The
TECHLASH
and Tech Crisis Communication

Nirit Weiss-Blatt

The Techlash and Tech Crisis Communication

This page intentionally left blank

The Techlash and Tech Crisis Communication

NIRIT WEISS-BLATT

University of Southern California, Los Angeles, CA, United States

Reprints and permissions service
Contact: permissions@emeraldinsight.com

ISOQAR certified
Management System,
awarded to Emerald
for adherence to
Environmental
standard
ISO 14001:2004.

ISOQAR
REGISTERED

Certificate Number 1985
ISO 14001

INVESTOR IN PEOPLE

I dedicate this book to my beloved grandmother, Tova Rabinovitch, a Holocaust survivor and my hero. I also dedicate it to my dear daughter, Shani, our ray of light and source of happiness.

This page intentionally left blank

Contents

The Pre-Techlash Era

The Techlash Era

The Post-Techlash Era

This page intentionally left blank

List of Figures

List of Tables

About the Author

Dr. Nirit Weiss-Blatt, Ph.D., is a Research Fellow at the University of Southern California, Annenberg School for Communication and Journalism. Her specialty is in the tech news field. Prior to her academic journey, she worked on both sides of the fence: began her career in tech public relations, representing international tech companies and entrepreneurs, and later switched sides to work as a tech journalist and a deputy-editor. Those experiences led her to examine the creation of the tech media agenda and the various forces which shape the tech discourse. Her research findings were featured in peer-reviewed papers, monographs, and chapters in academic books.

This page intentionally left blank

Foreword

Fred Cook
Professor of Professional Practice, Chairman of Golin, Director of the University of Southern California (USC) Center for Public Relations

Over my 35-year career at a global public relations (PR) firm called Golin, I've worked across many different industries, from fast food to pharma and represented many global brands – such as Nintendo, Walmart, Toyota, and Disney. I was also responsible for introducing several cultural phenomena such as The Teenage Mutant Ninja Turtles, Pokémon, and the seedless watermelon. During that time, I've witnessed first-hand the roller coaster of public opinion that can elevate an industry's reputation to the heights of admiration, then plunge it to the depths of disapproval, and sometimes back again. There are many examples.

Tobacco is the most obvious. Once considered sophisticated and glamourous, smoking is now deadly and despised, and companies that market cigarettes have changed their names to disguise what they actually do. The pharmaceutical business is right behind them. A few decades ago, the average consumer marveled at every new cure created by these medical miracle makers. Today, those same companies are vilified for exorbitant pricing practices. However, their perception may rebound overnight if they can create a successful vaccine for the Coronavirus. Video games have also evolved from a benign diversion in the 1960s to a violence-inducing plague in the 1990s, until recently morphing into a legitimate eSport. Even the humble avocado has transformed its image from a fatty fruit that health-conscious consumers avoided to a superfood that everyone puts on toast.

Today, we all have ring-side seats to watch the tech industry take its turn at getting a beating. Just a decade ago, Aaron Sorkin won an Oscar for his depiction of the humble beginnings of Facebook – making Mark Zuckerberg more famous than Madonna. Now, with a net worth of $86 billion, this 36-year-old tech wiz is being boycotted by the ad industry and interrogated by Congress. Facebook is a high-profile example of the reputational decline of an industry we once believed was the solution to all of our problems. We once hungered for scraps of news about upcoming products, we waited in long lines to buy them, and we worshiped the Silicon Valley executives who invented them. Now, we're worried that technology companies are selling our personal information, wasting our valuable time, and feeding us fake news.

What caused such a dramatic shift from techno-utopianism to techno-dystopianism? How did tech companies respond to the negative sentiment with their own

messages? What are the lessons to be learned from the Techlash? These are a few of the questions that Dr. Nirit Weiss-Blatt (Ph.D.) addresses through her extensive research into one of the most powerful forces impacting the tech industry's reputation – media.

Over the past 20 years, media interest in technology has expanded as fast as the technology industry itself. Editorial coverage that was once limited to niche trade magazines became a staple of the mainstream press. Every media outlet devoted a section to new tech products and trends, and every tech start-ups hired a PR agency to promote their brand and expand their audience. Media execs discovered that tech features attracted readers, and tech execs discovered that media coverage lured investors, sold products, and created icons. As proof of this love affair, Apple Chief Executive Officer (CEO) Steve Jobs was featured on the cover of *Time* magazine eight times, including the week he died. But increased attention led to increased scrutiny. Flattering stories about consumer products evolved into investigative pieces on business practices, which caught tech companies and their communications teams off guard.

Nirit's in-depth study of tech media charts this pendulum swing of press coverage. She chronicles the reputational rise and fall of an entire industry while providing valuable insights to those who work in it.

