

Value-based Consumer Disidentification and its Impact on Consumers' Reactions to Corporate Crises

Abstract

The threat of a corporate crisis depends strongly on stakeholders' perception of crisis responsibility, which can be influenced by individual factors. Whereas former research has highlighted the buffering effects of good public-organization relationships, this research focuses on disidentified consumers, who see a company as misrepresentative of their selves and rejection of the company is part of their identity construction. Disidentified consumers are in no steady relationship with a company, but a crisis of a rejected company should be a welcome situation for self-verification and bring them as opponents to the scene. In an exploratory experiment it can be demonstrated that perceived value incongruity is a driver of consumer disidentification. Furthermore, disidentified consumers tend to attribute responsibility to the company also in a victim crisis and are generally eager to spread negative word of mouth about a company during a crisis. Beyond this, the notion that disidentified consumers actually enjoy a crisis, receives some support by the finding that consumer disidentification triggers *schadenfreude*.

Keywords: corporate crisis, consumer disidentification, values, negative word of mouth, responsibility attributions, *schadenfreude*

1 Introduction

In today's fiercely contested market settings, more than ever, companies need to differentiate themselves from their competitors in order to be successful. However, any attempt to create and communicate a strong and unique corporate identity or brand personality will result not only in consumers that are attracted, but also others that are repelled (Wolter, Brach, Cronin, & Bonn, 2016). A large body of research has investigated the merits of strong corporate identities and brands as a basis for gaining identified and loyal customers (e.g. Bhattacharya and Sen, 2003; Stokburger-Sauer, 2012; Tuškej, Golob, & Podnar, 2013). The concept of disidentified consumers, who see a company as misrepresentative of their self-concept and to whom rejection of the company is part of their identity construction (Wolter et al., 2016), has only recently been

introduced to marketing research. The study by Wolter and his colleagues (2016) represents one effort to address the criticisms in both marketing (Alvarez & Fournier, 2016) and public relations (Coombs & Holladay, 2015) that research has mostly depicted an idealized portrait of relationships between companies and consumers or stakeholders in general. Fetscherin and Heinrich (2015) concluded in their meta-analysis on consumer-brand relationship studies that “the ‘dark-side’ of consumer brand relationships need[s] further investigations and should be research priorities for the next years in the area of consumer brand relationships” (p. 386). Investigating both sides, the bright and the dark, is needed if scholars as well as practitioners want to evaluate sincerely the benefits of any identity-oriented approach to branding. How much does such a strategy add to the bottom line, if it creates not only a preferably large group of identified consumers who show patronage for my brand, but also an equal number of disidentified consumers who are eager to harm it? Acknowledging both sides will generate “greater honesty” (p. 694), which Coombs and Holladay (2015) demanded for the discussion of relationships. On that front, the presented study wants to make its own contribution.

What attributes of a company a consumer perceives as matching or mismatching his or her understanding of the self can be diverse. A company’s brand personality (Aaker, 1997) can serve a reference point in the way that specific traits associated with a brand match or mismatch one’s own personality. For example, a young and creative person can easily identify with Apple, and potentially disidentify with Lenovo. Specific values that a company stands for can be another anchor point and are in the focus of this paper. For example, a person that strongly espouses values like social justice and equality will disidentify with a company like Nestlé when she or he attributes opposing values to the company due to its strategy of privatizing water.

That organizational values, which a company’s top management promulgates, are often divergent from the values a consumer perceives to be efficacious in a company becomes obvious with the example of Nestlé. On the company’s website one can read: “[...] they [our business principles, author] reflect the basic ideas of fairness, honesty and a concern for individuals and families, communities and the planet” (<https://www.nestle.com/aboutus/businessprinciples>). Hence, it is the values, which an individual attributes to a company, that motivate consumer identification or disidentification. On a generalized level, this paper assumes basic values, which serve as “guiding principles in the individual’s life” (Schwartz, 1992, p. 17), to be influential in this process. Prior research already offers some evidence that the fit between an individual’s personal value preference and the values he or she attributes to a company drive consumer disidentification or identification (Bhattacharya and Elsbach, 2002; Elbedweihy, Jayawardhena, Elsharnouby, & Elsharnouby, 2016; Tuškej et al., 2013). Bhattacharya and Elsbach (2002) showed in their work on the National Rifle Association (NRA) that specific values that individuals hold concerning guns influence their disidentification with the organization. Transferring these results into a framework of basic values

(Schwartz, 2012), individuals that oppose guns presumably prefer universalistic values that aim at tolerance and a world at peace and therefore disidentify with the NRA; individuals that support guns attribute more importance to basic values such as power or security and can therefore identify with the NRA. Since all previous studies rely on self-reported data concerning real organizations and companies, a first aim of the presented study is to substantiate the causal link between perceived value incongruity and disidentification in an experimental setting with a fictitious company.

Having said that it is inevitable that a clear positioning will produce some consumers who disidentify with a company and its brands, a crucial question is: In what situations has this an impact on corporate conduct? On a daily base, disidentified consumers are most often silent and just avoid the company (Wolter et al., 2016), only occasionally they engage in company opposing actions like negative word-of-mouth (NWOM). Corporate crisis, however, will bring disidentified consumers to the scene to a larger extent, because the heightened media coverage and public discussion increase the salience of that specific aspect of their self-concept. Furthermore, it offers a perfect situation to validate their rejection of the company.

The threat of a corporate crisis has been largely examined within the framework of Situational Crisis Communication Theory (SCCT) that associates individuals' responsibility attributions with their cognitive (i.e. reputation), affective (e.g. anger) and behavioral (e.g. NWOM) reactions to a crisis (Coombs, 2007). SCCT proposes three clusters of crisis types (victim, accident, preventable), from which "each crisis type generates specific and predictable levels of crisis responsibility-attributions of organizational responsibility for the crisis" (Coombs, 2007, p. 168). A crisis, however, is a complex situation and the classification of a concrete event to one specific crisis type is not unambiguous in every case and can be influenced by various factors. Previous studies have included organization-public relationship as moderating factor in testing the SCCT framework (e.g. Brown & White, 2010; Park & Reber, 2011). These studies considered individuals who are in an actual and steady relationship, be it good or bad, with the focal company. This covers a wide range of stakeholders ranging from customers over employees to investors and even activist, but it leaves a blank space, namely disidentified consumers who are not in a relationship with a company in the proper sense. Disidentified individuals relate to a company in a mode of separation and rejection, which predestines them for negative thoughts, negative feelings as well as actions against the company. If such general patterns hold across different crisis situations, disidentified consumers form a group of opponents with which a company might be confronted also in crisis situations, where responsibility attributions normally should be low and negative consequences are not to be expected. Therefore, the second aim of the presented study is to examine if disidentified consumers show equally negative reactions across different crisis scenarios.

