# A Pragmatic Study of Strategies for Crisis Communication in the Announcements Made by Chinese Listed Pharmaceutical Enterprises

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## Abstract

Drug safety issues have grown increasingly common in China and have been much concerned by the public, having exerted a huge impact on the development and survival of related pharmaceutical enterprises. Consequently, the involved corporations have to respond properly to the crisis with a view to not only resume the corporations' operation but also rebuild the public's confidence in the pharmaceutical industry. Although scholars have conducted abundant research on corporate apologies, announcements, a quasi-apology or a substitute for apologies, as a common way to respond to crises in China, have not gained due attention from academia. Therefore, the paper intends to analyze components of Chinese pharmaceutical enterprises' announcements and pragmatic strategies employed herein for better elucidating the formation of announcements and highlighting the role of announcements in managing crises. Based on Boy's (2011) seven apology components and Xu's (2021) pragmatic strategy set, qualitative research is carried out. It is found that, unlike conventional apologies, six components are identified in the announcements and corresponding pragmatic strategies conducive to managing crises are explored: (1) *revelation*: *explanation* (*blunt statement*); (2) *responsiveness*: *timeliness* (*attitudinal meaning devices*); (3) *responsibility*: *internal attribution* and *external attribution* (*grounders*); (4) *remorse*: *guilt* (*IFID*); (5) *reform*: *change* (*attitudinal meaning devices*, *hedges* and *vagueness*) and (6) *impact on operations*: *minor impact*, *huge impact* and *undetermined impact* (*blunt statement*, *hedges* and *vagueness*). The findings would not only shed light on research on corporate crisis communication, but also provide the practitioners with some insights into how to issue the announcements.

**Keywords:** corporate announcement, crisis communication, pragmatic strategy, listed pharmaceutical enterprise

## 1. Introduction

With the rapid development of mass media, every move of organizations is scrutinized by the entire society. In recent years, pharmaceutical enterprises have committed numerous violations, among which drug safety issues, closely related to human life and health, like Changchun Changsheng vaccine incident, have been much concerned by the public (Yuan & Li, 2017). As industry leaders with a wide variety of medicines and a large number of consumers, drug safety issues of listed pharmaceutical enterprises may worsen conditions or even result in mass death. And then a panic will be caused in the whole society such as refusal to vaccinate (Li et al., 2019) that may increase the national disease rate. Meanwhile, the emergence of drug safety issues has had a significant negative impact on the image and reputation of pharmaceutical enterprises that have been built up over the years (Xu, 2021). Therefore, once drug safety issues arise, corporations must respond appropriately and effectively (Benoit, 1995) for handling crises, repairing image and regaining trust.

There are two popular ways to respond to crisis: making apologies (Kampf, 2009; Lee & Chung, 2012; Kadar et al., 2018) and issuing announcements (Luo et al., 2015; Chen et al., 2020; Wei et al., 2020). Research on apologies ranges from corporate apologies (Page, 2014; Im et al. 2021) to governmental apologies (Kampf, 2009; Benoit, 2014; Compton, 2016), from apology components (Boyd, 2011) to apology strategies (Page, 2014; Einwiller & Steilen, 2015). Contrastly, research on announcements is extremely limited, focusing on strategies applied in the announcements (Zhang et al., 2021) and factors influencing the effect of announcements (Rosati et al., 2019; Chen et al., 2020). As a kind of quasi-apology or a substitute for apologies, announcements, whose form and function share many similarities with apologies, have drawn less attention from the academia than apologies in terms of research depth, scope, methods and angles.

Existing literature on drug safety issues and crisis management focuses on three perspectives: (1) the governmental perspective, from which studies concentrate on the establishment of emergency response mechanisms (Zhou et al., 2009; Fang, 2009; Zhang et al., 2018) and the strategy of online public opinion warning (Yuan & Li, 2017); (2) the corporate perspective, from which studies concern about corporate image reconstruction by making apologies (Xu, 2021); (3) the social perspective, from which causes of drug safety issues (Shang et al., 2010), the perfection of information release mechanisms and measures (Zhong & Yang, 2011; Zhong, 2012) and crisis response process and key points (Song, 2015) were investigated. It is clear that pharmaceutical enterprises' crisis response has received relatively scant attention. Specifically, the central role of pharmaceutical enterprises in responding to crises has not been highlighted and most of the existing literature has paid much attention to crisis management from macroscopic angles. Namely, pharmaceutical enterprises' efforts to manage crisis are relatively less researched from microscopic angles.

To fill gaps mentioned above, this paper proposes to analyze the components and explore pragmatic strategies of Chinese listed pharmaceutical enterprises' announcements responding to drug safety issues. By so doing, the importance of the announcements can be stressed and corporations can be capable of posting elaborately crafted announcements for the sake of managing crises appropriately. On the one hand, well-organized announcements can help corporations interact with the public, rebuild public trust, stabilize stock prices, and maintain smooth operations. On the other hand, sincere, informative and well-structured announcements are more acceptable and compelling than those that shirk responsibility and lack information, which can effectively help the public minimize panic, dispel doubts and rebuild trust in pharmaceutical enterprises.

