, the Duchess of Cambridge was admitted to King Edward VII Hospital for acute morning sickness, while in the early stage of expecting Prince George. The 2Day FM DJs, Mel Greig and Michael Christian, called in the early hours of 4 December 2012, and managed to convince hospital staff of being the real Queen and Prince Charles despite their comic accents, complete with two support radio staff members pretending to bark like corgis in the background.

Mel Greig pretending to be the Queen, asked the nurse, Jacintha Salandha, at the reception desk if she could speak to her “granddaughter”, Kate Middleton, the Duchess of Cambridge. Salandha connected the ‘Queen’ to the nurse’s desk, where at one point Greig asked the nurse on duty: "When is a good time to come and visit her [Kate] because I’m the Queen and I need a lift down there" (Davies, 2012: 5; SMH, 2012: 10). During the two-minute call, the hoax Queen said, "I wanted to see how her little tummy bug is going." After which the DJ was given details about the Duchess’s condition, who then replied: "OK. I'll just feed my little corgis then." Pretend barking was heard in the background with a pretend Charles shouting 'Mummy, mummy" (SMH, 2012: 10). At one point Christian asked: "Is Wills [Prince William] still there, or has he gone home. I haven't spoken to him yet." Greig then said: "When are you going to walk those bloody corgis?" To which Christian replied: "Mummy, I'll go and take the dogs outside"(Davies, 2012: 5).

The DJs could not believe their luck and bragged about it for several hours on their show and social media. In his Facebook status, Michael Christian wrote,

“The only bad thing about our Royal Prank ... is knowing that I will NEVER EVER top this! Less than a week in the job and I've already peaked” (Han and Hornery, 2012: 9).

Meantime, the prank call was replayed around the world. British press condemned it, as stunts involving the royals are frowned upon (Morri, 2012: 27), while the royal couple were
“angry at the intrusion” (Murphy, 2012: 6). King Edward VII Hospital was “deeply embarrassed” by the incident, being the medical institution of choice for the Royal Family (Duell et al., 2012b: 7).

It was reported that the Australian Communications and Media Authority (ACMA), had already imposed two, five-year license probations on 2Day FM as the station was seen to have breached the decency provisions of the code with previous stunts, mentioned earlier (Duell et al., 2012b: 7). News media across the globe started focusing on Kyle Sandilands to highlight a pattern of misconduct (Laird, 2009: 9), raising questions regarding the station’s frequent disregard of ethics. The British media pointed out that the royals had been the target of prank callers before. In 1995 Canadian DJ Pierre Brassard, pretending to be Canadian Prime Minister Jean Chretien, was put through to the Queen. The pair spoke for around 15 minutes and Brassard even managed to elicit a promise from the Queen to try to influence Quebec’s referendum on proposals to break away from Canada (Duell et al., 2012a: 7). But the mention of the previous prank did nothing to lessen the heat on 2Day FM’s DJs.

In a statement the DJs apologised with, “We thought we’d be hung up on as soon as they heard our terrible accents. We’re very sorry if we’ve caused any issues and we’re glad to hear that Kate is doing well” (Duell et al., 2012a: 7) Similarly, the parent company, SCA, assured that the segment meant no harm and that the call had been “vetted” by lawyers before being broadcast (Duell et al., 2012a: 7). The recording stayed on-air.

Immediately following global attention on the prank call, on 7 December 2012, Jacintha Saldanha, the receptionist nurse, committed suicide. Public fury escalated within minutes of the news, as the prank was still being advertised on the station’s website (Bond, 2012: 8). Social media sites were inundated with comments, mostly accusing the DJs of wrongdoing, while at least two online petitions called for their dismissal on account of “gross misconduct” and some angry social media users asked the station to pay for the funeral (News.com.au, 2012: 8). Even worse, an online vigilante group Anonymous was believed to have threatened 2Day FM and the DJs via social media, following Saldanha’s death.