At the USC Center for Public Relations, where Nirit is a Research Fellow, our mission is to shape the future of the communication industry and those who will lead it. This book accomplishes that goal by advancing our knowledge about tech coverage and its evolving practices. It provides PR professionals, journalists, and students with a comprehensive analysis of the Techlash's core issues. Whether you're working in tech journalism or tech PR, the following pages will broader your understanding of the media scrutiny, the tech clients, and, thus, help you define the future correspondence between the two.

Acknowledgments

The research for this book was undertaken during my research fellowship at the University of Southern California (USC) Annenberg School for Communication and Journalism. It was the best home I could ask for, especially for this research. The Co-Directors of M{2e} - Media, Economics & Entrepreneurship program, Gabriel Kahn, Professor of Professional Practice of Journalism, and Prof. Chris Smith were my first hosts. Their vast experience and current projects, promoting innovation in the profession of journalism, enriched this research.

Then, I had the honor and great pleasure of working with Fred Cook, Professor of Professional Practice, the Director of the USC Center for Public Relations, and Chairman of global public relations (PR) agency Golin. His professional legacy (30+ years of experience with world-class brands) has a huge impact on the PR industry, PR education, and #PRFuture. I gained a mentor for life.

Prof. Burghardt Tenderich, the Associate Director of the USC Center for Public Relations and Co-Director of the Public Relations Studies program, helped to shape the Techlash study in a dedicated "Tech PR" research group we initiated together. Katrina Swarthout, a grad student in the Master of Strategic Public Relations program, was a helpful research assistant. Without Ron Antonette's professionalism, dedication, and charming personality, the Center for PR wouldn't be the same. The whole team made this research journey gratifying.

My dear colleague at USC, Prof. Aimei Yang, had an enormous impact on this study. Her valuable feedback helped to refine the research and to turn it into a book project.

On the production side, I wish to thank the anonymous book reviewers for their suggestions, and the whole Emerald Publishing team for their professional advice.

I am grateful to all of the interviewees, tech journalists, and PR executives (see the full list in Table 10), who were very kind and communicative, and who enabled me to gather a much greater understanding of the Techlash. Thanks to their insights, the book contains a wide range of perspectives from the tech industry.

Finally, and foremost, I am deeply grateful for my dear family and their enormous support. My parents paved the way for my tech geekiness. I grew up in the 1980s and 1990s, watching my father, Avraham Weiss, a tech and communication journalist and an early adopter of innovations, examining personal computers and gadgets. I was surrounded by piles of computer magazines from the United States, which drove my curiosity about tech journalism. My mother, Shoshana, a doctor of science and a researcher, taught me from an early age how to be focused

and methodical. With that background, "I had no choice" but to work in the tech industry and study communication. Both my parents, my sister Tali, and grandmother Tova Rabinovitch – published books. So, also, "I had no choice" but to publish a book myself. I, literally, couldn't have been in this position without them.

My dear husband and partner in life, Elad Blatt, had an enormous impact throughout the years; his brilliant observations are always enlightening. The support and love from my family and good friends helped me to endure sleepless nights of working on this research project. Their encouragement means the world to me. Thank you all.

Introduction

Over the years, tech companies were used to "cheerleading" coverage of product launches and mostly a flattering writing style. Since 2017, they have been facing a new backlash, rooted in major tech scandals. The long tech-press honeymoon ended. It was replaced by mounting criticism focused on tech's negative impact on society.

Silicon Valley – once the golden child of the American industry – has become a villain.[1] Moreover, the emerging critical tone generated a cry for government action and tougher corporate regulation, including the call to #BreakUpBigTech.

Technology news as a news genre deserves an examination on its own,[2] but there is a gap in the literature on tech journalism and tech public relations (PR). "The Techlash and Tech Crisis Communication" book provides an in-depth examination of this field and focuses on the coverage turning point: The Techlash (tech-backlash).

The story of the Techlash is a story of *pendulum swings*. We are currently on the techno-dystopianism side of the pendulum because we spent a great deal of time on the techno-utopianism side. The above being said, even one of the toughest critics, Kara Swisher, admitted that "We have to be aware that neither is exactly accurate."[3] Unsurprisingly, tech PR professionals believe that the media pendulum has swung too far in the negative direction.

The book's analysis reveals when and why the tech coverage shifted to the Techlash and what were the roots and characteristics of this shift.

The timeline is divided into three main eras: pre-Techlash, Techlash, and post-Techlash.

The pre-Techlash section starts with the historical background – from the glorious days of computer magazines and the rise of tech blogs to the upsurge of tech investigative reporting. It provides the basic clarifications of both tech news and tech PR.

