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# SECONDARY CRISIS COMMUNICATION ON SOCIAL MEDIA: THE ROLE OF CORPORATE RESPONSE AND SOCIAL INFLUENCE IN PRODUCT-HARM CRISIS

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# SECONDARY CRISIS COMMUNICATION ON SOCIAL MEDIA: THE ROLE OF CORPORATE RESPONSE AND SOCIAL INFLUENCE IN PRODUCT-HARM CRISIS

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## Abstract

*Because of a large number of customers using social media, firms have embraced social media as a useful communication tool during product-harm crises. However, current knowledge on the relationships between corporate crisis response, customer secondary crisis communication, and customer purchase intention remains limited. Based on an economic view, this study proposes a model to examine how corporate crisis response affects customer secondary crisis communication and finally influence purchase intention in social media context. In addition to the direct effects, this study investigates the moderating effect of social influence in the above relationships based on social influence theory. The empirical results show that corporate crisis response could decrease customer secondary crisis communication, thus lessening the negative impact on customer purchase intention in the social media context. The findings further confirm the moderating role of customers' perceived social influence in the above relationships. We conclude with implications and suggestions for future research.*

*Keywords: Social Media, Product-Harm Crisis Response, Secondary Crisis Communication, Social Influence.*

# 1 INTRODUCTION

Product-harm crisis often results in the loss of customers, which can have a significant impact on firms' performance and competence. Given the increased frequency of product-harm crisis and the potential devastating consequences for the firms involved, responding to such crisis effectively has become a top priority for many firms (Vassilikopoulou et al. 2009a). With a large number of customers using social media, firms have embraced social media as a useful communicating tool during product-harm crisis (Schwarz 2012). Social media has changed crisis communication from traditionally one-way communication to two-way interaction which enables firms to talk directly to its customers (Utz et al. 2013). That means, social media can make concerned customers informed quickly and directly, allowing a dialog between firms and customers (Sweetser & Metzgar 2007; Utz et al. 2013). Comparing with traditional media, social media provides interactivity which encourages customers to have a more positive attitude towards the firm (Yang et al. 2010). Therefore, social media is regarded as a more efficient communication tool during product-harm crisis (Utz et al. 2013). Understanding the underlying mechanisms of crisis management on social media is important and necessary.

The advent of social media has tremendously changed the progress with the dynamic, ubiquitous, and real-time interaction (Kietzmann et al. 2011). With only mouse-click, the crisis can be shared and reshared by customers, reaching millions of people without the intervening presence of journalists (Veil et al. 2011). In this view, secondary crisis communication, which reflects customers' intent to tell others about the crisis via social media, is becoming critical important for crisis management (Schultz et al. 2011). Specifically, social media not only enables firms to communicate with customers directly without the intervening presence of journalists, but also allows customers to respond, forward and discuss the crisis message, and even create their own opinions about the crisis (Marken 2007). Under this condition, crisis managers may lose their pivotal roles as sources of crisis information and might even lose control of crisis management (Kuksov et al. 2013). Therefore, it is of great importance for crisis management to understand the interaction between firms and customers on social media. However, our understanding about how secondary crisis communication on social media will affect customer behaviour and how it can be impacted is still limited.

The present paper is an effort to address this gap in the literature. Specifically, we aim to examine how firms' product-harm crisis response affects customers' secondary crisis communication on social media, thereby impacts customers' purchase intention. In managing the crisis, some firms try to adopt a positive way in responding to the crisis, while others are more passive. The literature has classified crisis response strategies into four distinct categories: denial, involuntary product recall, voluntary product recall, and super-effort (Siomkos 1994; Vassilikopoulou et al. 2009b). A major distinction among various crisis management strategies is whether the firm acts passively and defensively or proactively and responsibly (Siomkos & Kurzbard 1994). We try to explore the fundamental question about whether a proactive crisis response strategy helps attenuate the effects of product crisis on firm value.