In the following, several hypotheses are deducted from the literature and tested on the basis of a first exploratory experiment. In order to single out the effects of dis-

identification, perceived value incongruity was used to generate consumer disidentification with a fictitious company. This tests not only whether perceived value incongruity is an antecedent of disidentification, but also offers a practical approach to explore disidentification in experimental settings and not be dependent on the measurement of disidentification with real companies. For testing the effects of consumer disidentification the study compared a victim versus preventable product harm crisis. Whereas a product-defect is generally associated with some attributions of responsibility to the company, it is specifically interesting how disidentified consumers evaluate a victim crisis, in which responsibility attributions should expectably be low. Beside the contribution to research on corporate crisis, the study offers general theoretical and methodological contributions to the research on disidentification and identification.

2 Consumer disidentification

In organizational behavior as well as marketing research it is well established that individuals identify with organizations or companies, which they perceive to be representative of their self-concept (e.g. Einwiller, Fedorikhin, Johnson, & Kamins, 2006), i.e. the way how they define themselves. Whereas organizational identification focuses on formal organizational members (e.g. Ashforth & Mael, 1989; Dutton, Dukerich, & Harquail, 1994) like employees or students, Bhattacharya and Sen (2003) expanded the concept to consumers, who are no formal members of a company. Both research streams build on social identity theory, which assumes that an individual's self-concept comprises a personal identity, i.e. all idiosyncratic characteristics, and multiple social identities, i.e. the understanding of the self through categorization in a larger social unit (Brewer, 1991). Identification with a company can represent such a social identity and helps an individual to preserve or even enhance his or her self-concept. However, these self-definitional needs can not only be satisfied by connecting to some social unit, but equally by separating from others (Brewer, 1991). Because "individuals may understand who they are, in part, by defining who they're not" (Elsbach & Bhattacharya, 2001, p. 395), they may disidentify with such organizations or companies, which they perceive to be antagonistic to their self-concept. Based on Wolter et al. (2016) consumer disidentification is defined in this study "as a cognitive rejection of a company [brand] wherein a consumer consciously views a company [brand] as misrepresenting his or her self and impeding self-motives" (p. 786). Although both mechanisms, identification as well as disidentification, are helpful in preserving a positive self-view, an individual's relational categorizations towards the company are diametrically opposed: whereas for identification an individual perceives oneness with the company (Mael & Ashforth, 1992), for disidentification the individual actively rejects a company and categorizes it in categories such as "rivals" or "enemies" (Bhattacharya & Elsbach, 2002, p. 28).

In line with previous research on identification, also consumer disidentification is conceptualized as a "purely cognitive *state* of self-categorization" (Bergami & Bagozzi,

2000 p. 557) and thereby distinct from negative emotional stances toward a company and its brands such as brand dislike (Dalli, Romani, & Gistri, 2006) or brand hate (Hegner, Fetscherin, & Delzen, 2017; Zarantonello, Romani, Grappi, & Bagozzi, 2016). However, as proposed in a 'theory of emotions in social identity' by Coleman and Williams (2013) a salient social identity predestines individuals not only to identity-congruent thoughts and behaviors, but equally to identity-congruent emotions. As such, consumer disidentification and dismissive emotions like dislike or hate can be inter-related. Hegner et al. (2017) found symbolic incongruence, i.e. a mismatch between brand meaning and a consumer's self-concept, to be one driver of brand hate.

Amongst the various aspects of an individual's understanding of one's self that can be in conflict with one's perception of a company's identity, a mismatch between an individual's set of endorsed values and the set of values that one perceives as being important in a company is one possible antecedent of consumer disidentification (Bhattacharya & Elsbach, 2002; Wolter et al., 2016). As defined by Schwartz (1992) basic values function as "guiding principles in the individual's life" (p.17) and serve as standards and criteria about what is desirable in life across various situations and contexts (Schwartz, 1992, 2000). His theory of basic values differentiates ten basic value sets (power, achievement, hedonism, stimulation, self-direction, universalism, benevolence, conformity, tradition, and security) that are recognized in all cultures and have a universal structure in the sense that some values conflict with one another (e.g. benevolence vs. power) and others are compatible (e.g. power and achievement). Every individual has a specific value priority, i.e. the relative importance of one basic value compared to others, that characterizes him or her as individual (Schwartz, 2000). Any conjunction with a company that appreciates values that are in conflict with one's own value priority impedes self-consistency as a major self-definitional goal and hence separation from the company through disidentification is a way to preserve one's self-concept (Wolter et al., 2016).

So far, basic values have not been explicitly addressed in the research on disidentification, and only scarcely in studies on identification. Bhattacharya and Elsbach (2002) could show in their work on the NRA that specific values, which individuals hold concerning guns, influence their disidentification with the considered organization. Drawing on the concept of basic values, previous research offers some evidence that value congruence drives consumer identification with brands (Elbedweihy et al., 2016; Tuškej et al., 2013) and employees' organizational identification (Edwards & Cable, 2009). Importantly, all these studies considered as the reference point for value congruence individuals' perceptions of the importance of certain values in a company, which is most often different to corporate values that a company's top management espouses in verbal or written statements (e.g. in annual reports or on the website) (Bourne & Jenkins, 2013). All in all, it is expected that incongruity between an individual's preference of basic values and the perceived preference of basic values in a company is a driver of consumer disidentification, which leads to the first hypothesis:

H1: Perceived value incongruity positively influences consumer disidentification.

3 Consumer disidentification and corporate crisis

Although through disidentification a company becomes related to an individual's self-concept, it is not to be expected that a disidentified consumer is constantly aware of or actually acting upon the focal company for various reasons. First and foremost, consumer disidentification motivates individuals to avoid a company and its brands on a daily base (Lee, Motion, & Conroy, 2009; Wolter et al., 2016). Second, an individual's self-concept is a complex and multi-faceted construct so that not all social identities, which an individual ascribes himself or herself to, are equally salient and activated all the time (Reed, 2002). Situational cues like the encounter with a typical customer of the focal company or precisely a corporate crisis, which is generally accompanied by some media coverage and public discussion, heighten momentary identity salience. Furthermore, disidentified consumers should be particularly attracted by a corporate crisis, because the negative event allows them to verify their self-concept, which is partly determined through rejecting the affected company.

3.1 Corporate responsibility attributions

Central to SCCT is the assumption that differing crisis types such as a victim crisis, wherein the company itself is a victim of external influences that caused the failure, and a preventable crisis, where the causes of the incident were to a variable degree under control of the company, lead to different levels of responsibility attributions to the company (Coombs, 2007). However, it is questionable if disidentified consumers evaluate a crisis in an objective manner, since an activated social identity motivates individuals to generate identity-congruent thoughts and behaviors (Oyserman, 2009). Disidentified consumers presumably process information about a crisis in a biased manner in order to arrive at the desired conclusion that the rejected company is responsible for its misery. Comparably, studies have shown that identified consumers are somewhat immune against negative information about a company, with which they identify, due to biased, i.e. more favorable information processing (Einwiller et al., 2006; Liu, Wang, & Wu, 2010). Furthermore, early attribution theory research has shown that individuals attribute the failures of disliked others more to personal than to situational factors (Regan, Straus, & Fazio, 1974). In an intergroup-contexts, the ultimate attribution error describes an individual's tendency to attribute an out-group's failures more to internal causes than to external ones (Hewstone, 1990). Taken together, it is assumed that disidentified consumers also attribute considerable responsibility to the company in a victim crisis and that they make no difference between crisis types in their responsibility attributions. This reads:

H2: The stronger one disidentifies with a company, the less one differentiates in one's corporate responsibility attributions between a victim crisis and a preventable crisis.