Given the forgoing considerations, the paper aims to address the following two research questions: (1) What components are chosen in the announcements for crisis management? (2) What pragmatic strategies are adopted for realizing crisis management function of the components?

The paper is developed as follows. Section 2 reviews existing literature on crisis communication, announcements of corporate negative events and crisis management of drug safety issues. Section 3 and 4 present theoretical background and research methods respectively. Section 5 makes a detailed analysis of the data, followed by the conclusion in section 6.

## 2. Literature Review

This part is a review of related literature based on three aspects: corporate crisis communication, announcements of corporate negative events and crisis management of drug safety issues.

### 2.1 Corporate Crisis Management

Crisis communication has drawn much attention of linguistics and management researchers in recent decades. In the view of linguistics, as early as twentieth century, Blum-Kulka and Olshtain (1984) put forward Cross-Cultural Speech Act Realization Patterns (CCSARP), in which they reckoned apology as a post-event act and summarized four strategies for performing the act of apologizing. Likely, Kampf (2009) regarded apology as a speech act and examined the realization of apology to minimize responsibility. From the perspective of management, a number of theories were put forth and were widely applied in research and practice of public relations management. For instance, Benoit (1995) provided five broad categories to repair image: *denial*, *evasion of responsibility*, *reducing offensiveness*, *corrective action* and *mortification*. Boyd (2011) summarized seven components of apology and Coombs and Holladay (2002) came up with Situational Crisis Communication Theory. All the theories offered researchers typologies and guidance to delve into crisis communication. Sequentially, crisis communication research has sprung up.

Crisis communication occurs in practically every aspect of humanity's social life, with corporations being the most prominent example. Researchers have paid close attention to the strategies adopted in the crisis communication. Apologies are frequently given by corporations facing charges of wrongdoings in order to repair image or regain public trust (Compton, 2014; Page, 2014). Apologizing allows alleged corporations to present a responsible image, which is a successful way for the involved corporations to handle the crisis. Definitely, not all apologies work well. As a crisis communication strategy, apology has a variety of sub-strategies, some of which might result in a win-win situation for both the offender and the offended, while others may fail to win the public's forgiveness or even exacerbate the crisis. In consequence, apology strategies should be taken into account. Offering corrective actions has commonly been mentioned in apologies (Compton, 2014; Page, 2014; Einwiller & Steilen, 2015). For instance, Page (2014) opined that corrective actions, as a type of offers of repair, are oriented to the needs of the offended, which may re-establish rapport between the corporation and its customers. In addition to corrective actions, other strategies were identified in existing research, such as mortification (Compton, 2014), explanations (Page, 2014) and asking for more information (Einwiller & Steilen, 2015). The selection of strategies varies from one another, as do their applicable situation and subjects. Corporations must assess the many types of crises and make wise choices. Prahl & Goh (2021) put forward a new strategy called the mirror strategy that is a way to turn the blame for the AI failure right back at readers (society)

themselves, which is dedicated to the response of AI failures. Research mentioned before identified several strategies occurred in crisis communication discourses, which can provide public relations practitioners with a guidance to issue an apology. Nevertheless, the effect of strategies did not been examined in the research. It is believed that more questionnaires and experiments should be done to explore the degree to which the strategy works to magnified benefits in both the offender' and the offended' sides.

Many scholars have concentrated on the variables influencing the effect of crisis communication in the past decade (Turk et al., 2012; Lee & Atkinson, 2019; Holland et al., 2021; Im et al. 2021). Turk et al. (2012) discovered that the best stakeholder attitudes and purchase intentions will result from good past reputation, defensive crisis response and CEO visibility in the crisis response process. According to the research of Im et al. (2021), sooner crisis response (apology) and higher levels of individualized need fulfillment bring a better effect. Additionally, the interplay among crisis involvement, brand image, and message appeal (Lee & Atkinson, 2019) and the interaction of crisis type, response, and message transparency (Holland et al., 2021) play an essential role in crisis management. The need of appropriate, effective, and informative responses has been made clear by the fact that factors affecting the impact of crisis communication have emerged as a hot topic in the field of public relations research.

To sum up, crisis communication has been paid more and more attention in corporate operation, which relates to how to respond to crisis, what strategies should be taken, what effects can be achieved and what factors may influence response effects. From this perspective, current research provided a comprehensive perspective and paradigm for crisis management researchers. However, much of the mentioned research was developed on the basis of apologies or statements. In fact, many corporations, particularly listed enterprises, opt to respond to crises by issuing announcements that serve similar functions as apologies and are written in a more formal and professional manner. Despite its significance, the announcement has received insufficient attention.