Using a new account on YouTube, a person wearing a mask similar to that used by Anonymous members said 2Day FM was “directly responsible” for the nurse’s death. The video, uploaded from an account named An-onym Oz, claimed to be from Anonymous but contained a spelling error in its opening titles, making the authenticity of the claim doubtful.
“Hello citizens of the world, we are Anonyomous,” it read (Lowe, 2012: 10). The digitally altered voice in the video delivered the threat, “We have listened to your excuses. We have heard the word ‘prank’ a million times. We have studied the facts and found you guilty of murder...We are Anonymous and hereby demand you terminate the contracts of Mel Greig and Michael Christian...We will not let you escape your responsibility... You have one week to do so” (Lowe, 2012: 10).

As the crisis gained momentum with increasing social and news media attention, SCA’s shares slumped. The consequences of such a crisis has the capacity to damage share prices, profits and reputation – all at once and worse. 2Day FM cancelled the Hot30 show and SCA issued a company-wide suspension of prank calls. Advertising was suspended to head off “a mass exodus of sponsors” (Aston, 2012: 8; Hambly, 2012: 10). The advertising shutdown meant losses would top $1 million within a week (Kwek, 2012: 10).

Greig and Christian deleted their Twitter accounts and were ordered off the air indefinitely, waiting to be questioned by the local police on request from Scotland Yard (Morri, 2012: 27).

On 8 December 2012 (four days after the prank call crisis began and one day after Saldanha’s suicide) Rhys Holleran, SCA’s CEO offered a belated holding statement, saying that the network was “deeply saddened” but was confident that they had broken no rules (NewsOnABC, 2012). Even at this stage, the CEO appeared to defend SCA’s actions. He said that his team had attempted to contact the hospital to “discuss what [the] DJs had done and recorded”, at least five times before airing the prank. A claim the hospital forthrightly denied (Morri, 2012: 27). In a letter, the hospital accused the station of “premeditated and ill-considered actions” responsible for the “humiliation” and death of Saldanha (The Guardian, 2012: 8).

The DJs offered interviews to major Australian TV networks on December 10, admitting to being “shattered, gutted [and] heartbroken” (Hi5ViralNews, 2012). When questioned about station procedures, they were evasive and clearly uninformed (Byrnes et al., 2012: 10).

ACMA launched an official inquiry into the prank to determine 2Day FM’s compliance with broadcasting licence conditions and codes of practice (Morri, 2012: 27). For example, the inquiry considered investigation with reference to clause 6.1 of the Commercial Radio Australia Codes of Practice and Guidelines 2011, where the Code prohibits the broadcast of...
statements by identifiable persons without their consent; clause 9.1 of the Code, which prohibits participants in live-hosted entertainment programs from being treated in a highly demeaning or highly exploitative manner and the condition of its licence set out in the Broadcasting Services Act 1992 (the Act), which prohibits the use of a broadcasting service in the commission of an offence (ACMA, 2015). It was concluded that the station had recorded and subsequently broadcast a private conversation without the consent of the parties to that conversation, which are offences under sections 7 (Prohibition on installation, use and maintenance of listening devices) and 11 (Prohibition on communication or publication of private conversations or recordings of activities) of the Surveillance Devices Act 2007, NSW (ACMA, 2015; AustLII, 2014).

SCA announced compensating Saldanha’s family with advertising profits for a year and donated locally to two suicide watch charities (Shears, 2012: 13). The station was represented at the inquest at the Westminster’s Coroner’s Court, United Kingdom (Miranda and Vickery, 2013: 26).