3.2 *Schadenfreude* as an emotional reaction to corporate crisis

Compared to other emotions like anger or sympathy the emotion *schadenfreude* has only been rarely addressed in empirical research on corporate crisis (Coombs & Holladay, 2005; Gilmore, 2013). Especially disidentified consumers should be prone to experience *schadenfreude*, i.e. the pleasure in response to another's misfortune (Leach, Spears, Branscombe, & Doosje, 2003; Smith, Powell, Combs, & Schurtz, 2009), in the face of a corporate crisis, because such an event rather substantiates their rejection of the company. Successful identity enactment and self-verification are generally associated with positive emotions like pride or happiness (Coleman & Williams, 2013; Stets & Burke, 2005). Research has traditionally considered envy and deservingness as antecedents, however Hareli and Weiner (2002) demonstrated that also dislike is a dominant and independent driver of *schadenfreude*. In an intergroup context, studies showed that individuals who were highly identified with their in-group experienced strongly *schadenfreude* towards an out-group's failures (e.g. Combs, Powell, Schurtz, & Smith, 2009; Ouwerkerk, Dijk, Vonkeman, & Spears, 2018). Specifically in a consumption context, Ouwerkerk et al. (2018) showed that Blackberry customers' level of *schadenfreude* towards bad news about the Apple iPhone was not only driven by in-group identification with other Blackberry users, but equally by negative affect to the rivalry brand. Taken these insights from various research areas together, it is expected that disidentification increases the propensity of an individual to experience *schadenfreude* in the face of a company's misfortune. Since deservingness is assumed to be an antecedent of *schadenfreude*, the effect of disidentification on *schadenfreude* should be more prevalent in the case of a preventable crisis than a victim crisis. This leads to the following hypotheses:

H3a: The stronger one disidentifies with a company, the stronger one experiences schadenfreude in the face of a corporate crisis.

H3b: This effect should be more prevalent in the case of a preventable crisis compared to a victim crisis.

3.3 Spreading bad words about the struggling company

In general, a salient and activated social identity motivates individuals to perform identity-congruent actions (Oyserman, 2009). Previous research on disidentification has argued and shown that for the purpose of self-affirmation and self-expression individuals are motivated to speak negatively about a company they disidentify with (Elsbach & Bhattacharya, 2001; Wolter et al., 2016). As corporate crisis is argued to heighten identity salience in disidentified consumers, it is assumed the following:

H4: The more one disidentifies with a company, the more one intends to spread negative word-of-mouth about a company irrespective of whether it is a victim or a preventable crisis.

In SCCT, higher attributions of responsibility to the company are associated with increased intentions to harm a company (e.g. spreading NWOM) (Coombs, 2007; Coombs & Holladay, 2007). Furthermore, studies have shown that *schadenfreude* motivates an individual to speak negatively about the suffering party (Ouwkerk et al., 2018; Sundie, Ward, Beal, Chin, & Geiger-Oneto, 2009). To some degree, *schadenfreude* is comparable to the emotional state of joy, which individuals generally wish to sustain (Roseman, 2013). Speaking negatively about a company is one possible action to revive this feeling and possibly maintain the cause for *schadenfreude* (the company's misery). Taken together, this leads to the last hypothesis:

H5: The effect of consumer disidentification on NWOM intentions is partly mediated through corporate responsibility attributions and experienced schadenfreude.

4 Empirical study

4.1 Participants and procedure

To test the hypotheses, an online experiment was conducted. Subjects were recruited via personal social networks of the participants of an undergraduate seminar at an Austrian university. After eliminating those cases, which failed the manipulation check, the final sample comprised 179 individuals. The average age was 29.48 ($SD = 10.87$), 103 participants were female and 76 were male. The sample was not limited to students ($n = 72$), but comprised also 72 employees, 13 self-employed persons, 8 civil servants and 11 persons with other occupations (e.g. apprenticeship).

In order to rule out as many alternative explanations such as prior product usage and experiences or company's crisis history, and to single out the assumed effects of consumer disidentification, the study used a scenario with a fictitious company. At the beginning of the questionnaire, participants were presented a statement by an employee of a fictitious lemonade company, which intended to convey some reference point for the respondents to infer the company's value preference (compare APPENDIX A). In order to generate some variance in participants' disidentification with the company, they were randomly assigned to one of two versions of the statement. After some general information about the company and its products, which were identical in both versions, the employee conveyed some information about the daily work in the company. In one version, the employee pronounced aspects such as community spirit, teamwork, tolerance and mutual respect, which can be associated with the basic values benevolence and universalism. In the second version, the employee's description was associated with the basic values power and achievement, which are opposite to benevolence and universalism according to Schwartz's circular framework (Schwartz,

2012). In this version aspects like top performance, competitive pressure, and top-down structures were prevalent.

After reading the employee's statement, participants were asked about their perception of how important different basic values are in the presented company and they had to administer a consumer disidentification scale. Then, crisis type was manipulated through a fictitious newspaper article, which reported about a product recall (compare APPENDIX B). A product-related crisis was chosen to ensure that crisis manipulation and value-induced disidentification are not directly interrelated. In both versions, the lemonade company had to recall their beverages, because a product screening by a consumer protection agency had detected pesticides. Since the company uses lemon peel to flavor its lemonades, only organic lemons can be used, however, the company processed a substantial volume of conventionally grown lemons. After this general introduction part, crisis type was manipulated in the following manner: In the victim crisis version, the company itself was the victim of a criminal supplier, who had labeled conventional lemons as organic lemons on a large scale as investigations by local prosecution indicated. In the preventable crisis version, the company has changed the supplier for reasons of cost reduction, however, due to massive internal failures it ordered and processed conventional lemons on a large scale. Participants were randomly assigned to one of the two versions.

After reading the newspaper article, respondents answered questions concerning the outcome and mediating variables, the manipulation check, and a short sociodemographic section including their personal value preferences. At end they were debriefed.

