

CONVERSATION

MARINA MARA, THE CRISIS WHISPERER: MEET THE CRISIS EXPERT WHO TRANSFORMS CORPORATIONS AND SAVES BILLIONS IN THE PROCESS



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Marina Mara is globally known as the brand custodian of high profile personalities and their ventures, and corporate enterprises, with one core goal: to fortify their reputations.

In this interview, she provides a unique perspective on reputation management, shedding light on insights and trends that corporations have often overlooked, costing them billions in annual losses. Here's everything you need to know.

Q: Tell us about you and what inspired you to specialize in crisis communications advisory for corporations. How did you develop your expertise in this field?

Marina Mara: Throughout my 18 years at the helm of my agency, I've encountered various personalities, CEOs, and organizations, each vulnerable to the threat of reputational damage. While my agency has garnered rec-

ognition for its branding and media advisory expertise, safeguarding and optimizing our clients' reputations lies at the heart of all our engagements. Drawing from extensive experience, it's not a question of "if" a crisis arises but rather "when."

Crisis PR represents a nuanced and intricate niche in communications, demanding specialized skills and insights that can only be acquired or learned 'on the job'. My expertise in this field has been honed through direct engagement with a spectrum of client challenges, spanning minor concerns threatening their image to potentially catastrophic scenarios that demanded immediate resolution.

When a crisis unfolds, despite its inherently negative and stressful nature (which it undoubtedly is), I view it as an opportunity for profound transformation. Embracing this challenge head-on offers the potential for significant wins in enhancing the perception of a public figure, CEO, or organization, ultimately leading to triumph in the face of adversity. It is a highly fulfilling accomplishment and a



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Irrespective of socioeconomic trends, a crisis has the potential to erode financial capital and market share and dismantle C-suite roles overnight, underscoring the critical importance of preparedness and strategic response.

At this point, one might wonder: What's an example of a crisis? Consider scenarios such as airlines endangering the lives of hundreds of passengers through accidents, CEOs engaging in undisclosed relationships with staff, or company representatives inadvertently making statements that ignite inquiries into racism and gender inclusion. There are hundreds of examples and categories, as even a hint of speculation from the public can serve as a catalyst for crisis escalation.

Q: How do you see global trends like cancel culture affecting individuals and companies, and what advice do you offer for navigating

these challenges effectively?

Marina Mara: Cancel culture, a cultural phenomenon where individuals deemed to have acted or spoken in an unacceptable manner face ostracism, boycotts, or social exclusion, became firmly entrenched in our society around 2015 or earlier. By 2020 and beyond, fuelled by global events such as the pandemic, the #MeToo movement, and Black Lives Matter it gained significant traction. Today, it has become so deeply ingrained in the English vernacular that even teenagers casually use it as slang, threatening to cancel friends or any narrative that disagrees with them.

Business leaders, companies, and people of influence risk being canceled overnight. What's critical is how they respond and how fast; timing is crucial. However, more often than not, the responses we witness in the media appear inauthentic, ill-prepared, highly fabricated, and rarely proactive. We even have a term for this: the “non-apology” apology. This highlights the need for media advisors, further prompting companies to introduce two additional roles to their C-Suite line-up: Chief Listen-

ing Officer and Chief Reputation Officer. Preparedness is paramount, and every organization must have a crisis management plan with dedicated, media-trained spokespeople as their minimum viable requirement.

Q: Reputation management and crisis PR are relatively niche on the corporate communications agenda. Why do you think that is?

Marina Mara: There's a prevailing notion that these functions tend to be reactive rather than proactive, causing some organizations to prioritize other areas perceived as more directly contributing to their company's bottom line.

There is also a need for greater awareness of the potential impact of reputational risks and crises, particularly among companies that have yet to experience a crisis.

Also, the expertise necessary for effective reputation management and crisis PR is often gained through exposure to real crises, an opportunity not all communication professionals have had. This leads to constrained resources allocated to these critical areas. We also know that comprehensive education on these topics in tertiary or college curricula is missing. As a result, graduates and aspiring professionals seeking entry into this domain must rely solely on practical exposure.

Most critically (and this is where I'm signaling the alarm loudly), some organizations may fall into the trap of believing they are immune to reputational risks or crises. This mindset breeds complacency and, consequently, a lack of proactive planning and preparation in these crucial areas.

Q: What's the actual price tag of a crisis, and can you share some notable historical examples to highlight its impact?

Marina Mara: A reputation crisis can have a substantial impact, demanding a comprehensive response from the entire team, not just the media relations department. Inadequate crisis preparedness can result in significant financial losses,

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decreased market value, and even bankruptcy for unprepared companies.