Further, we propose that social influence may moderate the relationship between corporate response, secondary crisis communication, and purchase intention. The literature indicates that through communicating with each other on social media, customers may create an online community. Such community could develop shared social norms and values within customers, which may affect customer behaviours (Deutsch & Gerard 1955). According to social influence theory, such social influence could reflect two kinds of customers' psychological needs, one is the need to be right (informational social influence), and the other is the need to be liked (normative social influence) (Deutsch & Gerard 1955). The literature argues that a customer's susceptibility to social influence would be important in the customer's behaviour (Burnkrant 1977). For example, when engaging in secondary crisis communication on social media, some customers would express negative perception about the firm in crisis, their opinions would affect others' understanding and perceptions and finally influence other customers behaviour (Coombs & Holladay 2007). In this study, we try to explore the

potential various moderating effects of informational and normative social influence on the relationships between corporate response, secondary crisis communication and purchase intention.

The rest of the paper is organized into sections. Section 2 presents the theoretical background. Section 3 presents hypotheses development of this study. Section 4 describes the research methodology employed. Section 5 discusses our data analysis and research findings. Finally, Section 6 presents our discussion, limitations and complications.

## 2 THEORETICAL BACKGROUND

### 2.1 Corporate Response to Product-harm Crisis

With the increasing complexity of products, more demanding customers and more stringent product-safety legislation, product-harm crisis is expected to happen with an increasing rate (Vassilikopoulou et al. 2011). Product-harm crisis brings detrimental effects to the focal firm, such as decrease brand value and increased competitors' marketing actions (Dahlen & Lange 2006; Van Heerde et al. 2007). Crisis management thus is becoming critical to reduce such influence (Yang et al. 2013). Scholars suggests that a firm's ability to respond to the crisis effectively would reflects whether the firm can address the crisis (Fombrun & Van Riel 2004). This indicates that effective crisis response may turn a crisis into an opportunity and increase favour of public impressions (Coombs 2011; Tannenbaum et al. 2011). Accordingly, choosing the right way to respond to product-harm crisis is the prior issue for crisis managers (Vassilikopoulou et al. 2009b).

Product-harm crisis usually produce negative publicity for firms. The firms in crisis are accused of social irresponsibility (Siomkos & Shrivastava 1993). Reid (2001) pointed out that a firm's response would stand for its sense of responsibility for customers and their commitment to find the proactive way to address the crisis. From negative to positive, there are four levels of corporate responses: denial, involuntary product recall, voluntary product recall and super-effort, which comprise an "corporate response continuum" (Siomkos 1994; Vassilikopoulou et al. 2009b).

**1) Denial:** This indicates that the firm denies its responsibility for the crisis and does not show any concern with consumers' welfare. Denial can't convince customers of the firm's innocence. It is a narrow, defensive, and selfish reaction response strategy (Siomkos & Shrivastava 1993). As Miller (2010) contends, denial is the least effective crisis response type, which may lessen customers' trust toward the firm.

**2) Involuntary product recall:** The firm may recall its problematic products when they face great pressures from customers, government or other institutions. Although the firm has taken some responsibility for the crisis, but its response is involuntary (Heerde et al. 2005; Thomsen et al. 2008).

**3) Voluntary product recall:** The firm chooses to recall its problematic products when it finds the problem by itself. This response is happened before customer, government or other institutions force it to do so. Customers are more likely to perceive a company as more responsible if it acts prior to the intervention of an agency like the Consumer Product Safety Commission (CPSC) (Shrivastava 1989).

**4) Super-effort:** The firm tries hard to present a responsible image. It recalls the problematic products immediately and compensates the victims. It exhibits primary concern for customers. Moreover, the firm informs customers about how to return the defeat product and may offer special discounts and coupons of another product. A firm that takes the responsibility and shows concern or sympathy is regarded as more honourable and sympathetic, which leads to more positive reactions (Schultz et al. 2011). Although it involves large costs, it is considered as most effective strategy in product-harm crisis (Siomkos & Shrivastava 1993).