4.2 Measurements

All items were measured on 7-point scales. Perceived corporate value preference and personal value preference were assessed via the German version of the Short Schwartz's Value Survey (Boer, 2013). For the first measurement respondents had to indicate how important the considered values are in the company, and for the latter how important they are for themselves (1 = not important at all, 7 = very important). In the short scale, basic values are presented in combination with defining aspects in the following way: "*Power*: social power and prestige, control or dominance over people and resources," "*Achievement*: personal success, demonstration of capability," "*Universalism*: sympathy, appreciation, tolerance and protection of the well-being of all people and nature," "*Benevolence*: preservation and improvement of the well-being of people, one has regular contact with". Consumer disidentification was measured with the scale by Wolter et al. (2016). Participants indicated how strongly they would agree with four statements (1 = strongly disagree; 7 = strongly agree): "My identity is based on NOT consuming drinks by this company," "Refusing the company is part of my sense of who I am," "Buying drinks from this company would inhibit expressing who I am," and "I do NOT want to be mistaken as a customer of this company" ($\alpha = .81$). Corporate crisis

responsibility was measured in terms of 12 statements taken from Brown and Ki (2013). Example statements are “Someone in the company knowingly created the cause of the crisis,” “The crisis was preventable by the company,” “The company should be held accountable for the crisis,” or “The crisis was caused by a problem inside the company” ($\alpha = .91$). For the measurement of *schadenfreude* the single item from Coombs and Holladay (2005) and the four items from van Dijk, Ouwerkerk, van Koningsbruggen, and Wesseling (2012) were adapted to the study context. Participants rated their agreement with the following items: “I actually feel a little happy that something bad happened to the company. The company deserves it,” “I enjoy what happened to the company,” “I am satisfied with what happened to company,” “I could not resist a little smile,” and “I actually had to laugh a little bit,” ($\alpha = .90$). Intention to utter negative word-of-mouth was assessed with one item indicating how likely participants would say something negative about the company to others (1 = absolutely unlikely; 7 = absolutely likely). As a control variable, a single item measured how often respondents drink lemonade (1 = never, 7 = very often).

4.3 Manipulation checks

The two versions of the employee statement generated significant differences in perceived corporate value preferences amongst the participants as intended. Participants who read the benevolence/universalism version rated these values to be more important in the company compared to participants who read the power/achievement version (universalism: $M_{\text{universalism/benevolence}} = 5.61$ vs. $M_{\text{power/achievement}} = 3.42$, $t(177) = 9.31$, $p < .001$; benevolence: $M_{\text{universalism/benevolence}} = 6.26$ vs. $M_{\text{power/achievement}} = 3.14$, $t(177) = 15.26$, $p < .001$). Vice versa, participants who read the power/achievement version rated these values to be more important in the company than participants who read the other version (power: $M_{\text{power/achievement}} = 3.75$ vs. $M_{\text{universalism/benevolence}} = 2.41$, $t(177) = 5.88$, $p < .001$; achievement: $M_{\text{power/achievement}} = 5.30$ vs. $M_{\text{universalism/benevolence}} = 4.33$, $t(177) = 4.10$, $p < .001$). Beside these intended differences, participants rated the two versions of the employee statement as comparably believable ($M_{\text{universalism/benevolence}} = 4.73$ vs. $M_{\text{power/achievement}} = 4.90$, $t(177) = .74$, n.s.) and authentic ($M_{\text{universalism/benevolence}} = 4.90$ vs. $M_{\text{power/achievement}} = 4.77$, $t(177) = .57$, n.s.). Because consumer disidentification is based on value incongruity as assumed in H1, the two versions of the employee statement are not treated as experimental groups, but the continuous measurement of consumer disidentification is used as independent variable in testing H2 – H5. However, to control for any influence of the two versions of the employee statement a dummy-coded covariate is included in every analysis.

The manipulation check for the crisis type manipulation comprised several statements, which had to be rated as true or false. Some statements were true for both newspaper article versions like “Pesticides were detected in the company’s lemonades.”, others only for one version like “The company’s supplier was engaged in fraudulent labelling and sold conventionally grown lemons as organic lemons.” All respondents

who failed in answering the statements correctly, were excluded from further analysis. To secure that the two versions of the newspaper article were comparable beside the crisis type manipulation, respondents rated them on three semantical differentials. A t-Test showed no significant differences concerning these items: “unbelievable/believable” ($M_{\text{preventable}} = 5.33$ vs. $M_{\text{victim}} = 5.41$, $t(177) = .45$, n.s.), “biased/unbiased” ($M_{\text{preventable}} = 4.66$ vs. $M_{\text{victim}} = 4.77$, $t(177) = .45$, n.s.), “incomplete/complete” ($M_{\text{preventable}} = 4.81$ vs. $M_{\text{victim}} = 4.81$, $t(177) = .02$, n.s.).

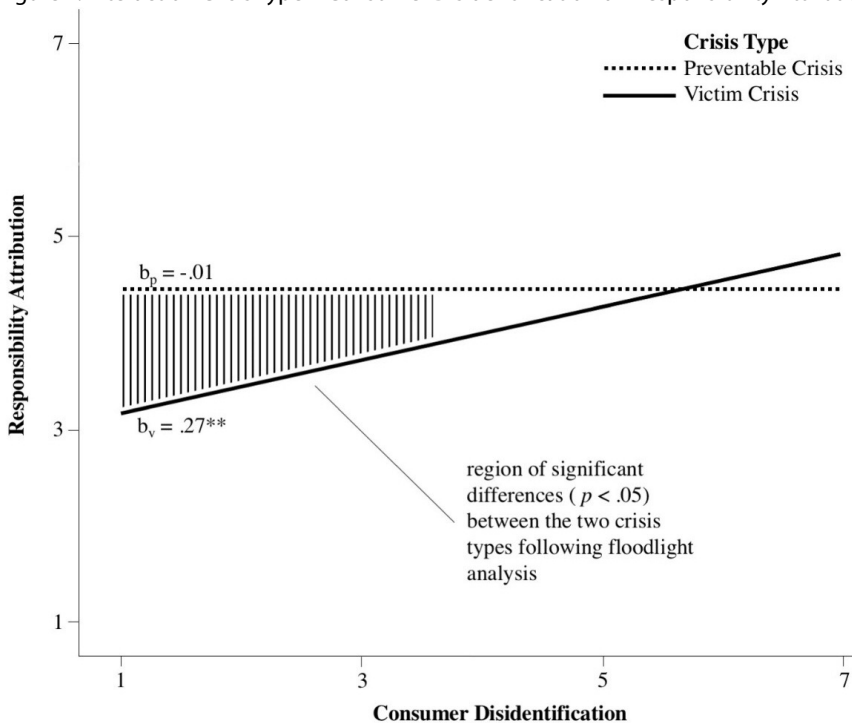
4.4 Hypotheses testing

H1 predicted an influence of perceived value incongruity on consumer disidentification. This was tested by means of a hierarchical regression with consumer disidentification as dependent variable and several control variables such as gender, age and lemonade consumption included in a first block and in a second block value incongruity as predictors. Following Elbedweihy et al. (2016), value incongruity was operationalized by averaging absolute differences between perceived corporate value preferences and personal value preferences for each participant. Higher values of this index indicate stronger value incongruity. Multicollinearity was not a problem in the data, because the tolerance statistics lay far above the critical value of 0.20. The final model explained 20.8 percent of the variance in consumer disidentification, whereof a significant increase of R^2 by 0.09 ($\Delta F(1,174) = 19.83$, $p < .001$) was due to the inclusion of value incongruity. Beside value incongruity ($\beta = .31$, $t(174) = 4.45$, $p < .001$), only age was a significant, but weaker predictor ($\beta = .26$, $t(174) = 3.77$, $p < .001$) of consumer disidentification, which gives support to H1.