The Boeing 737 MAX crisis, involving two fatal crashes and allegations of safety issues, led to the grounding of the aircraft and estimated financial losses of over \$20 billion.

The revelation that Burberry burned excess inventory worth millions of dollars in 2018 led to accusations of wastefulness and an estimated loss of approximately \$50 million.

A controversial Dolce & Gabbana ad campaign in 2018 offended Chinese consumers, causing the cancellation of a major fashion show and an estimated revenue loss of around \$500 million.

In 2007, Gap faced backlash when a product line using child labor was discovered, resulting in a significant drop in stock price and a loss of approximately \$2 billion in market value.

Quality issues with Lululemon's yoga pants in 2013 resulted in a costly recall and an estimated loss of \$67 million, with more reputation crises to follow.

The recall of Samsung's Galaxy Note 7 in 2016 due to battery fires resulted in a \$17 billion loss in market value and reputational damage.

Volkswagen's emissions scandal in 2015 resulted in a \$30 billion loss in market value and numerous legal settlements.

Now this puts it all into perspective!

Q: In the wake of a crisis, how do CEOs personally experience its impact, and what strategies do you recommend navigating the aftermath while maintaining leadership credibility effectively?

Marina Mara: CEOs often experience intense pressure and scrutiny during a crisis, personally feeling the weight of responsibility for the company's reputation and stakeholders' well-being. To navigate the aftermath while preserving leadership credibility, I recommend adopting a transparent and empathetic communication approach, promptly acknowledging the situation, accepting responsibility, and outlining concrete steps for resolution.

Collaborating closely with internal teams and external media advisors can provide valuable insights and support in crafting an effective crisis response strategy. Most importantly, it's vital to demonstrate a genuine commitment to addressing underlying issues, learning from mistakes, and implementing meaningful changes, which can help rebuild trust and uphold leadership credibility in the long run.

Q: How do you envision the future of crisis leadership evolving?

Marina Mara: There will be an increased emphasis on proactive reputation management: Companies will increasingly prioritize building and maintaining solid reputations before crises occur, employing pre-emptive strategies.

The integration of AI and data analytics will add another layer of protection. Companies are starting to leverage advanced technologies like artificial intelligence and data analytics to enhance response strategies. Predictive analytics will identify emerging issues early on, allowing companies to proactively address potential crises before they escalate.

A surge in Virtual Crisis Management Simulations is on the horizon, which is set to transform crisis preparedness training. Organizations will increasingly allocate resources toward immersive VR simulations, offering employees lifelike crisis scenarios for practicing response strategies within a secure and controlled setting. This is not too dissimilar to the training approach pilots use in simulations, ensuring adequate preparation and readiness in handling real-world crises.

These developments signify a shift in our conventional understanding of reputation management, which has traditionally focused on damage control, a.k.a. “mopping up spills”. As the industry evolves, it transitions from a reactive stance to a proactive approach, expanding its scope to encompass proactive reputation enhancement strategies. As a result, we will see the emergence of new industry players and specialized firms that will service this need.

Q: What projects and initiatives are you presently engaged in?

Marina Mara: Reputation and crisis management are big

on the agenda for my consulting and agency schedule this year. However, my approach to them is slightly varied. Servicing existing and new clients who need support in these areas has a cap, and as an agency, we reached that cap early on.

Driven by impact, I repeatedly ask myself, “How can I use my expertise and resources to deliver concentrated value with an even more expanded global reach?”

After two years of intense planning, including targeted interviews, exhaustive analysis of case studies and data, and thorough market research, I pinpointed a glaring gap in the corporate landscape: a pervasive lack of reputation management knowledge and experience in teams.

That's because the convergence of various professional disciplines, including marketing, social media, and media relations, into unified communications teams has led to a diverse skill-set mix but a need for more expertise in effective media relations, particularly crisis prevention and management.

In a marketplace where enduring profitability and future expansion hinge significantly on intangible assets such as brand equity, intellectual capital, and goodwill—representing 70% to 80% of market value—companies become particularly susceptible to factors that could tarnish their esteemed reputation.

So, I developed an immersive learning experience that swiftly elevates the capabilities of communications teams in relation to crisis preparedness and management. Delivered in the form of a two-day workshop, this is open to anyone in an organization, and that's the beauty of it: regardless of knowledge level, participants are upskilled equally through diagnosis, cross-training, crisis simulations, collaborative problem-solving, a framework for reputation excellence, and a toolkit to support their team and preparedness activities moving forward.

The most exciting part is that I am facilitating this in new markets outside the U.S. and the Asia Pacific, including corporations in Dubai, Paris, and London. There is a significant impact to be made and billions to be saved, and I feel good knowing that my contribution is challenging and advancing the media relations industry worldwide.

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