*2.2 Announcements of Corporate Negative Events*

More and more corporations turn to conduct crisis communication by posting announcements, whose components are a guideline for corporations in crisis to produce an announcement in an easily acceptable, fully informative and efficiently problem-solving manner. However, announcements have received less attention relative to written apologies. Apologies involve loss of face for the speaker (Shoshana & Elite, 1984), hence people avoid making them. Furthermore, apologizing implies taking responsibility in Chinese society (Qi, Xiao & Kadar, 2019). When a response is required, Chinese corporations will manage to avoid the use of "apology", "apologize", "sorry", ect., instead, they incline to employ announcements to respond to crises.

Literature related to corporate announcements posted for unfavorable events is generally sparse and the research perspectives differ from one another. Strategies applied in the announcements have become a popular research topic. Zhang et al. (2021) investigated the response strategies of 13 announcements in 5 quality defect cases, which discovered that affective repair, informational repair, and functional repair strategies should be applied in the acute, chronic, and termination stages respectively for the most effective crisis communication. This research strongly supports the notion that crisis is dynamic and evolves over time (Wang et al., 2021). From the perspective of investors' market reaction, the effect of announcements can be influenced by several factors, such as the timeliness (Luo et al., 2015; Chen et al., 2020) and contents of corporate information disclosure (Luo et al., 2015; Rosati et al., 2019), and content integrity (Chen et al., 2020). These factors could have varying effects depending on the crisis. For example, Rosati et al. (2019) found that the information disclosure in an announcement of a data breach event exacerbates the change of stock price to negative way. Oppositely, in Luo et al.'s (2015) research, the earlier corporations disclose information about crisis occurrences, the weaker the negative market reaction of investors. To sum up, crisis situation, announcement content, integrity, sincerity, timeliness and so on play a crucial role in crisis management. When a listed enterprise is in a crisis, the impact of crisis management can be revealed directly in its stock price.

*2.3 Crisis Management of Drug Safety Issues*

Literature on crisis management of drug safety issues has primarily emphasized on the central role of government regulation (Fang, 2009; Zhou et al., 2009; Yuan & Li, 2017; Zhang et al., 2018), implying that the government should take responsibility and manage to address the crisis. Some researchers considered the role of government, media and corporations as a whole (Shang et al., 2010; Zhong, 2012; Song, 2015) in responding to drug safety crisis so that the society can remain stable and orderly. To be more specific, Zhong (2012) discussed the timeliness, scientificity and mechanism in information release of drug emergencies from governmental departments of supervision, and put forward suggestions to improve the mechanism and measures of crisis prevention and response. Song (2015) explored the evolution process and reason of Kangtai Hepatitis B vaccine trust crisis and then came up with response processes and key points of the crisis, which helped the government, media and corporations effectively achieve coordinated crisis management. Compared with the two focuses mentioned before, there is little literature focusing solely on corporate

crisis response actions. Xu (2021) delved into the image repair of Xiuzheng Pharmaceutical Group Company Limited after drug harm crisis through examining its apology statements and CSR, with the findings highlighting the significance of pragmatic and CSR strategies.

Overall, crisis management of a corporation is essential to its development. A well-managed crisis can turn into an opportunity for the involved corporations (Einwiller & Steilen, 2015; Prahl & Goh, 2021). Illuminated by prior research, although drug safety issues are closely tied to human life and health, pharmaceutical enterprises' crisis management on them has not received enough attention from academia. Stakeholders are most concerned with pharmaceutical companies' reactions to negative occurrences, rather than those of the government, media, or other social organizations. Besides, the fact that it is mandatory for a listed enterprise to disclose information about major events means that announcements are regularly used to communicate with investors, the public and monitoring departments. As a result, responses of pharmaceutical enterprises, specifically, announcements, deserve a penetrating analysis. In terms of crisis management, prior research mainly examined the selection of response strategies and the factors that determine response effect, with little emphasis on how to organize the content/information of responses. This leads to an analysis on the components of the announcements. In addition, while creatively using linguistic strategies can assist offenders in reducing their responsibility for the events under public discussion (Lakoff, 2001), linguistic perspective is underrepresented in crisis communication research.

## 3. Theoretical Background

Announcements released by pharmaceutical enterprises have some similar features with public apologies. Both are issued for crisis management, involving explaining what infractions have occurred, offering some compensation and making promises. Namely, to a certain extent their application scenarios and functions are identical. Against the background, the paper identifies the components of the announcements using the exiting framework of apology components. Seven components of apology were summarized by Boyd (2011), as follows: refer to Table 1.