The four levels of responses lie on the corporate response continuum ranging from low to high: denial, involuntary recall, voluntary recall and super-effort. Siomkos (1989) suggested that given the same levels of a product-harm crisis extent, a firm would be considered as more responsible in handling a crisis if its response to the crisis lies higher in the response continuum. Empirical studies have verified that corporate response significantly affects consumers' overall impression of the troubled firm (Vassilikopoulou et al. 2009b). Understandably, firms desire an economical and effective response, while ensuring maximal restoration of customers purchase intention (Dutta & Pullig 2011). However, there still exists confusion as to the best type of responses (Dutta & Pullig 2011). Therefore, the present paper aims to examine the effects of different corporate response on secondary crisis communication on social media.

## **2.2 Secondary Crisis Communication on Social Media**

Secondary crisis communication reflects customers' intentions to share and forward crisis information and leave negative words about the firm on social media. Social media has become part of everyday life for many people (Ellison et al. 2007). In the United States, Social media use increased 230% between 2007 and 2010, with two-thirds of Americans using Social media and 43% visiting sites multiple times per day (Diana, 2010). Especially, during crises happen, publics' social media usage increases (Rainie 2010). Macias (2009) found that social media are used to share information about crises, further, to critique corporate response to crises (Macias 2009). Different from traditional media, some social media creators might even create and spread their own opinion on the firm in crisis (Liu et al. 2011; Schwarz 2012).

Traditional secondary crisis communication happens in face-to-face interaction in which the communicators are in close proximity and can draw upon a wealth of social context cues (Knapp & Daly 2002). The advent of social media has tremendously changed the progress with the dynamic, ubiquitous and real-time interaction (Kietzmann et al. 2011). With only mouse-click, the crisis can be shared by customers, reaching millions of people without the intervening presence of journalists (Veil et al. 2011). Crisis managers have lost their pivotal roles as the sources of crisis communication and might even lost the control of crisis management (Kuksov et al. 2013). It was found that unfavourable product information received from peer customers as a source had a relatively stronger negative effect on purchase intentions (Siomkos & Shrivastava 1993). Considering its destructive impact on crisis communication and its strategic significance on crisis recovery, it is important to study secondary crisis communication (Utz et al. 2013). In the present study, we aim to research the impact of online corporate response on consumers' secondary crisis communication on social media.

## **2.3 Social Influence**

Scholars suggested that it is impossible to remove completely the impact of social influence in customer behaviour (Hsu & Lin 2008). They conceptualize the consumer as a social actor linked to others through a variety of role relationships, assuming that individuals' relationships and ties with other actors within the network is taken more important than other attributes when making a decision (Stafford 1966). Two dimensions of social influence have been identified in the literature, namely normative and informational influences (Bearden et al. 1989; Deutsch & Gerard 1955). Normative social influence is defined as the influence of other people that leads us to conform in order to be liked and accepted by them (Bearden et al. 1989). Normative social influence's power stems from the human identity as a social creature, with a need for companionship and association. This fact often leads to people exhibiting public compliance—but not necessarily private acceptance—of the group's social norms in order to be accepted by the group (Eliot, 2013). People with high susceptibility to normative social influence make decisions to gain approval from others (Bearden et al. 1989). Informational influences, on the other hand, denote the tendency to accept information from knowledgeable others (Bearden et al. 1989; Deutsch & Gerard 1955). Informational influence operates through the process of internalization, which occurs if information from others can increase the individual's knowledge about some aspect of the environment or facilitate problem solving

(Bearden et al. 1989). In any decision-making group, both normative and informational influence can occur (Henningsen & Henningsen 2003).