H2 assumed that disidentification impacts consumers' responsibility attributions in a way that responsibility differences between a preventable and a victim crisis diminish with increasing consumer disidentification. A simple moderation analysis with PROCESS 2.15 for SPSS (Hayes, 2012) was conducted to test this effect. The regression equation included a continuous variable for consumer disidentification, a dummy-coded variable for crisis type (preventable crisis = 0 and victim crisis = 1) and one interaction term for consumer disidentification x crisis type. Furthermore, age, gender, lemonade consumption, and a dummy for the version of employee statement were included as covariates in the analysis. Results revealed that the interaction of disidentification and crisis type on responsibility attribution was significant ($b = .29$, $t(171) = 2.22$, $p < .05$). The whole model explained a significant proportion of the variance in responsibility attribution ($R^2 = .22$, $F(7, 171) = 6.93$, $p < .001$). None of the covariates had a significant influence on participants' responsibility attributions. After determining that a significant moderator effect existed, its particular form was examined (see Figure 1). Testing the slope of the disidentification effect in the two crisis conditions showed that consumer disidentification does not affect consumer's responsibility attribution in the case of a preventable crisis ($b = -.01$, $t(171) = .14$, n.s.), when consumers already tend to attribute crisis responsibility to the company. However, in the ca-

se of a victim crisis consumer disidentification significantly affects consumers' responsibility attributions ($b = .28, t(171) = 3.05, p < .01$) in a way that the stronger consumers disidentify with a company the stronger they attribute responsibility to that company, although the company is actually itself a victim. Strongly disidentified consumers actually attribute responsibility to the company regardless of whether they were confronted with a victim or a preventable crisis. In our sample, a floodlight analysis (Spiller, Fitzsimons, Lynch Jr, & McClelland, 2013) showed that beginning from a disidentification level of 3.69 (which represents the upper 12% of disidentified participants in the sample) differences in responsibility attributions between the preventable and the victim crisis were not significant. All in all, these patterns of effects support H2.

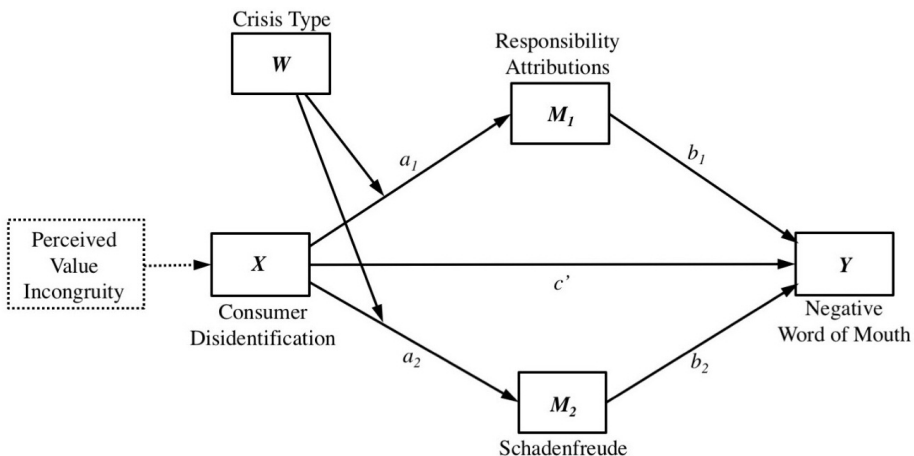
Figure 1: Interaction Crisis Type X Consumer Disidentification on Responsibility Attributions



A simple moderation analysis was also used to test the effect of consumer disidentification on *schadenfreude* (H3a), which was assumed to be stronger in the case of a preventable crisis compared to a victim crisis (H3b). This time, *schadenfreude* was regressed on consumer disidentification, a dummy-coded variable for crisis type (preventable crisis = 0 and victim crisis = 1) and one interaction term for disidentification x crisis type, as well as age, gender, lemonade consumption, and a dummy for the version of employee statement as covariates. The whole model explained 17.47 percent

of the variance in *schadenfreude* ($F(7, 171) = 5.17, p < .001$). Contrary to H3b, crisis type did not significantly moderate the influence of disidentification on *schadenfreude* (disidentification \times crisis type: $b = -.12, t(171) = 1.22, p = .22$). In both crisis conditions, consumer disidentification significantly affected perceived *schadenfreude* ($b_{\text{victim}} = .20, t(171) = 2.98, p < .01$; $b_{\text{preventable}} = .32, t(171) = 4.26, p < .001$), which supports H3a. Again, none of the covariates had a significant influence. Although significant effects of disidentification on *schadenfreude* emerged, levels of *schadenfreude* were generally at a low level in the sample ($M = 1.48, SD = .91$). Such low levels can be explained by the fact that *schadenfreude* is a socially undesirable emotion and people hesitate to report it (Combs et al., 2009), and Combs and colleagues (ibid.) found on a 21 point Likert-type scale comparably low levels of *schadenfreude* (average level of *schadenfreude* across several studies: $M = 3.5$). Nonetheless, these low levels can contest the substantiality of the found effects.

Figure 2. Moderated Mediation Model: Influence of Consumer Disidentification on NWOM



H4 predicted that disidentification positively influences consumers' intention to utter negative word-of-mouth. H5 assumed that this effect is partly mediated through responsibility attributions and *schadenfreude*. A moderated mediation (model 7) with PROCESS 2.15 was run in order to test these hypotheses. The tested model is depicted in Figure 2. Beside the focal variables, again age, gender, lemonade consumption, and a dummy for the version of employee statement were included as covariates in the model testing, from which none had a significant effect. Results indicate that consumer disidentification had a significant direct effect on participants' intention to utter NWOM ($c' = .33, t(171) = 3.35, p < .01$), which supports H4. Furthermore, also responsibility attribution ($b_1 = .57, t = 5.96, p < .001$) and *schadenfreude* ($b_2 = .33, t = 2.42, p < .05$) significantly influenced participants' intention to utter NWOM. The moderated influences of consumer disidentification on the two mediators, responsibility attribution and *schadenfreude*, were examined already when testing H2 and H3. For in-

ference of indirect effects 95 percent bias-corrected bootstrap confidence intervals based on 10,000 bootstrap samples were estimated. Corresponding to the previous results from moderation analysis, a significant indirect effect through the mediator responsibility attribution emerged only in the case of a victim crisis as indicated by a bootstrapping confidence interval entirely above zero (CI: .061; .304). Since the effect of consumer disidentification on *schadenfreude* was not moderated by crisis type, a significant indirect effect through *schadenfreude* on intention to utter NWOM emerged in the victim crisis condition (CI: .005; .214) as well as in the preventable crisis condition (.014, .288). This partly supports H5.