Table 1. Sequential steps in apology articulation (Boyd, 2011)

| Components | Sub-components | | Definitions |
|---|---|---|---|
| Revelation | Explanation | | Explain what offenders have done and do not engage in evasion |
| | Evasion | Dissociation | Avoid association with specific acts |
| | | Diminution | Diminish the gravity of the acts |
| Recognition | Empathy | | Show compassion for people disappointed by the behavior |
| | Estrangement | | Fail to understand victims' feelings |
| Responsiveness | Timeliness | | React promptly |
| | Tardiness | | React tardily |
| Responsibility | Internal Attribution | | Attribute the cause to be internal |
| | External Attribution | Dispersion | Insinuate multiple parties had a hand in the unfortunate outcome |
| | | Displacement | Apologize for the wrong thing, typically a failure of lesser magnitude |
| Remorse | Guilt | | Show sincere and contrite attitudes |
| | Guile | | Engage in guile to conceal any semblance of guilt |
| Restitution | Compensation | | Seek to undo or repair the damage |
| | Abrogation | | Make no attempt to fix the wrongs |
| Reform | Change | | Provide assurance that offenders will never stray again |
| | Complacency | | Keep intransigence |

## 4. Methods

This section clearly expounds the reason why the data were chosen and how the data were collected. The data annotation is done manually and the detailed information is presented below.

### 4.1 Data Collection

The data was collected from Souhu Stock (https://q.stock.sohu.com/), which contains 35 announcements (about 38 000 characters in Chinese) of drug safety issues made by 16 Chinese A-share listed pharmaceutical enterprises from 2012 to 2018. The drug safety issues had a rather considerable negative societal impact at the time and were covered by news media. Under tremendous societal pressure, the involved enterprises were obliged to post announcements to shareholders and securities regulators regarding the cause, the investigation procedure and the result of handling, which was one of the reasons why their announcements can be collected. With time going by, several announcements were deleted, which was hard to get the first-hand material. Besides, although many unlisted pharmaceutical enterprises became involved in drug safety issues, the majority of them did not post such announcements because relatively less public and press attention was paid to them, and no laws or regulations were enacted to compel them to provide public explanations. All in all, selected announcements posted by listed pharmaceutical enterprises are more credible and representative than those of other enterprises.

*4.2 Data Processing*

All announcements are numbered from 1 to 35, and then the authors manually annotate the contents in accordance with Boy's (2011) seven apology components. Due to the uniqueness of the announcements, certain contents cannot be annotated by exiting terms, hence, additional terms are provided by the authors for better identification of the components. All components are annotated and their frequency of occurrence are counted, allowing the information in the announcements to be clearly demonstrated. The preliminary work is conducive to answering the first question. As for answering the second research question, qualitative analysis is applied based on previous research that provided some pragmatic strategies of corporate crisis communication. Namely, some representative examples will be marked and presented with the help of current pragmatic strategies.

## 5. Data Analysis

This section will first concentrate on the analysis of components, then on the pragmatic strategies occurring in the components, followed by a brief discussion on the findings of the two research questions.

*5.1 Components of Announcements*

The following Table 2 contains detailed information about the components. Besides, as a sort of quasi-apology, the announcement has its own distinct components, namely, impact on operations. See Table 3.

Table 2. The Components of the Announcements

| Components | Sub-components | Announcements' Number | Total |
|---|---|---|---|
| Revelation | Explanation | 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 | 35 |
| Responsiveness | Timeliness | 1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 34, 35 | 28 |
| Responsibility | Internal Attribution | 1, 12, 22, 30, 32, 35 | 6 |
| | External Attribution (Dispersion) | 2, 3, 4, 5, 6, 7, 9, 12, 16, 18, 19, 21, 23, 24, 25 | 15 |
| Remorse | Guilt | 1, 5, 10, 29, 30, 31 | 6 |
| Reform | Change | 1, 3, 4, 5, 6, 7, 8, 11, 12, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 34, 35 | 25 |

Table 3. A Unique Component of the Announcements

| Components | Sub-components | Announcements' Number | Total |
|---|---|---|---|
| Impact on operations | Minor Impact | 2, 4, 6, 7, 10, 11, 14, 15, 16, 19, 21, 22, 23, 24, 25, 26, 27, 28 | 18 |
| | Huge Impact | 1, 29, 30, 31, 32, 34 | 6 |
| | Undetermined Impact | 1, 3, 5, 29, 30, 31 | 6 |

From Table 2, it is revealed that the announcements do not contain all the components of apologies, such as *recognition* and *restitution*. In terms of the sub-components, the announcements obviously lean to one side, for example, all components mentioned *responsiveness* show a high sense of *timeliness* and none are tardy. All components contain *explanation* and more than two-thirds of the announcements are posted timely. Almost two of third of the announcements mention *responsibility*, of which six are *internal attribution* and fifteen are *external attribution*. *Guilt* employed in the announcements are relatively limited, while *change* occurs in twenty-five pieces of the announcements. Table 3 shows the distribution of *impact on operations*. Referring to *impact on operations*, there are three dimensions: *minor impact*, *huge impact* and *undetermined impact*. Most of the announcements clearly state that the crisis has a minor impact on the operation, and only a few announcements bluntly announce that it is a huge crisis while some announcements indicate that the impact is undetermined yet. In the following part, some examples will be provided to help craft a more persuasive and penetrating analysis.