Although susceptibility to social influence appears to be an important individual difference variable for the study of customer behaviour, it unfortunately has been neglected as a general trait in a long time. Recently, the importance of social influence is recognized by researches on customer behaviour. However, their work did not distinguish between informational and normative influence on focus on normative social influence (Batra et al. 2000; Wu 2011). In this study, we incorporate both dimensions of social influence and try to find the difference by investigating the moderating effect.

### **3 HYPOTHESES DEVELOPMENT**

#### **3.1 Corporate Response and Secondary Crisis Communication**

From economic view, product-harm crises create a need for responses which are supplied by firms in crisis (Seeger et al. 2003; Silby et al. 2009). The focal firm has more crisis information whereas the public do not, creating an imbalance of power in crisis situation. Once corporate response is absent, other inaccurate or inaccessible information from crisis communicators will spread to meet customers' demand and that will only exacerbate the situation (Stephens & Malone 2009). By making themselves openly accessible, responding through social media can meet this demand (Wei et al. 2012).

Crises create a need for not only corporate response, but also for responsibility (Vieweg et al. 2008). In corporate response continuum, namely denial, involuntary recall, voluntary recall, and super-effort, the corporate response lying with a higher rung is considered as taking more responsibility (Siomkos 1994; Vassilikopoulou et al. 2009b). The greater the crisis responsibility generated by the response, the more positive reaction produced by customers (Bradford & Garrett 1995; Coombs & Schmidt 2000). Schultz et al. (2011) indicated that responses with higher responsibility result less negative comment online. Researchers also suggested that people are more likely to forward crisis messages or to react on crisis messages when they are filled with indignation about the crisis response (Hennig-Thurau et al. 2004). Accordingly, we assume that:

H1: When the corporate response lies within a higher rung on the corporate response continuum, it will lead to less secondary crisis communication online.

#### **3.2 Secondary Crisis Communication and Purchase Intention**

Eventually, the crucial goal of corporate crisis management is to keep purchase intention to the firm and their products (Walsh et al. 2009). Positive purchase intention determines whether a crisis persists or is eventually resolved (Siomkos 1989).

A product-harm crisis violates customers' expectation for the firm. Through secondary crisis communication, customers convey their negative perceptions about the firm and its products. They may assume that products purchased from the troubled firm will don't live up to their demands and even have undesirable consequences (Yi & Baumgartner 2004). According to cognitive dissonance theory, people do not like to have attitudes and behaviour in conflict, which causes dissonance. When making a purchase decision, firms encountering a crisis are considered more negatively compared to firms not facing a crisis. Accordingly, we propose that:

H2: Secondary crisis communication is negatively related to purchase intention.

#### **3.3 The Moderating Effect of Social Influence**

Social influence is a social factor that plays an important role in shaping consumer decision making (D'Rozario & Choudhury 2000). Scholars suggested that some consumers are consistently amenable

to social influence while others are consistently resistant (Henningesen & Henningesen 2003). The literature recognizes that consumer behaviours cannot be fully understood unless considering the effects of social influence (Batra et al. 2000).

Accordingly, a consumer's susceptibility to social influence would be useful to explain the social implications of secondary crisis communication on social media. According to the social influence theory, we propose that both normative and informational influence may drive users' secondary crisis communication behaviours after corporate response to the crisis. Specifically, normative influence occurs when individuals make decisions to gain approval from other group members (Henningesen & Henningesen 2003). When a firm in product harm crisis responds with low level of responsibility, customers susceptible to normative influence will communicate the crisis on social media to warn others and show concerns in order to strengthen social bonds.

Informational influence occurs when individuals make decisions to reach the best possible decision. After the firm communicated its response on social media, customers who are subject to informational influence are predicted to display a higher need to acquire information and guidance (Henningesen & Henningesen 2003). Consequently, they may actively engage in secondary crisis communication on social media websites. From this perspective, it is reasonable to argue that consumer susceptibility to both normative and informational influence will affect the relationship between corporate response and secondary crisis communication. Thus, the following hypotheses are put forth to examine such a phenomenon:

H3a: Normative social influence strengthens the negative relationship between corporate response and secondary crisis communication.