5 Discussion

The research shed light on disidentified consumers, a group of individuals that differ from other stakeholders like customers, employers or investors in the way that they interrelate with a company only in a mode of rejection and avoidance. The research showed that a perceived mismatch between an individual's value priority, which contributes to one's understanding of who one is and what one wants to achieve (Schwartz, 2012), and the values an individual perceives to be preferred in a company serves as a source of consumer disidentification. Furthermore, the study results indicate that consumer disidentification impacts an individual's assessment of a corporate crisis and one's reactions toward it in a way that they reflect one's general rejection of a company. Regardless of whether the company was in a victim or a preventable crisis, disidentified consumers attributed crisis responsibility strongly to the company and were eager to talk negatively about it.

Showing that value incongruity stimulates consumer disidentification contributes not only to the still nascent body of research on disidentification, but equally to the more established fields of consumer identification and organizational identification. Common to all these approaches, a perceived (dis)similarity between one's own identity and the perceived identity of a company or organization is seen as the foundation of (dis)identification. An individual's preference of basic values, which inevitably informs one's self-concept, can serve a more or less universal reference point for such a perception. However, so far only two studies have addressed the concept of basic values and the influence of value congruity on consumer identification (Elbedweihy et al., 2016; Tuškej et al., 2013). Since both studies build on self-reported data concerning consumers' favourite brands, establishing causality between value congruity and consumer identification is obstructed, though. Respondents might identify with their favourite company for several other reasons than values (e.g. brand personality, personal experiences, nostalgia) and just assume that the company espouses the same values as they do. The presented research used an unknown fictitious company in order to rule out such alternative explanations and a design that allows more rigorously to infer a causal relationship between value incongruity and disidentification. This finding

adds not only evidence about the emergence of disidentification to theory building, but offers also a practical procedure to generate (dis)identification with a fictitious company in other research settings and thereby to be independent of the measurement of the (dis)identification with real companies. Although the presented study concentrated on the opposed value sets “benevolence/universalism” and “power/achievement”, which seemed to be specifically appropriate for the corporate context, other value sets such as “tradition/conservatism” or “hedonism” might equally be relevant for the study of consumer identification and disidentification.

As Wolter et al. (2016) noted, companies that want to successfully position and differentiate themselves in the market will inevitably generate disidentification in some consumers just as identification in some others, whereas a majority will be non-identified, meaning the specific company is neither positively nor negatively related to their self-concept. Even though disidentified consumers are an exception just as a crisis should be in corporate conduct, they are not totally evitable and companies should be aware of their idiosyncrasies. Consumer disidentification adds thereby a further moderating factor to research on corporate crisis and crisis communication. As the results show, disidentified consumers tend to attribute strong responsibility to a company even in a victim crisis and are generally eager to spread NWOM. Such voices, especially when disseminated in the social media, have the potential to thwart denying and defensive crisis response strategies, which are actually indicated in such a situation by the SCCT. Undoubtedly, it is not helpful to refrain from communication strategies that are appropriate for most of the stakeholders in a victim crisis, however, companies and crisis communicators should be warned not to react in a solely arrogant tone to disidentified consumers’ biased responsibility assessments. This might only fan the flames. Also, in a preventable crisis, when responsibility attributions are generally high across stakeholders, companies are well advised to differentiate disidentified consumers from other opposing stakeholders, like disgruntled customers, who claim redress from the company, frustrated shareholders, who fear for their dividends and demand corporate change, or activists who fight for more responsible actions by corporations. Since rejection of the misrepresentative company is part of disidentified consumers’ identity construction, a crisis whether preventable or not, is a welcome situation for them to verify this aspect of their self-concept and they enjoy this situation – they do not seek for changes, ideally, they want to prolong the company’s misery. Although *schadenfreude* was only marginally influenced by consumer disidentification in the experimental study here, theoretical reasoning as well as results from a study on a real-world corporate crisis (Ruppel & Einwiller, 2017), support the notion that disidentified consumers feel some pleasure in the face of the company’s misery. Because of their *schadenfreude*, it is plausible to assume that disidentified consumers tend to use mockery in their communication and may engage in spreading contagious internet memes that contain humor and caricature. Although there is no point in interfering with mockery or memes, it is important to be aware of their content to possibly use it with a wink on-

ce the crisis has abated. Mercedes-Benz, for example, after experiencing a crisis in 1997, when its new A-class series topped during a so-called elk test, used the elk as a humorous symbol and equipped all new A-class models with a stuffed toy elk.

6 Limitations and future research

Generalizability of the findings is limited in various respects, which give avenues for further research. First, a fictitious employee statement was used to induce consumer disidentification within the participants. This approach was chosen to authentically convey some insight information from which participants could infer a company's preferred values. However, such insights are only seldom available to most consumers. Hence, future research could either employ pieces of official company communication (e.g. company mission statement, CEO portraits, advertisements) as stimuli or even use real companies that have been linked in a pretest prototypically to certain value sets. Examples could be companies like Red Bull standing for hedonistic values, consulting firms like PricewaterhouseCoopers standing for achievement, or Manufactum representing tradition. As already indicated by the examples, future research could also focus on other basic values than those that have been considered in the study here. By the same token, the crisis stimuli were limited to a victim and a preventable crisis due to a product failure without any victims. Future research should broaden the perspective to different crisis scenarios and specifically examine the emergence of *scha-denfreude*, which seems an interesting, but understudied emotional construct in the field of crisis communication. Whether disidentified individuals also experience *scha-denfreude* in the face of human victims or whether sympathy with the victims overlays *schadenfreude*, is questionable. However, previous studies have established some evidence for the prevalence of *schadenfreude* also in the face of other people's death (Combs et al., 2009). A further interest could be to explore the actual content of disidentified consumers' NWOM in order to test whether mockery is a prevalent theme as assumed above.

References

- Aaker, J. L. (1997). Dimensions of Brand Personality. *Journal of Marketing Research*, 34(3), 347-356.
- Alvarez, C., & Fournier, S. (2016). Consumers' relationships with brands. *Current Opinion in Psychology*, 10, 129-135.
- Ashforth, B. E., & Mael, F. (1989). Social Identity Theory and the Organization. *Academy of Management Review*, 14(1), 20-39.
- Bergami, M., & Bagozzi, R. P. (2000). Self-categorization, affective commitment and group self-esteem as distinct aspects of social identity in the organization. *British Journal of Social Psychology*, 39(4), 555-577.
- Bhattacharya, C. B., & Sen, S. (2003). Consumer-Company Identification: A Framework for Understanding Consumers' Relationships with Companies. *Journal of Marketing*, 67(2), 76-88.
- Bourne, H., & Jenkins, M. (2013). Organizational Values: A Dynamic Perspective. *Organization Studies*, 34(4), 495-514.