5.1.1 Revelation: Explanation

*Explanation*, as a sub-component of *revelation*, explains what the apologizers have done. The component contains crucial elements, such as time, specific issue, defective product serials and number.

Example 1: XX 省食品药品监督管理局公布市场抽检情况，我公司产品 XX 胶囊（批号：20110213；规格：0.25g*16 粒），抽检结果为水分项不合格。(XX Food and Drug Administration has announced the sampling inspection result. The XX capsule (Batch Number: 20110213; Specification: 0.25g*16 tablets), produced by our company, is moisture disqualification.) (From Announcement 7)

The corporation fully stated the crisis event in terms of time, origin, drug batch and issue type, which may effectively avoid rumors and suspicions on the drug and other drugs. As a result, the corporation's customers can take other drugs produced by it trustingly.

### 5.1.2 Responsiveness: Timeliness

Boyd (2011) believed that there are two sorts of *responsiveness*: *timeliness* and *tardiness*, in which the response timing is of utmost importance. While in the paper, the focus of *responsiveness* is present in the expression of positive responses and the corporations' attitude to deal with crises.

Example 2: 公司将严格落实药品监管部门要求，积极配合药品监管部门对生产、质控体系开展全面自查。(Our company will strictly implement the requirements of the drug regulatory authority, actively cooperate with it to carry out a comprehensive self-inspection of the production and quality control system.) (From Announcement 30)

The corporation placed a high value on the event and cooperated with the drug regulatory authority to develop self-inspection. Furthermore, the corporation's positive attitude was more prominent through the use of several adverbs, such as *strictly* and *actively* as well as verbs like *implement*, *cooperate with* and *carry out*. By doing so, the involved corporations may offer a positive, responsible and favorable image to their shareholders.

### 5.1.3 Responsibility: Internal Attribution and External Attribution

Boyd (2011) distinguished two types of *responsibility attribution*: *internal attribution* and *external attribution*. *Internal attribution* means that offenders accept responsibility for the transgression, whereas *external attribution* implies that offenders assign responsibility to forces or events beyond the self (Boyd, 2011).

Example 3: 通过自查，找出了使用"问题胶囊"的主要根源是公司质量检测程序有疏漏，无法检测胶囊中铬的含量。(Through self-inspection, it was found that the main source of the "problematic capsules" was the negligence of the company's quality inspection procedures, which could not detect the content of chromium in the capsules.) (From Announcement 1)

Example 4: 因公司原胶囊供应商生产紧张，2010 年 5 月 11 日，公司临时从 XX 有限公司购进 100 万粒胶囊，全部用于上述四个批次 XX 胶囊和 XX 胶囊生产。(The company temporarily purchased 1 million capsules from XX Co., LTD., on May 11, 2010, due to the tight production of the original capsule supplier, all of which were used in the production of the above four batches of XX capsules and XX capsules.) (From Announcement 2)

Example 3 pertains to *internal attribution* while Example 4 is *external attribution*. In Example 3, the involved corporation directly admitted its transgression on defective capsules and the main cause was the neglect of the corporation's quality inspection procedures. When the blame is placed on internal factors, the corporation can project an image of being introspective, proactive and open to change by developing remedial actions and upgrading production standards. In Example 4, by attributing the defective capsules to its external supplier, the concerned corporation attempted to shift the focus of the problem, so that it may be less criticized by the public.

### 5.1.4 Remorse: Guilt

According to the collected data, there are comparatively less instance of *remorse* being expressed in announcements, and all *remorse* is *guilt*.

Example 5: 公司董事会就此次事件对消费者和投资者造成的影响表示诚挚的道歉！(Our company's board of directors sincerely apologizes for the impact that this incident has had on consumers and investors.) (From Announcement 1)

The involved corporation showed it guilt to the public by making apology. Consequently, the public may believe that the involved corporations are repentant. And this type of expressions is a sign of sincerity and might elicit sympathy from the public, which is conducive to wining their forgiveness.

### 5.1.5 Reform: Change

Boyd (2011) divided *reform* into two categories: *change* and *complacency*. Only the former one is employed in the paper. *Change* refers to the involved corporations promising to make some changes to guarantee the safety and quality of drugs and prevent repeating of similar events.

Example 6: …停止生产和销售所涉及的产品银杏叶分散片，同时启动了召回工作。(We halted the production and sales and started the recall of the involved Ginkgo Dispersible Tablets.) (From Announcement 16)

In Example 6, *change* was realized by halting the production and sales and recalling involved drugs, which avoids crisis escalation and prevents patients from harm. Investors and the public might thus be informed that the corporation has taken efforts to prevent things from getting worse. Additionally, the corporation's attempts to set things right may help it construct a responsible image to its stakeholders, earning their forgiveness and regaining their trust.