In all, SCA lost over $2.8 million in profits and much more in reputation capital. Holleran declared that the company had “put [its] processes under the microscope” and had identified areas where “we...can do better than we previously did” (AAP, 2013: 19)

**News, social media and stakeholder analysis**

To empirically determine the extent of the damage and the narratives across different media platforms, a textual analysis was conducted. A total of 45 hard news stories and videos were selected from 3 December 2012 to mid-January 2013. Using key words such as ‘royal prank’ and ‘2Day FM’ an online search was conducted to identify stories that were closely related to the prank episode. The news story sample was selected from the Australian, British and Indian media since the royal prank was initiated by an Australian radio station and it was the British royal family that the prank was targeted at, and the nurse who committed suicide was of Indian origin. Five news media were purposively selected from each country, with three hard news stories from each, making 15 stories in all from each country. Soft news items such as editorials, opinions and letters to the editor were excluded from the sample. The news media selected are as follows:
1. Australia – The Australian; Sydney Morning Herald (SMH); News.com.au; Courier Mail; and Australian Broadcasting Corporation (ABC)
2. Britain – The Independent; British Broadcasting Corporation (BBC); Daily Mail; The Guardian; and Mirror
3. India – Hindustan Times; The Times of India; The Indian Express; National Post; and New Delhi Television Limited (NDTV)

These news outlets were selected based on their reputation as leading and popular media outlets in the selected countries. A coding schedule was developed to analyse the stories (See appendix A) with a pre-test on a few stories and an inter-coder check.

As related posts have been deleted from the station’s and the DJs’ official social media accounts, Facebook and Twitter feeds were gathered from Australia - News.com.au (2012: 8); Britain – Daily Mail (Bond 2012: 8); and India – National Post (2012:7). Findings have been compiled from social media and news sites that are no longer available.

Australian news media presented an aggressive tone, raising questions of ethics and code of conduct. Phrases and words identified ranged from “deeply embarrassing”, “security breach”, “cruel” and “idiotic” for the prank, to the DJs were seen to have “duped” the hospital. SCA CEO was seen as “visibly shaken”, but the apologies presented by him and the DJs were labelled “half-hearted.” The station was accused of “milk[ing] its notoriety” and of having “cultural problems” at the workplace. Polls reflected that 60 per cent of the public found the prank in bad taste, 28 per cent defended it as a joke gone wrong and 12 per cent no longer found it funny after the suicide (Idato, 2012: 8). Sydney Morning Herald and News.com.au scored 3.7 each for tone, showing a considerable restraint in reporting the crisis as opposed to The Australian, Courier Mail and ABC, which scored a 4.7, 4.3 and 4 respectively. On the other hand, News.com.au was found to have displayed the most negative visual (4.3).

Questions of whether a line was crossed were also widely debated. Experts, authority figures and relevant spokespeople were consulted, where 41% of quotes came from ‘Experts and Authority figures’ and 37% from spokespeople for the ‘DJs, SCA and 2Day FM’ (See figures 1.3 and 1.4).

Figure 1.3: Pattern of Coverage: Australian News Media
British news media, conversely, displayed hostility, judging the DJs as “brazen”, “sick jokers”, who “boasted” as the tragedy of the nurse unfolded. It was said that, “[m]anners and a few molecules of maturity” should have been sufficient to stop the idea of attempting to contact a sick woman in hospital. It was said that the station stood out for its “outrageous stunts” with other DJs like “shock-jock Kyle”, rather than its quality of work. 2Day FM was called a mixture of “pop, prattle and silliness”. Previous scandals were publicized and the station judged lax in taking action against controversy, which caused public fury. As the prank was directed at the royal family, the British news media was seen to be more vehement in its denouncement of the prank call. Daily Mail and the Mirror scored a 5 for tone. The BBC was seen to be the most balanced with an average of 3.7 for tone and a 3 for visuals (See figure 1.5).

Code of conduct and legality of airing the call without permission were discussed. Reports were heavily backed by experts, officials and public figures (See figures 1.6). Compared to the Australian (9%) and Indian (11%) news media, the British news media was seen to use quotes from the ‘Hospital and Royals’ more frequently – with about 16% of the news sources from this category (See figure 1.6).

