To: Dr. Parrish

From: Madelyn Hough Date: Nov 14th, 2023

Subject: Paracrisis Identification and Response

A paracrisis often looks like a crisis and warrants a response from the organization but does not require the organization to go into crisis mode (Coombs & Holladay, 2012). This accurately describes the case of Balenciaga and its two controversial campaigns that sparked outrage socially, politically, and artistically (Paton et al., 2022).

The first campaign published in November of 2022 was the first of the two to receive backlash on social media. The Balenciaga Christmas-themed "Gift Shop" campaign featured toddler-aged children carrying teddy bears in bondage-style clothing often associated with BDSM which is quite disturbing (Parisi, 2023). The second campaign labeled, the Garde-Robe Spring 2023 campaign, was quite typical for the brand and even had well-known celebrities such as Nicole Kidman and Bella Hadid (Paton et al., 2022). After a closer look, legal documents can be seen in the background of the campaign images that read *U.S. vs. Williams* the Supreme Court decision that banned the "pandering" of child pornography (Paton et al., 2022). The first campaign caused speculation and by the second campaign, the general public became outraged.

Generally, this situation can be categorized as a paracrisis because even though its attributes are in alignment with the poor risk management crisis category, the situation did not escalate to a disastrous level for consumers or employees (Ulmer et al., 2023). In addition to this, the situation manifests through social media which is often an attribute of paracrisis (Coombs & Holladay, 2012). To reiterate, "a paracrisis is a publicly visible threat that charges an organization with irresponsible or unethical behavior" (Coombs & Holladay, 2012). In this instance, Balenciaga demonstrated unethical behavior by creating and promoting content that coincides with child pornography and it was also irresponsible to include Supreme Court Documents concerning a case involving child pornography.

Balenciaga was quick to release apology statements on social media concerning the campaigns. On November 24th, shortly after the campaigns caught traction on social media, Balenciaga released this statement on Instagram:

"We sincerely apologize for any offense our holiday campaign may have caused. Our plush bear bags should not have been featured with children in this campaign. We have immediately removed the campaign from all platforms," (Paton et al., 2022).

Later that same day, Balenciaga apologized specifically for the Spring 2023 campaign that featured the Supreme Court documents:

"We apologize for displaying unsettling documents in our campaign," the statement said. "We take this matter very seriously and are taking legal action against the parties responsible for creating the set and including unapproved items for our Spring 23 campaign photo shoot. We strongly condemn the abuse of children in any form. We stand for children's safety and well-being," (Paton et al., 2022).

The following day Balenciaga filed a lawsuit against \$25 million production company North Six who produced the Sping 2023 campaign for "recklessness" (Paton et al., 2022). The charges were dropped a week later (Paton et al., 2022). The in-house creative director Denma who created the 'Gift Shop' campaign also released an apology that week and took responsibility for his actions. Because of the campaign, he directed the Global Voices award offered to him was revoked (Issawi, 2023). Lastly, Balenciaga announced a three-year partnership with the National Children's Alliance (Issawi, 2023).

Balenciaga's response to the situation was adequate but could have been handled more professionally. Denma the creative director should have been relieved of his duties and Balenciaga should have accepted total responsibility for both campaigns rather than pinning it on the production company North Six. The petition was that Balenciaga should not promote or endorse child pornography and abuse through their campaigns because simply it is unethical and horrific (Coombs & Holladay, 2012). The cost constraint was the removal of those two campaigns that were associated with inappropriate content (Coombs & Holladay, 2012). The strategic fit constraint was the desire to be seen as socially responsible (Coombs & Holladay, 2012).

Obviously, actions speak louder than words, and that is the case with the Balenciaga campaigns. The apologies issued stated that Balenciaga stands with children and condemns child abuse, but one concise apology would have been more effective than multiple. The brand even initiated a partnership with the NCA, but there is a legitimacy gap between these promises and the brand's actions (Coombs & Holladay, 2012). Balenciaga could have also funded the NCA in addition to the partnership. Furthermore, by filing a lawsuit against the production company Balenciaga is refuting responsibility for the advertisements. Overall, Balenciaga utilized the repentance strategy by outwardly recognizing wrongdoing and outwardly making changes but not many changes were made internally if at all (Coombs & Holladay, 2012).

According to Coombs and Holladay, the ideal outcome of a paracrisis is for it to diminish due to lack of attention, and that is what has happened in the Balenciaga situation. Almost a year has gone by since the initial incidents and the brand is still functioning normally. It still dresses many world-renowned celebrities such as Selma Hayek and Kim Kardashian.

## Citations

Coombs, W. T., & Holladay, J. S. (2012). The paracrisis: The challenges created by publicly managing crisis prevention. *Public Relations Review*, *38*(3), 408–415. https://doi.org/10.1016/j.pubrev.2012.04.004

Issawi, D. (2023, June 5). *What to know about the Balenciaga ad scandal*. The Cut. https://www.thecut.com/article/what-to-know-about-the-balenciaga-ad-scandal.html

Parisi, D. (2023, July 29). *The balenciaga controversy, explained*. Glossy. https://www.glossy.co/fashion/the-balenciaga-controversy-explained/

Paton, E., Friedman, V., & Testa, J. (2022, November 28). When high fashion and QAnon collide. The New York Times.

https://www.nytimes.com/2022/11/28/style/balenciaga-campaign-controversy.html

Ulmer, R. R., Sellnow, T. L., & Seeger, M. W. (2023). *Effective crisis communication: Moving from crisis to opportunity*. Sage.

.