- Brewer, M. B. (1991). The Social Self - on Being the Same and Different at the Same Time. *Personality and Social Psychology Bulletin*, 17(5), 475-482.
- Brown, K. A., & Ki, E.-J. (2013). Developing a Valid and Reliable Measure of Organizational Crisis Responsibility. *Journalism & Mass Communication Quarterly*, 90(2), 363-384.
- Brown, K. A., & White, C. L. (2010). Organization–Public Relationships and Crisis Response Strategies: Impact on Attribution of Responsibility. *Journal of Public Relations Research*, 23(1), 75-92.
- Bhattacharya, C.B. & Elsbach, K. D. (2002). Us Versus Them: The Roles of Organizational Identification and Disidentification in Social Marketing Initiatives. *Journal of Public Policy & Marketing*, 21(1), 26-36.
- Boer, D. (2013). SSVS-G. Short Schwartz's Value Survey – German. In C. J. Kemper, M. Zenger, & E. Brähler (Eds.), *Psychologische und sozialwissenschaftliche Kurzskalen. Standardisierte Erhebungsinstrumente für Wissenschaft und Praxis* (pp.299-302). Berlin: Medizinisch- Wissenschaftlichen Verlagsgesellschaft.
- Coleman, N. V., & Williams, P. (2013). Feeling Like My Self: Emotion Profiles and Social Identity. *Journal of Consumer Research*, 40(2), 203-222.
- Combs, D. J. Y., Powell, C. A. J., Schurtz, D. R., & Smith, R. H. (2009). Politics, *schadenfreude*, and ingroup identification: The sometimes happy thing about a poor economy and death. *Journal of Experimental Social Psychology*, 45(4), 635-646.
- Coombs, W. T. (2007). Protecting Organization Reputations During a Crisis: The Development and Application of Situational Crisis Communication Theory. *Corporate Reputation Review*, 10(3), 163-176.
- Coombs, W. T., & Holladay, S., J. (2005). An Exploratory Study of Stakeholder Emotions: Affect and Crises. In N. M Ashkanasy, W. J. Zerbe & C. E. J.Härtel (Eds.), *The Effect of Affect in Organizational Settings* (Vol. 1, pp. 263-280). Bingley, UK: Emerald Group Publishing Limited.
- Coombs, W.T., & Holladay, S. J. (2007). The negative communication dynamic: Exploring the impact of stakeholder affect on behavioral intentions. *Journal of Communication Management*, 11(4), 300-312.
- Coombs, T. W., & Holladay, S. J. (2015). Public relations' "Relationship Identity" in research: Enlightenment or illusion. *Public Relations Review*, 41(5), 689-695.
- Dalli, D., Romani, S., & Gistri, G. (2006). Brand dislike: representing the negative side of consumer preferences. *Advances in Consumer Research*, 33, 87-95.
- Dutton, J. E., Dukerich, J. M., & Harquail, C. V. (1994). Organizational Images and Member Identification. *Administrative Science Quarterly*, 39(2), 239-263.
- Edwards, J. R., & Cable, D. M. (2009). The value of value congruence. *Journal of Applied Psychology*, 94(3), 654-677.
- Einwiller, S. A., Fedorikhin, A., Johnson, A. R., & Kamins, M. A. (2006). Enough Is Enough! When Identification No Longer Prevents Negative Corporate Associations. *Journal of the Academy of Marketing Science*, 34(2), 185-194.
- Elbedweihy, A. M., Jayawardhena, C., Elsharnouby, M. H., & Elsharnouby, T. H. (2016). Customer relationship building: The role of brand attractiveness and consumer–brand identification. *Journal of Business Research*, 69(8), 2901-2910.
- Elsbach, K. D., & Bhattacharya, C. B. (2001). Defining Who You Are By What You're Not: Organizational Disidentification and The National Rifle Association. *Organization Science*, 12(4), 393-413.
- Fetscherin, M., & Heinrich, D. (2015). Consumer brand relationships research: A bibliometric citation meta-analysis. *Journal of Business Research*, 68(2), 380-390.
- Gilmore, K. S. (2013). *The impact of schadenfreude as an emotional frame in crisis communications on perception of corporate reputation*. (3561447 Ph.D.), Syracuse University, Ann Arbor.
- Hareli, S., & Weiner, B. (2002). Dislike and Envy as Antecedents of Pleasure at Another's Misfortune. *Motivation and Emotion*, 26(4), 257-277.
- Hegner, S. M., Fetscherin, M., & Delzen, M. v. (2017). Determinants and outcomes of brand hate. *Journal of Product & Brand Management*, 26(1), 13-25.
- Hewstone, M. (1990). The 'ultimate attribution error'? A review of the literature on intergroup causal attribution. *European Journal of Social Psychology*, 20(4), 311-335.

- Kreiner, G. E., & Ashforth, B. E. (2004). Evidence toward an expanded model of organizational identification. *Journal of Organizational Behavior, 25*(1), 1-27.
- Leach, C. W., Spears, R., Branscombe, N. R., & Doosje, B. (2003). Malicious pleasure: Schadenfreude at the suffering of another group. *Journal of Personality and Social Psychology, 84*(5), 932-943.
- Lee, M. S. W., Motion, J., & Conroy, D. (2009). Anti-consumption and brand avoidance. *Journal of Business Research, 62*(2), 169-180.
- Lindeman, M., & Verkasalo, M. (2005). Measuring Values With the Short Schwartz's Value Survey. *Journal of Personality Assessment, 85*(2), 170-178.
- Liu, T.-C., Wang, C.-Y., & Wu, L.-W. (2010). Moderators of the negativity effect: Commitment, identification, and consumer sensitivity to corporate social performance. *Psychology and Marketing, 27*(1), 54-70.
- Mael, F., & Ashforth, B. E. (1992). Alumni and their alma mater: A partial test of the reformulated model of organizational identification. *Journal of Organizational Behavior, 13*(2), 103-123.
- Ouwerkerk, J. W., van Dijk, W. W., Vonkeman, C. C., & Spears, R. (2018). When we enjoy bad news about other groups: A social identity approach to out-group schadenfreude. *Group Processes & Intergroup Relations, 21*(1), 214-232.
- Oyserman, D. (2009). Identity-based motivation: Implications for action-readiness, procedural-readiness, and consumer behavior. *Journal of Consumer Psychology, 19*(3), 250-260.
- Park, H., & Reber, B. H. (2011). The Organization-Public Relationship and Crisis Communication: The Effect of the Organization-Public Relationship on Publics' Perceptions of Crisis and Attitudes Toward the Organization. *International Journal of Strategic Communication, 5*(4), 240-260.
- Reed, A. (2002). Social identity as a useful perspective for self-concept-based consumer research. *Psychology and Marketing, 19*(3), 235-266.
- Regan, D. T., Straus, E., & Fazio, R. (1974). Liking and the attribution process. *Journal of Experimental Social Psychology, 10*(4), 385-397.
- Roseman, I. J. (2013). Appraisal in the Emotion System: Coherence in Strategies for Coping. *Emotion Review, 5*(2), 141-149.
- Ruppel, C. & Einwiller, S. (2017). *Identifiers' and disidentifiers' reactions to corporate misconduct – The role of emotions as mediators*. Paper presented at the 67th annual conference of the International Communication Association (ICA), May 25-29, San Diego, USA.
- Schwartz, S. H. (1992). Universals in the Content and Structure of Values: Theoretical Advances and Empirical Tests in 20 Countries. In M. P. Zanna (Ed.), *Advances in Experimental Social Psychology* (Vol. 25, pp. 1-65): Academic Press.
- Schwartz, S. H. (2012). An overview of the Schwartz theory of basic values. *Online Readings in Psychology and Culture, 2*(1), <https://doi.org/10.9707/2307-0919.1116>.
- Smith, R. H., Powell, C. A. J., Combs, D. J. Y., & Schurtz, D. R. (2009). Exploring the When and Why of Schadenfreude. *Social and Personality Psychology Compass, 3*(4), 530-546.
- Spiller, S. A., Fitzsimons, G. J., Lynch Jr, J. G., & McClelland, G. H. (2013). Spotlights, Floodlights, and the Magic Number Zero: Simple Effects Tests in Moderated Regression. *Journal of Marketing Research (JMR), 50*(2), 277-288.
- Stets, J. E., & Burke, P. J. (2005). New Directions in Identity Control Theory. In S. R. Thye & E. J. Lawler (Eds.), *Social Identification in Groups* (Vol. 22, pp. 43-64). Bingley, UK Emerald Group Publishing Limited.
- Stokburger-Sauer, N., Ratneshwar, S., & Sen, S. (2012). Drivers of consumer-brand identification. *International Journal of Research in Marketing, 29*(4), 406-418.
- Sundie, J. M., Ward, J. C., Beal, D. J., Chin, W. W., & Geiger-Oneto, S. (2009). Schadenfreude as a consumption-related emotion: Feeling happiness about the downfall of another's product. *Journal of Consumer Psychology, 19*(3), 356-373.
- Tuškej, U., Golob, U., & Podnar, K. (2013). The role of consumer-brand identification in building brand relationships. *Journal of Business Research, 66*(1), 53-59.