H3b: Informational social influence strengthens the negative relationship between corporate response and secondary crisis communication.

Secondary crisis communication has manifested negative perceptions about the firm in crisis. Consequently, buying products from the focal company would violate others' expectation. Normative social influence is reflected in individuals' attempts to comply with the expectations of others to obtain a reward or avoid rejection and hostility, and it operates through the process of compliance (Childers & Rao 1992; Park & Lessig 1977). Customers with high susceptibility to normative social influence will be constrained to comply with others' expectation and discourage their purchase behaviour (Kiecker & Cowles 2002; Rook & Fisher 1995). The relationship between secondary crisis communication and purchase intention will be more negative. When normative social influence is weak, customers are free to act on their purchase behaviour. The relationship between secondary crisis communication and purchase intention will not be influenced. Even they engage in secondary crisis communication, purchase intention of customer with low susceptibility to normative social influence would not be hurt.

Informational social influence is a process in which people regard the successful experience of their social group before deciding to make a purchase decision. Informational social influence is especially important when a consumer is faced with perceived high risk in the action. Given the perceived risk involved in purchasing from a firm in product-harm crisis, we believed that customers will be susceptible to the influence of their friends or online consumer groups when they make a purchase decision from a firm in product-harm crisis. Thus, we propose that:

H4a: Normative social influence negatively moderates the relationship between secondary crisis communication and purchase intention.

H4b: Informational social influence negatively moderates the relationship between secondary crisis communication and purchase intention.

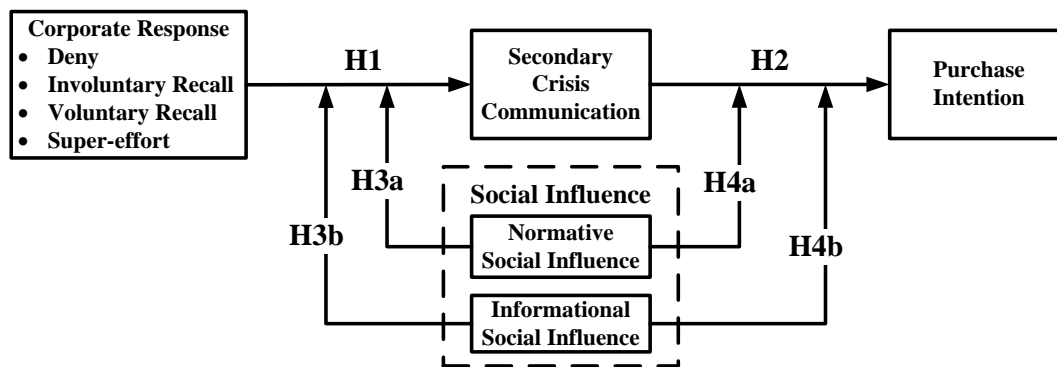


Figure 1. Conceptual model with hypotheses.

## 4 RESEARCH METHOD

### 4.1 Sample and Data Collection

We designed a questionnaire survey to test our hypotheses. The survey is conducted online due to our research background. Four different versions of questionnaires were set to distinguish corporate responses. Each questionnaire begins with a scenario described a product-harm crisis that investigators have discovered a fruit juice had a blend of synthetic ingredients, some of which was bad for healthy. The hypothetical scenario has borrowed the basic characteristics of a real crisis which took place a couple of months ago. In order to minimize subject bias, the fruit juice producer is given a fictitious name (Siomkos 1999). Then the participants were informed that the fruit producer have announced their response through social media. Corporate response is one of the four responses from deny to super-effort. Participants were presented with these scenarios and were asked to respond to several questions at the conclusion of the scenario presentation. Specially, “I am active users of at least one of social media websites” is hired to ensure the validity of the survey. The items included in the survey were based on the results of a pre-test (n=57). All of our manipulations in scenarios were also valid. The participants in the pre-test were undergraduates in a university of China. However, they were not subjects in the actual study.