Example 7: 公司正在组织对检测新设备安装、调试和人员培训，梳理检测工作方面的漏洞，举一反三研究整改措施。(Our company is organizing the installation and commissioning of new testing equipment and personnel training, checking the vulnerabilities in testing work, formulating corrective actions.) (From Announcement 1)

The corporation's actions to upgrade equipment, train personnel and check vulnerabilities to ensure future production safety were emphasized in the announcement. The statement can demonstrate how determined and committed the concerned corporation is to changing the awful situation, meanwhile, it can also be interpreted as a promise made to the public to boost their confidence in the corporation.

5.1.6 Impact on Operations: Minor Impact, Huge Impact and Undetermined Impact

*Impact on operations* is a unique component of the announcements that never been observed before in other forms of crisis response such as apologies. *Impact on operations* means that the announcement details how the crisis event has affected the corporation's daily operation. The component contains three sub-components: *minor impact*, *huge impact* and *undetermined impact*.

Example 8: XX 的销售收入为 3.08 亿元，占 2011 年全年营业总收入的 13.95%，由于公司 XX 产品的消费人群主要是 1—12 岁幼儿和儿童，此次说明书进行相关修订对公司 XX 产品的销售影响不大，对于公司全年业绩影响不大。(The sales revenue of XX was 308 million yuan, accounting for 13.95% of the total operation revenue of the year 2011. Since the target consumers of XX are mainly children aged 1-12 years, the revision of the instruction has little impact on the sales of XX drugs. Therefore, it has little impact on the company's annual performance.) (From Announcement 4)

The revenue for XX and its share of the overall corporation revenue were disclosed in the announcement. Besides, the target market of customers among the ages of 1-12 implied that the rule that children under 1 years old cannot use the drug has no effect on its operation. Therefore, the statement might make the investors know that the crisis was relatively minor and the corporation can manage it with little financial damages.

Example 9: 公司生产经营活动受到严重影响且预计在三个月内不能恢复正常。(The company's production and business activities have been seriously affected and it is not expected to return to normal within three months) (From Announcement 34)

The announcement stated that the crisis has brought a significant impact on the corporate operations and will continue to do so for at least three months. Example 9 expressed the severity with no precise numbers, allowing for discussion of the severity's degree.

Example 10: 公司目前生产的胶囊产品有 19 个产品，2011 年销售收入 8 108 万元，占公司总收入的 18 147 万元的 44.68%。本次胶囊生产线被查封，相关胶囊产品被召回送检对公司的营业收入及其他财务影响暂不能确定。(The company currently produces 19 types of capsule drugs, with sales revenue of 81.08 million yuan in 2011, accounting for 44.68% of the company's total revenue of 181.47 million yuan. The capsule production line has been closed, and the impact of the recall of relevant capsule drugs on the corporate operation revenue and other financial effects is not yet determined.) (From Announcement 1)

The announcement specified that 19 types of involved drugs, along with their sales revenue and their contribution to overall revenue in 2011. The proportion makes it evident that the crisis has had a significant influence on corporate operation. It is well known that the explicit information in the announcement presented a serious situation, even though the announcement pointed out that the impact caused by closed production line and pertinent drug recall has not yet been determined.

*5.2 Pragmatic Strategies*

Xu (2021) offered a pragmatic strategy set by researching corporate apologies, including *blunt statement*, *understatement*, *hedges*, *IFIDs*, *empathetic terms*, *attitudinal meaning devices*, *preparators*, *grounders*, *presupposition* and *vagueness*. The following part will identify the pragmatic strategies embodied in the announcements based on the existing pragmatic strategies.

5.2.1 Explanation: Blunt Statement

*Blunt statement* refers to the revelation of corporate crisis events in a direct manner, instead of withholding the truth (Xu, 2021), which is the most distinctive features appearing in the announcements.

Example 11: 该公司生产的效价不合格 XX 疫苗涉及同一批次的 201605014-01 和 201605014-02 两个批号的产品，共计 49.98 万支。(The XX vaccine with substandard titer produced by the company involved two batches: 201605014-01 and 201605014-02, with a total of 499,800 doses.) (From Announcements 33)

Example 11 presented the involved drug batches and doses, which on the one hand demonstrates the company's integrity when faced with major drug safety issues rather than its guile to conceal the truth or excuse itself, and on the other hand reminds customers and investors that only the two batches are unqualified while other drugs produced by the company are safe.

5.2.2 Timeliness: Attitudinal Meaning Devices

*Attitudinal meaning devices* are discourses expressing attitudes employed by the corporations to strengthen their own favorable image in response to the crisis (Xu, 2021).

Example 12: ……积极配合国家食药监部门的例行检查…… (……actively cooperate with the routine inspection of the state food and drug administration……) (From Announcement 26)

The example presented a positive corporate image to respond to crises. When a crisis happens, the capacity and positivity presented by the involved corporation to deal with the crisis, save the situation and minimize stakeholder loss will have a great impact on the corporate crisis management consequences.

5.2.3 Internal and External Attribution: Grounders

*Grounders* are used in announcements to differentiate attribution of responsibility. In the collected data, *grounders* are present in 由于/因/因为(*due to/ because*).