The Indian news media showed the most restraint. Stories were largely drawn from Australian or British media. As opposed to the Australian and British, their main focus was
Saldanha’s family (See figure 1.8). Saldanha’s previous two attempts at suicide and her “unstable” state of mind were reported. Some news sources also questioned the hospital’s role in the suicide. However, the “embarrassing” prank was linked to Saldanha’s “humiliation.” Overall the news media sources kept a balanced approach, ranging between 3.7 and 3 for tone and 0 to 3.3 for visuals. Hindustan Times appeared the most aggressive in its reportage of the crisis with a score of 4 for tone, while the National Post presented more negative visuals with an average of 4 (See figure 1.7).

Commentators and industry experts debated the ethics surrounding pranks and if they should be banned. Quotes from Saldanha’s family, friends, local media and public officials were featured (See figure 1.8).

Social media users mostly derided the DJs with comments like “you have blood on your hands”, asking for resignations for their “low, lazy and artless prank.” Comments like, “...so the nurse you called has committed suicide. Still laughing about it? You total idiots”, “Wait till you ...wake up this morning to find out you contributed to someone committing suicide! Still gloating?” and “I do hope the two ...presenters...feel very very guilty right now the despicable pair”, swamped 2Day FM’s Facebook and Twitter accounts – the posts have since been deleted from the 2Day FM and the DJs’ social media accounts (News.com.au, 2012: 8; NP, 2012: 7). Many social media users demanded the pair’s immediate resignation with comments like, “sack Mel Greig, Michael Christian & their producers”. Some went as far as demanding that they be “flogged” and “charged with something” for “pushing her to death” (Bond, 2012: 8).

Users created Against 2Day FM Facebook page, but with only 46 likes, the page did not receive much attention. Conversely, the 2Day FM hoax page, using the station’s official logo, attracted more than 2700 likes. It outraged users with insensitive posts, asking them to vote on whether they would suicide if they received a prank call and “if you have a problem with
us then unlike us”. Some users supported the DJs with “their mistake will haunt them for life” and “[n]o need for pitchforks or witch hunts” (NP, 2012: 7). YouTube video from Anonymous created a more sinister atmosphere, as they accused SCA and the DJs of “murder” with threats of retribution (Lowe, 2012: 10).

The news media framing of the stories, using an aggressive tone (See figure 1.3) was seen to directly affect the station’s stakeholders. Primary stakeholders have a direct impact on the organisation, while secondary stakeholders can affect or be affected by the actions of an organisation. The latter cannot stop an organisation from functioning, but can damage it (Coombs, 2007). For 2Day FM, its employees, SCA, investors and listeners form the primary stakeholder groups (See table 1.1). Among the secondary stakeholders, Saldanha’s family was the worst affected, (See table 1.2). “[N]ew technologies enable audiences to [play]...a dynamic role” in fuelling “public controversies and crisis that would have been unlikely just a decade ago” (Hearit cited in Gonzalez-Herrero and Smith, 2008: 147).

As gatekeepers, the news media encouraged debates on ethical practices in entertainment, with 2Day FM as the prime example (See table 1.2). SCA’s ethical practices and other businesses came under scrutiny, as the crisis gained momentum. The parent company’s shares slumped, costing them AUD 66 million (Mumbrella 2012: 10). Investors pulled out advertisements to create distance between the company and themselves. Social media was seen to further escalate the situation by creating forums against the two DJs and the station (See table 1.2).

| Table 1.1 Primary Stakeholders of 2Day FM |

| Table 1.2 Secondary stakeholders of 2Day FM |

**Discussion and conclusion**

It is interesting to note how a media outlet dealt with a self-inflicted crisis that was reported internationally. Although this crisis was media-made, the reporting of the crisis was as
impartial and critical as it would have been if it were any business or government made disaster. The media therefore functioned as a self-regulating agency. In fact, on July 17, 2015, following court hearings, ACMA had asked 2Day FM, among others, to broadcast a three-hour special program on media ethics and mental health as a novel punishment for the station’s royal prank call scandal.

