

Communications plan for Yahoo! Inc.

Background

In a congressional hearing held on Tuesday November 6 as part of a lawsuit against Yahoo, CEO Jerry Yang and Vice-president Michael Callahan were chastised for their involvement in the arrest and imprisonment of a Chinese journalist. Yahoo is currently on trial for aiding and abetting in the torture of Chinese dissidents.

In 2005, Chinese journalist Shi Tao was convicted by his government for divulging “state secrets”. Shi Tao had forwarded an email from the Communist Party warning the media not to observe the 15th anniversary of the Tiananmen Square massacre in 2004. Yahoo provided information to the government which helped identify Shi Tao as a dissident. He was sentenced to 10 years imprisonment.

In 2006, Michael Callahan told the congressional panel that he did not know why the Chinese government wanted Shi Tao. In the November 6 hearing, it was revealed that this testimony was false—Yahoo officials had in fact received a document outlining the nature of the Communist Party’s investigation.

At the hearing, House Foreign Affairs Committee Chairman Tom Lantos delivered a statement where he said that "Yahoo claims that this is just one big misunderstanding. Let me be clear — this was no misunderstanding. This was inexcusably negligent behaviour at best, and deliberately deceptive behaviour at worst."

Objectives

Our primary short-term objective is to mitigate the damage to our reputation caused by this regrettable situation. Our secondary objectives include reassuring our users and stakeholders that this is an isolated incident. We must stress that business will continue as usual. It is our hope that Yahoo will not suffer financially in the long term, although short-term losses are inevitable.

Research

As this is a crisis situation, we will not have a lot of time. It is crucial that we speak to senior management and find out what their official position on Yahoo's alleged misconduct is. We need to research the history and particulars of the Yahoo lawsuit and get all current information on court proceedings. We need to check for precedents, such as Google's handling of similar allegations in the past. We should also start monitoring the backlash to the negative media coverage by reading Yahoo message boards and other user interactions with our company.

Audience

Our primary audience includes the users, advertisers, publishers, and business partners of Yahoo. Our secondary audience includes the media, the families of imprisoned dissidents, state department officials, members of congress, the Chinese government, and other companies in the industry.

Key messages

Our top three messages are as follows:

1. We accept full responsibility for our actions and acknowledge that we are in the wrong. We offer sincere apologies to all dissidents who have been imprisoned due to our indiscretions. We also apologize to their families and are willing to offer financial compensation to demonstrate our good faith.
2. We are taking steps to make sure this never happens again. We are aware of where our international business infringes upon human rights and are working with other industry leaders to address this issue.
3. The regrettable events which transpired do not reflect our values as a company. This was an exceptional circumstance that has resulted from miscommunication and human error. We continue our commitment to protect the privacy of all our users.

Potential challenges

Our greatest challenge will be to communicate to an audience who does not trust us. Yahoo is currently being portrayed in the media as dishonest and self serving. User

interactions on message boards, on our corporate blog, and in emails show that people think we are greedy and that their privacy is under threat. They believe that we have betrayed their loyalty and have no regard for freedom of speech. We have lost many customers over this issue and if we do not proceed with integrity then we will lose many more.

What is also problematic is that our relatively new CEO, Jerry Yang (appointed in June 2007), was evasive and noncommittal in court. Unfortunately, he was not a good spokesperson for the company and will need to undergo some intense training in media relations. It is paramount that he rises to this challenge.

The outcome of the Yahoo lawsuit could cause more public relations problems for Yahoo. Our recommendation to senior management is that they settle quickly and generously in the dissident family's favour. If they choose to fight in court, we will have to reconsider our strategy.

Communications tactics

- Issue a press release outlining a practical code of conduct for dealing with human rights issues. We must stress that Yahoo is adopting this code immediately and that we are committed to protecting the privacy of users worldwide.
- Post updated information on Yahoo's media relations web page on what Yahoo is doing to protect user rights and to make sure a human rights violation does not happen again. Updates on the lawsuit can also be posted here (good news only).
- Assign a media spokesperson who can handle media enquiries appropriately.
- Train CEO Jerry Yang in media relations and in public speaking skills. As soon as possible we need him to deliver a statement on a major news network.
- Send out an email to all our users assuring them that their privacy is protected and that Yahoo values their business. Make it generic—do not mention the lawsuit!
- Make sure our customer service call centres are prepped to handle calls from concerned customers.
- Designate moderators for our message boards and company blog to answer questions and moderate discussions appropriately.

- Mail a letter to our advertisers and business partners assuring them that business continues as usual and that this incident will not affect them in any way.
- Prepare sales representatives to re-establish rapport with our clients and advertisers. Give discounts if necessary when making sales calls.
- Write a formal letter of apology to all dissident family members affected by this situation. Offer them compensation and full cooperation. Publish this letter on Yahoo's website.

Evaluation

To determine whether we have accomplished our objectives, we will make sure the following evaluative procedures are in place.

- Monitor all news coverage of the event in all media (television, radio, print, Internet).
- Record and evaluate all user interactions with Yahoo. These include telephone calls, email, message board posts, and blog entry comments.
- After an appropriate period of time, issue a survey to all our users via email to determine their level of satisfaction with our services.
- Invite representatives of our major advertisers and business partners to attend a focus group (at our head office, all expenses paid) where we can discuss how we can serve them better. We can also gauge their attitude toward the company.
- Make a follow-up phone call to dissident family members from a Yahoo spokesperson.