Example 13: 对于因供应商提供的原料枸橼酸铁铵中铬含量超标导致的产品质量问题，公司已经采取措施。(The company has taken measures to solve the drug quality problems caused by excessive chromium content in the raw ferric ammonium citrate provided by the supplier.) (From announcement 24)

Example 13 is an example of external responsibility attribution through the use of *grounders*, stating that drug safety issues are caused by the external supplier and developing a victim image.

Example 14: 由于生产工艺的参数控制不当，产品中的……数值发生了一定偏离，可能导致银杏叶片产品质量发生偏差。(Due to the improper parameter control of the production process, the numerical numbers of ...... are deviated, which may lead to the deviation of the product quality of ginkgo leaf tablets.) (From Announcement 22)

Although Example 14 is an internal attribution, the corporation blames the issue on improper parameter control, implying that the issue occurred by accident rather than on purpose.

5.2.4 Guilt: IFID

The direct realization of an apology is done through an explicit *IFID* (Blum-Kulka & Olshtain, 1984). In the announcements, the *guilt* of the corporations is realized through deploying *IFID*.

Example 15: 我们感到十分的自责与愧疚，再次向各位接种者和投资者表示深深的歉意。(We feel very remorse and guilt. Once again, we are deeply sorry to all vaccinators and investors.) (From Announcement 31)

To convey guilt, the corporation chose to apologize in order to seek the forgiveness and sympathies of the public and shareholders. In addition, using *IFID* is also a means to confess the corporation's fault, which can shape a contrite image.

5.2.5 Change: Attitudinal Meaning Devices, Hedges and Vagueness

A *hedge* is a word or a phrase that makes things fuzzier or less fuzzy (Lakoff, 1972). *Vagueness* refers to the use of words whose meaning could be construed in multiple ways and do not provide a distinct description of the event (Dilmon, 2008).

Example 16: 我公司高度重视，认真组织自查，采取对全部留样和库存胶囊重新检验、主动召回问题产品的补救措施。(Our company attaches great importance to the event, carefully organizes self-inspection, and takes remedial measures such as re-testing all retained samples and stock capsules, and voluntarily recalling the problematic products.) (From Announcement 1)

There are many *attitudinal meaning devices* such as *attach great importance to*, *carefully organize*, and *voluntarily recall products*, to remind the public that double efforts have been made to change the terrible situation.

Example 17: …… 加大购进原辅料药品检验工作力度，争取在最快时间内恢复胶囊剂药品的生产和销售。(Our company will intensify the inspection of purchased raw materials, and strive to resume the production and sales of capsule drugs as soon as possible.) (From Announcement 1)

It is worth noting that the *vagueness* of the expression such as *intensify* and *as soon as possible*, which means the corporation will not be held accountable if it fails to meet the goals mentioned in the announcements.

Example 18: 本次飞行检查所有涉事批次产品尚未出厂和上市销售，全部产品已得到有效控制。(During this unannounced inspection, all the products involved have not yet been shipped or put on the market, and all the products have been effectively controlled.) (From Announcements 29)

Example 18 underlined that all the involved drugs have not been reaching the market and have been effectively controlled. By using the word *all*, the company emphasized that the drugs on sale are safe and reliable, which suggests

that the drugs produced by the corporation are safe and the customers can buy them with confidence.

5.2.6 Minor Impact, Huge Impact and Undetermined Impact: Blunt Statement, Hedges and Vagueness

Example 19: 该批次产品全部价值 11.55 万元，占公司 2011 年度合并营业收入比例极小。(The value of this batch of drugs is 115 500 yuan, accounting for a very small proportion of the company's consolidated revenue in 2011.) (From Announcement 6)

Example 19 contains two kinds of pragmatic strategies: *blunt statement* and *hedges*. Because the negative impact on operations is minor, the announcement chooses to explicitly present the value of the problematic drugs. It is well understood that the figure (115 500 yuan) does not represent a significant loss for a listed enterprise. Besides, the employment of a *hedge* 极/*very* also directly reflects the severity of the crisis. By doing so, the corporation skillfully appeases the shareholders.

Example 20: 停产将对 XX 的生产、经营产生较大影响。…… XX 将利用多品种优势，将本次停产的经营损失努力降低到最小程度。(Halting production will create a significant impact on XX's production and operation. ...... XX will take advantage of multiple varieties to minimize the operating loss caused by the event.) (From Announcement 29)

The expressions of impact are *a significant impact* and *minimize the operating loss*, both of which are somewhat vague comparing with Example 19 listing a specific number. The reason behind is that if the crisis exerts a huge impact on the operations, a vague expression on the impact will not expose the corporation to widespread accusation.

Example 21: 公司本次胶囊生产线被查封对公司的经营收入及其他财务影响暂不能确定。(The impact caused by the shutdown of the capsule production line of the company on the company's operating revenue and other financial affairs are temporarily undetermined.) (From Announcement 3)

The word 暂/*temporarily* is also a vague concept and the announcement does not provide an specific time for the public and shareholders about what time the impact will be notified. Actually, the majority of announcements indicating *undetermined impact* are made in response to a major crisis that imposes severely influence on corporations' operation. By utilizing vague expressions, corporations will not put their image and reputation on the line when they disclose information as required.