Figure 1.9 presents a crisis lifecycle model invented to explain how an unattended crisis can contribute to a range of issues with lessons learnt for a rethinking of conventional (mal)practices. While the issue lifecycle model is a useful tool for proactive management, a crisis lifecycle model needs to be considered as a tool for effective crisis management especially in the context of a challenging global cyber-sphere where both news and social media seem integrated.

Reputations are “an aggregate evaluation” stakeholders make to see how well an organisation meets their expectation “based on its past behaviou[rs]” (Coombs, 2007: 164). Having had a history of on-air scandals (Jones and Plunkett, 2012:7) should have been a warning for the company. But like a classic textbook case, SCA never learnt from its past mistakes and never considered necessary to do so despite international scrutiny and critique. The station’s unwillingness in acknowledging the risks involved could be its “reluctance to interfere with the achievement of immediate goals” (Lerbinger, 2012:4) – an exclusive news scoop.

2Day FM initially prided over access to the royalty and the scoop and downplayed public outrage. SCA assumed an aggressive stance rather than deploying the acceptance strategy of apology and remediation. Public perception and news reporting may have been more sympathetic had SCA accepted blame and apologised sooner. As the crisis escalated many issues emerged in particular with regard to journalistic ethics, codes of conduct and privacy. After immense pressure, following the death of Saldahna, SCA adopted the accommodative strategy of rectification (Cornelissen, 2008: 226).

Rhys Holleran’s media conference was slammed as “a massive cock-up” by PR executives (McMahon, 2012: 12). They branded Holleran’s “muddle-headed” response and evasive manner, where he deflected questions concerning procedures and legalities, as a “major mistake” that “inflamed an already angry…media” (McMahon, 2012: 12). During face-to-face
encounters, the audience process a "continual cascade of nonverbal cues" which they use to evaluate “trust and credibility” (Jordan-Meier, 2011: 83) – attributes Holleran failed to convince the public of.

Damage is the outcome of crisis situations. In such an event, the crisis-response strategy should seek to “soothe the publics, not to antagonise them further” (Coombs, 1995: 450). Therefore, after Saldanha’s death, when it was reported that the DJs were still advertising the prank call on the station’s website and that Christian had boasted in a tweet (Bond, 2012: 8) – it sent the wrong message. It appeared that the apologies offered by the company were superficial, in effect, meaningless, and that public outrage had no effect on its corporate decisions.

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Notes:

1. [Anonymous is a loosely associated hackivist group. Anonymous strongly opposes Internet censorship and surveillance, and has hacked many government websites and security corporations. Its members can be distinguished by the stylised Guy Fawkes masks.]

2. [On March 4, 2015, a six-judge panel of the High Court found in favour of ACMA. 2Day FM lost its case in the Federal Court.]
Appendix A – Coding schedule criteria

**Tone**: Stories were rated for tone on a scale of 1-5, where 1 stands for benign or balanced and 5 for harsh. For example, the tone was judged to be 5 in the story, “2Day FM’s PR strategy after royal prank call a ‘major cock-up’” reported in *The Australian* on 12 December 2012. The story reported reactions to SCA’s handling of the crisis, using harsh language such as “stupid and a massive cock-up” and “muddle-headed” response (McMahon, 2012: 12). Several stories were assigned 3 for tone, as the language was deemed neither benign nor harsh, but somewhere in-between. For example, *The Times of India* printed a story on 16 December 2012, “Jacintha's kids speak of 'unfillable void' in tribute”, where Jacintha Saldanha’s suicide and its aftermath was given a more balanced coverage. Unlike other stories being released at the time, this story did not blame the DJs for the suicide, pointing out that Saldanha had left “three suicide notes” in one of which she had criticised “the staff at the hospital” (TNN, 2012: 16).