- van Dijk, W. W., Ouwerkerk, J. W., van Koningsbruggen, G. M., & Wesseling, Y. M. (2012). "So You Wanna Be a Pop Star?": Schadenfreude Following Another's Misfortune on TV. *Basic and Applied Social Psychology, 34*(2), 168-174.
- Wolter, J. S., Brach, S., Cronin, J. J., & Bonn, M. (2016). Symbolic drivers of consumer-brand identification and disidentification. *Journal of Business Research, 69*(2), 785-793.
- Zarantonello, L., Romani, S., Grappi, S., & Bagozzi, R. P. (2016). Brand hate. *Journal of Product & Brand Management, 25*(1), 11-25.

APPENDIX A: Employee statement

A.1 Benevolent/Universalism version

My name is Toni Neumann and I have been working now for 7 years at the beverage manufacturer FizzPop. The company was founded in 2005 and currently employs 57 people. Meanwhile more than 1000 shops in Austria, Germany and Switzerland stock our popular lemonades, which are 'Party Papaya', 'Lovely Lemon' and 'Bubbly Blueberry'.

We as employees contribute a lot to the company's success. Through our teamwork we always come up with innovative and good ideas, like for example our new packaging design for the FizzPop can. Team play is very important in our company. That's why we have regularly meetings to exchange news and swap ideas. This fosters not only the community spirit, but also enables us to build connections to other colleagues. Generally, we care a lot about tolerance and mutual respect here at the company, which creates a positive and fruitful atmosphere. This is really motivating! Actually, we have just recently formulated some rules of conduct, which are visible in the office building. Furthermore, to foster the connectedness amongst us employees, our bosses initiated regular evening events, where we could get to know each other more personally.

A.1 Power/Achievement version

My name is Toni Neumann and I have been working now for 7 years at the beverage manufacturer FizzPop. The company was founded in 2005 and currently employs 57 people. Meanwhile more than 1000 shops in Austria, Germany and Switzerland stock our popular lemonades, which are 'Party Papaya', 'Lovely Lemon' and 'Bubbly Blueberry'.

We as employees contribute a lot to the company's success. Since performance demands are high, we work a lot, which I don't really mind because I like my work and want to give the best. Undoubtedly, this is often challenging, but in the end, it yields innovative and good ideas, like for example the new packaging design for the FizzPop can. Normally, we work on our own and team work is the exception – I prefer drafting my concepts individually. Once a week, however, the project managers meet to discuss current topics and allocate upcoming tasks. Surely, competitive pressure is rising, but thereby we push each other to peak performances. This is really motivating! Unfortunately, it's really difficult to connect to the colleagues because many do the job just for a certain time and switch then to other companies. However, this often brings new wind and top ideas to the company.

APPENDIX B: Crisis manipulation

Both versions of the news report were identical with the exception of the parts introduced with (1) for the victim crisis and (2) for the preventable crisis:

(1) Pesticide-contaminated lemonade: Beverage manufacturer being victim of fraudulent labelling

(2) Pesticide-contaminated lemonade: Beverage manufacturer being sloppy in quality control

The environmental protection organization Global 2000 has tested in cooperation with the federal environmental agency the 50 most popular soft drinks in Austria, amongst them "Lovely Lemon" from the manufacturer FizzPop. The tests detected residues of the pesticide *thiabendazole* in "Lovely Lemon". This pesticide is regularly used to process citrus fruits, however, the peel of such processed fruits is unfit for human consumption. The authors of the study reassure concerned consumers that the measured concentration bears no acute health implications. However, such contaminates have to be taken seriously, because long-term

implications cannot be ruled out. FizzPop immediately initiated a recall of the affected beverages and investigations about the incident.

According to first findings, the contaminates actually stem from lemons, which were processed with the fungicide *thiabendazole*. [(1) In the last quarter, the beverage manufacturer has bought a large amount of organic lemons, which were actually not organic, but conventionally processed lemons. As investigations by local prosecution indicate, the supplier, from which FizzPop purchased the lemons, has fraudulently labeled conventional lemons as organic lemons on a large scale.] [(2) In the last quarter, the beverage manufacturer has bought a large amount of lemons from a new supplier, which offered its fruits at a markedly lower price than other suppliers. However, the internal procurement and quality management at FizzPop committed several serious mistakes. In the end, the beverage manufacturer purchased a large amount of conventionally processed fruits in the mistaken belief that these were organic lemons.] Since for the production of “Lovely Lemon” also the lemon peel is used, large amounts of the pesticide and other preservatives entered the production.

The CEO of FizzPop announced in a press release: “We are deeply sorry for the contaminates of our beverages and equally relieved that none of our customers is affected in health. In the future, we will select and screen our suppliers even more carefully in order to guarantee the best quality of our products and ensure the safety of our customers.”