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Crisis of the Week: Erin Andrews Peep Case Puts Hotel Owners, Marriott Under Spotlight

By Ben DiPietro

Sportscaster and television host Erin Andrews wipes tears as the verdict is read March 7, 2016, in Nashville, Tenn.

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A most interesting crisis this week involves the franchise owners and operator of a Marriott hotel in Nashville, Tenn., sports reporter Erin Andrews, a video stalker and hotel chain Marriott International. A jury this month awarded Ms. Andrews $55 million after she sued the companies that own and operate the hotel, as well as the peeping Tom who rented an adjoining room to hers, cut a small hole in the wall and filmed her naked—a video that’s been viewed nearly 17 million times so far. Ms. Andrews alleged the hotel divulged her private information to the stalker, Michael David Barrett, when it gave him an adjoining room.

A judge in January dismissed Marriott International from the lawsuit, saying it had nothing to do with the actions of the franchise owner, West End Hotel Partners LLC, or the operator, Windsor Capital Group Inc. An attorney for the defense asserted during the trial Ms. Andrews wasn’t harmed by the video’s release—and in fact benefited from the publicity. Despite being removed from the lawsuit, Marriott International released a statement making clear it wasn’t a party to what happened, even though the
hotel bears the Marriott name. An employee of West End Hotels issued a statement denying he showed the video of a naked Ms. Andrews to friends at a restaurant one day after he testified.

The experts weigh in on how well each side communicated its case.

Andrea Bonime-Blanc, chief executive, GEC Risk Advisory: “This quintessentially 21st century crisis underscores the perils of privacy in the age of social media. It underlines the absolute necessity company personnel–from the hotel property owners to the franchisor–understand who their prime stakeholders are (hotel guests) and what their greatest interests are (privacy, physical and digital security).

“Marriott comes off as the most prepared for this crisis. Its statement of the facts is direct and to the point, including most importantly, offering sympathy to the victim. However, a phrase explaining why as franchisor it doesn’t have any responsibility for security might have been helpful for reputation risk management purposes; it’s not too late for them to add this to the fact sheet.

“The hotel owners, their executive and attorneys, come off as unprepared for a crisis at best, and callous, insensitive and reckless at worst. Their ‘blaming of the victim’ as well as the behavior displayed by their representative a day after his testimony–showing the video in a restaurant–is difficult to fathom. While necessary from a legal and PR standpoint, the legal statement issued after this…does little or nothing to allay the negative reputational consequences that are undoubtedly accruing to the hotel property owners.

“The 21st century crises are different. They require advance crisis scenario planning and preventative risk management, including understanding digital, privacy and social media implications. Organizations must educate all relevant personnel on the key risks facing the business, especially those of key stakeholders. Digital and cybersecurity in the hotel context is as important as physical security and that may be the most important lesson learned from this case.”

Andrew Hennigan, consultant: “In this complex case only Ms. Andrews and her representatives communicated effectively, overcoming unwarranted accusations to make a credible case. All of the other players made choices that could undermine their reputations.

“West End Hotel Partners, the operator of the hotel, is now forever associated with the position of its lawyers that Ms. Andrews’s career hasn’t suffered as a result of the video. While this might be an argument that has merit for determining damages in a civil court, in the court of public opinion it comes across somewhere between irrelevant and offensive. It’s unlikely the PR team would be able to veto this approach, but to offset the inevitable courtroom coverage the company’s management could have made clearer public statements about its regret over the incident.

“The biggest loser in the long term is probably the Marriott brand. The company’s anonymous “facts about the case” statement on the chain’s website explains the facts clearly enough, but by distancing the company from any responsibility it traded a short-term financial risk for [potential] long-term reputation damage. When consumers see the Marriott sign on a hotel they [may] be reminded that it is not a guarantee the company will accept responsibility. Marriott could have mitigated this with clearer statements about what it is doing to address the failings in leadership and oversight that led to this incident.”
Nick Kalm, president, Reputation Partners: “The two players whose reputations are most vulnerable are Marriott International and Erin Andrews. Since every story included the Marriott name or logo, the company wisely communicated often, made it clear it neither owned nor operated the hotel and distanced itself from the defense attorneys. However, its statement the company ‘is sympathetic to the ordeal’ came off as cold and clinical. It should have said what it would do to prevent a recurrence. It could have earned some goodwill by announcing its support of a prominent women's rights/advocacy organization or cause.

“Erin Andrews not only protected her reputation, she enhanced it. Her testimony superbly communicated the ordeal’s devastating emotional impact. The hotel owner and operator failed…in not being properly empathetic to the victim. Perhaps the West End Hotel Partners’ employee’s impromptu media statement was attributable to nerves, inexperience or inadequate preparation. However, his later comment–characterizing the gathering as private, blaming his companions for playing the video and being slow to stop it–was defensive and dismissive.

“The worst comments belonged to the defense attorney. By questioning Ms. Andrews about how her income had increased since the incident, he played into the terrible misperception that she had benefited from the notoriety or was ‘asking for it.’ It also [could have] led to the huge jury award and 49% responsibility assigned to his clients.”

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