In total, 214 consumers participated in the study and we received 180 useful questionnaires (21 incomplete questionnaires and 13 without social media website account questionnaires were discarded). The respondents represented a broad range of the general population selected randomly from an online survey website. Special care was taken to provide a careful balance between the male and female participants. Approximately 58% of the participants were men, and the greatest percentage (49%) consisted of university/college graduates. 44% of the participants got graduate degree. Since ANOVA was used as the method of analysis, equal numbers of respondents (50) were assigned to each treatment. This number of the respondents for each scenario is reasonable, as according to VanVoorhis & Morgan (2001) seven participants per scenario ensure robustness of results. All respondents were volunteers who agreed to take part in the survey. The convenience sampling method was preferred since questionnaire may be easily and quickly collected and respondents are more cooperative (Malhotra & Peterson 2006).

### 4.2 Measures

We developed an English questionnaire first, and then translated it into Chinese by a team consisting of four researchers from different majors. Afterwards, a professional translator who doesn't know anything about this study is hired to translate the Chinese questionnaire back to English. We found that this English version is similar to the original one without semantic discrepancy. In the questionnaire, all items were measured with 5-point Likert scales, ranging from “strongly disagree” to “strongly agree”.



In the current research, corporate response is set by four different scenarios. The firm communicated its response to the product-harm crisis on social media. Four different corporate responses composing the corporate response continuum are quantified and standardized using SPSS 16.0. Secondary crisis communication is measured based on the scales adopted from Schultz (2011), such as “I would forward and share this crisis message in social media..” Purchase intention is measured by three items adopted from Lin et al. (2011), such as “The probability that I would consider buying products from this firm within the next 6 months is high.” Social influence is measured by 9 items adopted from Bearden (1989), 6 items for normative social influence, such as “It is important that others like the products and brands I buy.” and 3 items for informational social influence, such as “To make sure I buy the right product or brand, I often observe what others are buying and using..” The whole questionnaire is based on social media circumstance.

## 5 ANALYSIS AND RESULTS

### 5.1 Measure Validation

To validate our research model, we firstly evaluated the construct reliability, validity of the measurement scales. Specifically, we assessed the reliability of each construct using Cronbach’s Alpha and composite reliability as suggested by (Fornell 1981). As shown in Table 2, these values of most constructs were higher than the suggested threshold of 0.70. Further, we tested the convergent validity by the items’ loadings and the Average Variance Extracted (AVE). The data in Table 1 indicated the loadings ranged from 0.65 to 0.94 at a significance level of 0.001. The AVE scores for constructs varied from 0.60 to 0.78, which were above the recommended benchmark of 0.500 (Fornell 1981). Furthermore, we tested discriminate validity by comparing the relationship between the correlations among the constructs and their square root of AVEs (Paulraj et al. 2008). As Table 2 shows, none of the correlations between constructs was higher than the square roots of the AVE, which meet the requirement of discriminate validity. Hence, we concluded that the measurement model possessed adequate convergent validity, discriminate validity, and reliability.

Construct	Loading	Composite Reliability	Cronbach's Alpha	AVE
Secondary Crisis Communication	0.75-0.80	0.83	0.71	0.61
Purchase Intention	0.84-0.91	0.91	0.87	0.78
Normative Social Influence	0.65-0.85	0.87	0.82	0.58
Informational Social Influence	0.67-0.94	0.81	0.75	0.60

Table 1. Results of Confirmatory Factor Analysis (CFA).