*5.3 Brief Discussion*

Following a thorough analysis of the components and their corresponding pragmatic strategies, it was discovered that they can assist corporations in managing crises. And then, a brief discussion will be conducted based on the findings.

In previous analysis, *explanation* was found in every announcement. The primary function of the announcements is obviously to reveal and expose information to the public. Corporations' initiative to tell the truth and give an explanation can generate a beneficial impact on crisis management and effectively avoid the emergence and spread of rumors. *Impact on operations* is concerned by both corporations and shareholders. When the crisis is minor, most corporations tend to give a specific sales revenue of the problematic drugs and its percentages of the total revenue, so that shareholders can have a proper perception on the severity of the crisis. For the involved corporations, mentioning *impact on operations*, most of which are little impact, might convey a message to the shareholders that the crisis is only a small turbulence and the corporations can deal with it properly, which can placate aggrieved shareholders.

As for pragmatic strategies, the following two are most prominent. *Blunt statement*, mainly occurred in the components of *explanation* and *minor impact*, is considered as a distinctive strategy to manage crisis, in contrast to Xu's (2021) opinion that straightforward descriptions of a company's wrongdoings are not strictly a pragmatic strategy. *Vagueness* is frequently observed in the components of *change* and *huge* and *undetermined impact*. When describing impact, the use of vague expressions can disclose information to a degree while not increasing panic and distrust among shareholders. Vague words play an essential role in realizing the objective of crisis management without imposing more pressure on the corporations themselves.

In brief, the components and well-designed pragmatic strategies serve the goals of the involved corporations in responding to and managing crises.

## 6. Conclusion

This section will summarize findings of the paper in light of the two research questions. Following that, limitations as well as some suggestions for future research on this topic will be presented.

The paper analyzed 35 announcements made by Chinese A-share listed pharmaceutical enterprises in response to drug safety issues, yielding two significant findings.

First, six components of the announcements are identified: (1) *revelation*: *explanation*; (2) *responsiveness*: *timeliness*; (3) *responsibility*: *internal attribution* and *external attribution*; (4) *remorse*: *guilt*; (5) *reform*: *change*; (6) *impact on*

*operations*: *minor impact, huge impact and undetermined impact*. Furthermore, each of them has been illustrated by providing some representative examples, with the selected examples demonstrating as much diversity of the announcement content as possible. Although an apology or other kinds of crisis communication have some similarities with announcements, the information concerning *impact on operations* is unique to the announcements, and *impact on operations* has never been explored in earlier research. Other components present in the announcements, they can also be seen in other types of crisis communication text.

Second, the following pragmatic strategies for realizing the purpose of each component were discovered: (1) *explanation*: *blunt statement*; (2) *timeliness*: *attitudinal meaning devices*; (3) *internal attribution* and *external attribution*: *grounders*; (4) *guilt*: *IFID*; (5) *change*: *attitudinal meaning devices*, *hedges* and *vagueness*; (6) *minor impact*, *huge impact* and *undetermined impact*: *blunt statement*, *hedges* and *vagueness*. In other studies, *blunt statement* may not be viewed as a pragmatic strategy for crisis management, while in the paper, its importance has been recognized and the authors emphasize that *blunt statement* shows an honest and responsible image toward infractions. Others strategies that have appeared in previous crisis management research share many parallels with the paper in terms of their functions in responding to crises.

The paper pays great attention to the components of announcements released by Chinese A-share listed pharmaceutical enterprises concerned in drug safety issues, whose research viewpoint has never been noticed before. And the specialty and importance of the announcements are stressed in the paper, which can attract attention from academia to announcements that are regarded as a quasi-apology or a substitute for apologies. In addition, a distinct component, that is *impact on operations*, is identified and might be applied in future crisis management discourse. Furthermore, pragmatic strategies have been investigated, providing the corporations with insight into how to craftly combine each component from the perspective of pragmatic expression. Although the paper has made important contributions to the development of crisis communication research, there are several limitations. To begin, the collected data, namely, the announcements, is a one-way communication that cannot reflect the stakeholders' real and prompt responses to the announcements. Therefore, the qualitative analysis is somewhat subjective. Secondly, the corpus of the paper is not large enough and certain events happened more than ten years ago making it different to examine the correctness and authenticity of the content of the announcements, which makes it hard to judge whether corporations provide true information to the public. Thirdly, the paper does not examine to what degree the strategies are conducive to managing crisis. Due to these limitations described previously, some suggestions for future research are provided. More recent and representative data are expected in order to better delve into some features of the announcements. Additionally, performing questionnaire survey or keeping an eye on share prices after posting the announcements can help to support the qualitative analysis and make the paper more rigorous.

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