The Techlash era section sheds light on the evolving coverage of the tech companies and depicts the iconic stories that shifted the attention to corporate misdeeds.

The tech companies' crisis response strategies to their accumulating scandals were underexplored. Since the tech giants were no longer perceived as the "saviors" but rather the "threats," the Techlash research asked: with the increasing need to repair their image, which crisis communication strategies were utilized? What can we learn from the reactions to those crisis responses? As a result, the concept of "tech crisis communication" is introduced, and the "Tech PR template

for crises" summarizes the ways in which Big Tech companies defended themselves from scrutiny, over and over again.

Moreover, the research asked: what can we learn about the more profound changes in the power relations between the tech media and the tech giants it covers? As a result, it illuminates the broader meanings of the Techlash and the shift in culture.

The post-Techlash section includes the Techlash's shortest pause: COVID-19 and "tech deserves a second Honeymoon" phase, and predictions of the next era to come.

Insightful observations by leading tech journalists and senior tech PR executives enriched the research data, and together – they tell the story of the Techlash. The debate on its core issues includes contradictory arguments on the difficulty of the tech-related problems and their fixes.

The book provides both theoretical knowledge and practical advice. It is an extensive guide for those interested in how the tech industry is being covered and how it is strategically advocating its impact on society. After finishing this book, you would probably interpret both the coverage and the companies' responses quite differently than beforehand.

Overall, the following chapters capture the *tech media narrative* and its key actors' explanations to "How did we get here?"

The Research Background

What is "Techlash"?

Since this book is pioneering in its comprehensive examination of the Techlash, there is a need to, first, clarify the term.[4] There are two definitions, from Oxford Dictionaries and Macmillan Dictionary (Fig. 1):

Literature Review and the Main Methods

Throughout the years of this research project, I have reviewed more than 1,000 relevant tech media articles and communication studies. Those materials provided the essential theoretical background to structure the story. From this corpus, I chose a few hundred references to be highlighted in the upcoming chapters. They represent only a small sample of the materials, but I hope the endnotes could serve as ideas for further reading on the book's issues.

A **Techlash** is a strong and widespread negative reaction to the growing power and influence of large technology companies, particularly those based in Silicon Valley. (Oxford Dictionaries)	A **Techlash** is a strong reaction against the major technology companies, as a result of concerns about their power, users' privacy, the possibility of political manipulation, etc. (Macmillan Dictionary)

Fig. 1.   Techlash – Two Dictionary Definitions.

On top of the extensive review, the book is based on three research methods:

(1) *Media monitoring analysis – to depict the evolving criticism*. The research tool helped to identify the Big Tech companies' coverage (in US news sites).
(2) *Content analysis of the tech companies' crisis responses – to reveal their strategies*. Press releases and posts from the corporate sites were analyzed. The main themes of the responses were highlighted and summarized.
(3) *Interviews with actors on both sides of the story – tech journalists and PR professionals*. Since all of the research interviewees were asked the same core questions, it created a *virtual panel of experts*, debating the same issues: the type of content and relationship between the tech media and tech PR; the stories which formed the Techlash; the perspectives regarding the tech companies' crisis responses; and predictions.

Journalism is legitimated through discourses around it.[5] The tech media professionals' quotes, discussing the elements of their coverage, highlight the "meta-journalistic discourse" about tech journalism. Their broad perspectives and anectodical stories throughout the book explain the shifting journalistic practices – before and during the Techlash.

Fig. 2 summarizes the book's quantitative and qualitative methods. The detailed methodologies can be found in the Appendix.

Outline of the Chapters

The relationship between the tech giants and the media is not stable but rather a rollercoaster ride; you can be on the top of the world just to find yourself a moment later hurtling toward the ground. Not an enjoyable ride (though, reading

Media dataset
- Quantitative method
- Using AI-Media Monitoring tool, Big Data analytics
- Goal: Identifying the tech companies' peaks of coverage
- Total: *253,462* articles from traditional media and posts from tech blogs

PR dataset
- Qualitative method
- Using content analyses
- Goal: Revealing the tech companies' crisis response strategies
- Total: *130* press releases, posts, or spokesperson statements

