Crisis Analysis PESO Paper - Ava Izadi

Situation

On October 22, 2024, the U.S. CDC reported an E. coli outbreak linked to onions served on McDonald's quarter-pounder hamburgers and other items. The report lists 90 infected people across 13 states, 27 hospitalizations and one death in Colorado (CDC, 2024). Taylor Farms, the supplier of slivered onions to the affected McDonald's locations, recalled yellow onions and McDonald's removed the onions from these locations (CDC, 2024). The CDC report lists instructions for people with E. coli symptoms and claims that the risk to the public is low since McDonald's and Taylor Farms took these product actions. Still, organizational crises resulting in injury or death may have significant long-term consequences for McDonald's and its stakeholders (Page & Parnell, 2020).

Open System

McDonald's actions show an open system, where the organization recognizes and adapts to the situation (Broom & Sha, 2013). This is important in establishing an environment where consumers can trust that McDonald's will not ignore crises that severely impact the public and maintain the loyal customer base that McDonald's depends on.

Paid

McDonald's USA President Joe Erlinger spoke about the outbreak in an interview on the "TODAY" show on October 23, 2024. Erlinger explained that their swift action to remove the quarter-pounder and the onions under CDC investigation makes them "very confident" that consumers can now safely enjoy the other menu items and that food safety is the top priority at McDonald's (Kaplan, 2024). When asked about the impact of the outbreak on keeping customers from going back to McDonald's, Erlinger claimed that they would see their way through this and "restore confidence for the American consumer" while continuing to work with the CDC and allowing science to lead their actions (Kaplan, 2024).

Still, many experts and lawyers question why McDonald's did not close its restaurants for further investigation until they had full confidence about which product made people sick (DURBIN, 2024). This would be an opportunity for McDonald's to use paid media including direct mail and more media and press interviews from its spokespeople addressing these concerns. According to various outlets such as CNBC and AP News, McDonald's declined to comment on lawsuits and concerns about their limited response of only removing one menu

item. McDonald's should leverage controlled media placement to supply its own facts and reasoning to the public to combat the negative press and its lack of response to it.

Earned

The McDonald's E. coli crisis received heavy media coverage from various publications and news outlets. The New York Times published a detailed article on October 29 about the financial and social impact and included quotes from McDonald's representatives and various analysts. The article explained that federal investigators are scrutinizing Taylor Farms for supplying the contaminated onions and that many other fast-food chains have removed onions from certain menu items in the affected region (Creswell, 2024). The publication also states how McDonald's "strong supply chain and tracing capabilities" work in its favor to mitigate harm from the outbreak (Creswell, 2024). This coverage helps McDonald's customers understand the measures that the company took against an issue that started outside of their control and feel more confident returning to the restaurant.

Coverage also includes information from food safety experts such as Donald Schaffner from Rutgers University who explained that the illness would be quickly apparent and therefore customers who ate the burgers in September and still do not feel sick are safe (NPR, 2024). There is no shortage of information about the outbreak, so consumers who need all the facts and are worried about their health have many legitimate sources outside of McDonald's.

Shared

Many McDonald's fans and "meme accounts" were posting about the crisis on social media platforms such as Instagram, TikTok, X and Facebook. While there was not much interaction between McDonald's and these posts, the web-sharing aspect helped spread important information about the crisis and McDonald's response to it. McDonald's could have used its partnerships with influencers to share positive messages reassuring the consumers and sharing extra resources that provide full transparency about the situation. Interacting with content posted by the quarter-pounder consumers infected with E. coli would have been an opportunity for McDonald's to show sympathy and empathy on a case-by-case basis. Because the outbreak has now been contained and McDonald's issued a response, shared media has been severely minimized as social media shifts to the next big news story.

Owned

The McDonald's website now has a page titled "Always Putting Food Safety First" with detailed accounts from each day since the outbreak was announced by the CDC. There are also links to resources about public health statements, a FAQ page and a food safety fact sheet (McDonald's, 2024). Two video messages from its President Joe Erlinger are also attached in which he addresses the fear and uncertainty of consumers, offering an apology and actions they are and will continue to take (McDonald's, 2024). At the bottom of the website are "recent stories" attachments owned and created by McDonald's about the crisis.

McDonald's uploaded a 10-slide Instagram post on October 30 titled "A message to our fans" in both English and Spanish. The post includes "what we know, what we've done, what we're doing and our commitment to our fans" with short explanations that are quick and easy to read (McDonald's Instagram). The comment section is filled with positive responses from fans, influencers and other brands thanking McDonald's for taking action and even making jokes about bringing back other menu items. McDonald's Instagram bio now has the headline "Always putting food safety first" with a link to the corresponding website page under it. The prompt use of social media when the issue occurred was extremely important in maintaining customer loyalty, taking accountability and not being associated with brands criticized for ignoring issues and not taking action.

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