	1	2	3	4	5	6
1.Secondary Crisis Communication	<b>0.78</b>					
2. Purchase Intention	-0.33	<b>0.88</b>				
3.Normative Social influence	0.16	-0.24	<b>0.76</b>			
4.Informational social influence	0.17	-0.11	0.39	<b>0.77</b>		
4.Gender	0.02	-0.07	-0.10	0.18	NA	
5.Education	0.17	-0.13	0.09	-0.06	-0.06	NA

Table 2. Assessment of discriminate validity

## 5.2 Hypotheses Testing

We chose PLS Graph to test our hypotheses. This analytical approach is an appropriate tool to examine the effects of formative constructs, and has a low requirement for sample size. Figure 2 indicates the weights of the dimensions of constructs, the  $R^2$  of endogenous variables, and the structural path coefficients and their significance.

Our results show that the control variables, namely education and gender are not significant in affecting customer purchase intention. The results show that corporate response has a significant negative effect on secondary crisis communication ( $\beta=-0.446$ ,  $p<0.001$ ), indicating that the higher the corporate response lying within the corporate response lead to less secondary crisis communication online. Secondary crisis communication is significantly negative to purchase intention ( $\beta=-0.243$ ,  $p<0.01$ ). Hence, H1 and H2 are supported. However, H3a which demonstrated the moderating effect of normative social influence on the relationship between corporate response and secondary crisis communication is not supported ( $\beta=-0.032$ ). No significant influence is found of the moderating effect of informational social influence on the relationship between secondary crisis communication and purchase intention. As such, H4b is not supported ( $\beta=-0.091$ ). Finally, it is necessary to highlight the significant moderating effect of informational social influence on the relationship between corporate response and secondary crisis communication ( $\beta=-0.202$ ,  $p<0.01$ ), and normative social influence on the relationship between secondary crisis communication and purchase intention ( $\beta=-0.203$ ,  $p<0.05$ ). Specially, there is no significant relationship between corporate response and purchase intention. Table 4 reports the results of out hypotheses.

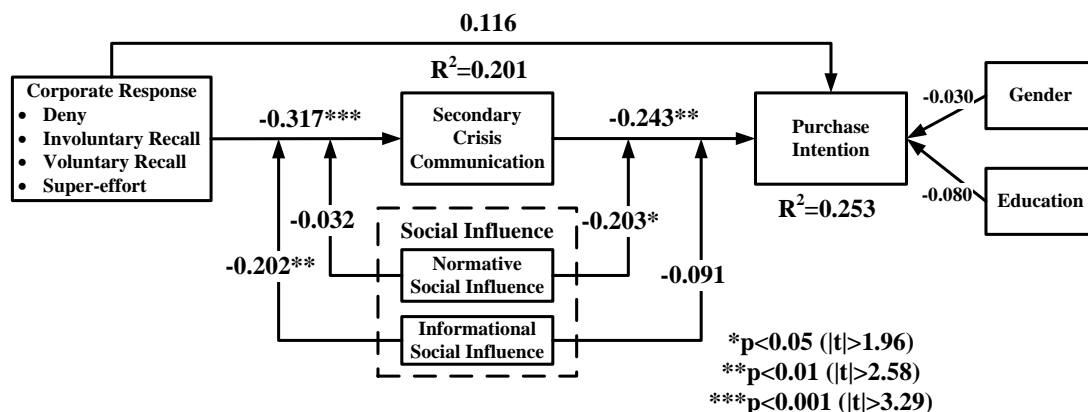


Figure 2. PLS analysis of direct effects.

	Hypotheses	Results
H1	When the corporate response lies within a higher rung on the corporate response continuum, it will lead to less secondary crisis communication online.	Supported
H2	Secondary crisis communication is negatively related to purchase intention.	Supported
H3a	Normative social influence strengthens the negative relationship between corporate response and secondary crisis communication.	Not supported
H3b	Informational social influence strengthens the negative relationship between corporate response and secondary crisis communication.	Supported
H4a	Normative social influence negatively moderates the relationship between secondary crisis communication and purchase intention.	Supported
H4b	Informational social influence negatively moderates the relationship between secondary crisis communication and purchase intention.	Not supported

*Table 3. Results of hypothesis testing.*

## 6 DISCUSSIONS, LIMITATIONS AND IMPLICATIONS

This study explores secondary crisis communication in product-harm crisis based in social media context. We investigate the relationship between corporate crisis response, customer secondary crisis communication, and purchase intention. Besides, we also include social influence in our research model. Following prior research (Bearden et al. 1989), we further classify social influence into normative social influence and informational social influence. The research findings support most of the hypotheses and thus confirm that these two types of social influence have different effect on customer behaviour in the social media context.