Interviews
- Qualitative method
- Using in-depth semi-structured interviews with tech experts
- Goal: Depicting the broader meaning of the Techlash
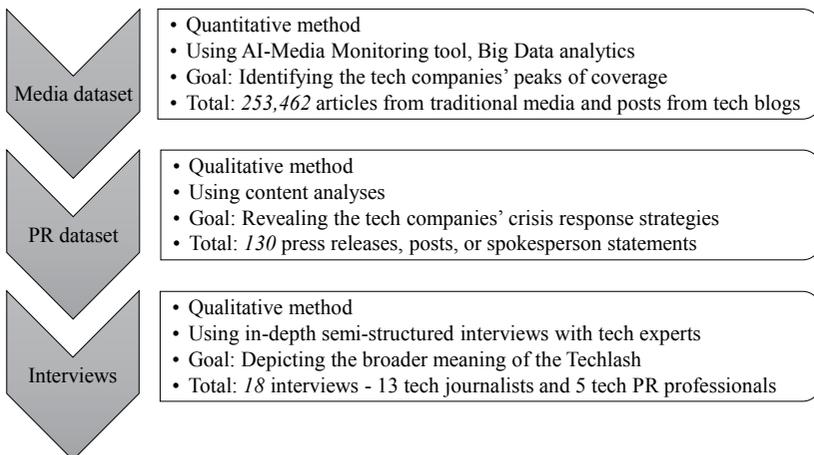- Total: *18* interviews - 13 tech journalists and 5 tech PR professionals

Fig. 2. Method Summary.

about it in this book is, hopefully). The outline of the chapters takes us through this rocky journey.

The pre-Techlash Era

Chapter #1: Tech News and Tech Public Relations.   The historical background depicts the power imbalance between the tech companies and the journalists who covered them. The review starts in the late 1980s, move to the early 1990s, addresses the late 1990s dot-com bubble, the early 2000s bubble burst, and the early 2010s.

Among the topics are the responsibilities of tech reporters; the types of content in tech news; the main players who cover tech (computer magazines, tech blogs, and traditional media); the influence of corporate PR; and tech companies' limited access and infamous secrecy.

The Techlash Era

Chapter #2: Big Tech – Big Scandals.   This chapter covers the roots of the Techlash. The pivotal year was 2017 as a result of various tech scandals, including foreign election meddling (revelations on Russian interference in the 2016 US election); fake news, misinformation/disinformation[6] wars; extremist content and hate speech[7]; data collection and protection, and privacy violations (following cyberattacks and data breaches); anti-diversity, sexual harassment, and discrimination.

Among the contributors to the formation of the Techlash are the aftermath of Donald Trump's victory, including the Cambridge Analytica "firestorm"; Pack Journalism – Techlash agenda across all the news media; the tech companies' scale and bigness; and the political pushback – tech CEOs getting grilled.

Chapter #3: Tech Crisis Communication.   There are several crisis communication theories that can help explain the crisis responses to the Techlash. Among them are corporate apologia, image repair theory, and situational crisis communication theory. Together they set the stage for the research findings. How did the tech companies respond to their scandals?

In a nutshell, although there were different tech companies and various negative stories, their responses were very much alike. The analysis identified the repetition of specific messages in the companies' attempts to reduce responsibility. The tech companies were criticized for their responses, including the pseudo-apologies or their victimization. The critics claimed that tech companies need to stop blaming others. The bigger question is around the role of humanity versus technology.

Chapter #4: Evolving Techlash Issues.   The chapter discusses the Techlash effect on the tech companies, the evolving issues they needed to manage (and still do). Those issues include the deteriorated trust, tech regulation, rise in tech investigative reporting, tech conferences and interviews with tech CEOs, tech workers' activism, the overall shift in culture from techno-optimism to techno-pessimism, but also the growth in usage and business as (despite the Techlash) they are financially thriving.

The post-Techlash Era

Chapter #5: Never-ending Criticism? As COVID-19 hit the United States, there was a short "second Honeymoon" phase, full of gratitude for the technological inventions which help us cope with the outbreak. But then, very quickly, the Techlash issues resurfaced. Should tech companies acclimate to constant media scrutiny? And given that attacking Big Tech became a bipartisan practice, from a growing number of media outlets and all political sides?

The prediction is that moving forward, we could expect even more investigations around the core of the Techlash, such as content moderation, ad transparency, misinformation, algorithmic accountability, data rights, and antitrust. The Techlash as we know it – is probably here to stay.

It should be noted that the book was finalized amid the Coronavirus pandemic and before the 2020 US presidential election outcomes. Future studies could compare this book's analyses to the tech coverage and tech PR following the ramifications of those two events, as they may also affect the volume and sentiment of the Techlash. For more future research directions, please see the "Recommendations for future studies" section at the end of this book.

Lastly, the "pre-Techlash/Techlash/post-Techlash" sections help to organize the story, but there isn't a strict dichotomy between them. While reading, you will find a more complex depiction, as the pendulum swung from one side to the other more than once or twice.

"Jeff Bezos used to tell me, 'Today's poster boys, tomorrow's piñata.' You're not as good as they say, you're not as bad as they say. Just find the middle ground," said Brian Chesky, Airbnb CEO.[8] The book will present the difficulty of reaching such middle ground, as the pendulum is drawn to both extremes.