**Prominence**: The frequency of SCA, 2Day FM, prank call and the two DJs mentioned in media stories was rated on a scale of 1-5, where 1 denoted hardly any mention and 5 excessive mention. For example, SCA, 2Day FM, prank call and the two presenters were mentioned 35 times in *The Guardian’s* story, “Australian DJs' royal prank broke no laws, says CEO” published on 8 December 2012, putting it at 5 on the prominence scale. Conversely, NDTV’s story, “Royal hoax call: Nurse Jacintha Saldanha’s family seeks answers from hospital, radio station” published on 23 December 2012, mentioned SCA, 2Day FM, prank call and the two presenters 8 times, placing the story at 2.

**Visual representation**: Visuals were rated on a scale of 1-5 on the basis of placement, number of pictures and choice of pictures presented in a story. For example, *Daily Mail’s* story, “’It was a low, lazy and artless prank’: International backlash against sick jokers who boasted as tragedy of suicide nurse unfolded” published on 8 December 2012, featured 8 photographs. Out of the 8 pictures, 6 were of the two DJs involved in the royal prank, while the other two were of Kyle Sandilands – the other notorious 2Day FM DJ. In all 6 photographs, Mel Greig and Michael Christian appeared carefree and nonchalant. In one picture Christian is shown affecting a cartoonish evil expression and lifting his t-shirt, while Greig is shown sitting on a bike, wearing a revealing leather top and yelling at the camera. This story was rated a 5 for the visuals featured. At the other end of the spectrum, *The Independent’s* story, “Hospital where nurse was found dead denies Australian radio station’s
claims as presenters express sorrow” published on 10 December 2012, featured only one stock photograph of the two DJs. Hence, this story was ranked 1 for visual representation.

**Sources:** News sources were divided into 5 categories – (i) DJs / SCA / 2DayFM; (ii) Hospital / Royals; (iii) Experts / Authorities; (iv) International and social media; and (v) Saldhanha’s family and friends. The number of sources quotes were counted in each story according to the above-mentioned categories. For all three countries – Australia, UK and India – the category representations were totalled and divided by a 100 to get accurate percentage of representation. The results have been presented in the form of a graph.

**About the authors**

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### Table 1.1 Primary stakeholders of 2Day FM

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Effects</th>
</tr>
</thead>
</table>
| **Employees** | • DJs lost their position - suspended and suffered psychological trauma  
• DJs received death threats and went into hiding  
• Professionalism of Hot30 Countdown team questioned  
• Code of conduct and procedural reliability of the station came under fire  
• Low morale from negative media attention |
| **SCA** | • Suffered loss of reputation capital  
• Ethical practices came under public scrutiny  
• Shares dropped and it lost significant revenue  
• Public and political pressure  
• Company’s other businesses came under threat by virtue of association |
| **Investors** | • Sponsors forced to withdraw advertisements from the station to distance themselves from the crisis  
• Lost revenue and access to target audience  
• Investor relations negatively affected |
| **Audiences** | • Loyalties divided. Some felt disappointed and angry, while some defended the DJs. |

### Table 1.2 Secondary stakeholders of 2Day FM

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Effects</th>
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</table>
| **News media** | • Created negative publicity  
• Exposed previous scandals  
• Encouraged debate and analysis, escalating the situation |
| **King Edward VII Hospital** | • Forced to take a defensive position regarding its patient’s confidentiality and security  
• under intense public and media gaze  
• Long-standing relationship with the royal family threatened |
<p>| | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Saldanha’s family</strong></td>
<td>• Lost a loved one</td>
</tr>
<tr>
<td></td>
<td>• hounded by media</td>
</tr>
<tr>
<td></td>
<td>• forced to take legal action</td>
</tr>
<tr>
<td></td>
<td>• Suffered emotional, psychological and financial strain</td>
</tr>
<tr>
<td><strong>The royal couple</strong></td>
<td>• privacy breached by an international radio station</td>
</tr>
<tr>
<td></td>
<td>• embroiled in an unpleasant situation</td>
</tr>
<tr>
<td><strong>Social media</strong></td>
<td>• Added fuel to the negative publicity</td>
</tr>
<tr>
<td></td>
<td>• Created forums against the DJs and the radio station.</td>
</tr>
</tbody>
</table>