Our findings on the effect of corporate response, secondary crisis communication and social influence in product-harm crisis are not only consistent with prior studies, but also offer new empirical findings on the context of social media. According to the results, corporate response significantly influences secondary crisis communication indicating that effective corporate response can weaken secondary crisis communication online and therefore should be taken seriously when handling with a product-harm crisis. The relationship between secondary crisis communication and purchase intention is also significant. This finding is consistent with Richins (1983) proposition in offline situation. Our research indicates that secondary crisis communication in social media context is still important factor of customer purchase intention. Offline crisis communication studies suggested that corporate response significantly affect purchase intention (Siomkos 1994; Vassilikopoulou et al. 2009b). However, our research finds no significant relationship between corporate response and purchase intention in social media context.

In addition, our research draws from social influence theory by testing the moderating effect of two dimensions of social influence, namely normative social influence and informational social influence. As demonstrated before, social media users tie with other users and connect with others, and every message customers put on social media can be seen by others. That makes customer behaviour online motivated not only by their motivations, but also susceptible to social influence in order to be accepted by others and make consistent words and behaviour. The results showed that informational social influence can strengthen the negative relationship between corporate response and secondary crisis communication, and normative social influence can negatively affect the relationship between secondary crisis communication and purchase intention. However, the moderating effect of normative social influence on the relationship between corporate response and secondary crisis is not significant. Informational social influence is the same on secondary crisis communication and purchase intention. These findings indicate that different dimensions of social influence have different moderating effect.

Before we discuss the theoretical significance and managerial implications, it is important to highlight the limitations of the current study. First, the survey is conducted in China, where Chinese people have their specific style in using social media websites when facing a product-harm crisis. However, we do not take cultural factor into the research model. So, future studies can incorporate cultural factor to make their research widely and deeply.

Second, the hypothetical crisis instead of real event through scenarios may bridge the gap between intentions and behaviour. Moreover, our research uses fruit juice in scenarios because of its frequent usage in people's life. However, we do hope that further research will be conducted with other product categories (e.g., yogurt, electrical appliances) or services (e.g., hospitals, restaurants).

From the theoretical perspective, our research extends current study of product-harm crisis communication by focusing on the circumstance of social media, which is considered as a useful communicating tool during crises. We take a view from economics, considering customers' demand for response and reliability after a crisis happens. Different from offline result, no significant relationship is found between corporate response and purchase intention, which suggests secondary crisis communication fully mediated the relationship on social media. That deserves more attention for future online crisis communication study.

This study also contributes to the literature by integrating social influence in secondary crisis communication model. Specifically, we treat social influence as a bidimensional construct and hypothesis there is difference in the moderating effect. The hypotheses received strong support from the experimental data, which indicates customers are susceptible to different kinds of social influence when engaging in secondary crisis communication and purchase intention.

This study has several implications for practice. Corporate response influences customers' secondary crisis communication online in a way that if a troubled corporate response with high level of responsibility, it can help to decrease secondary crisis communication online, namely, it can help to control negative publicity to the focal firm. Moreover, it is important for crisis managers to realize the different moderating effect of normative social influence and informational social influence. When engaging secondary crisis communication, customers are more susceptible to informational social influence, expressing a psychological need to be right. When it comes to the purchase from a firm in product-harm crisis, customers are more subject to normative social influence, suggesting a psychological need to be liked. It should be paid more attention for crisis managers when doing crisis recovery.

## **7 ACKNOWLEDGEMENT**

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