



# THE RISE AND FALL OF DAN PRICE

EXAM CASE, AUTUMN 2022



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## Introduction

Daniel Joseph Price is an American entrepreneur. He is one of the co-founders and chief executive officer of Gravity Payments, the credit card processing company. In November of 2021 he became the only owner and board member of the company. He gained popularity in the year 2015, when he raised the minimum salary for his employees to \$70,000 and lowered his own income to \$70,000 from \$1.1 million. (Wikipedia contributors, 2022)

In 2016, he won a lawsuit filed against him by his brother and previous business partner. He claimed, among other things, that Price had used his majority control of Gravity Payments to overpay himself. Court records showed that the trial was served on Dan Price in the days leading up to his historic salary announcement at the company. (Soper, 2022)

He resigned as CEO of Gravity Payments on August 17, 2022, due to allegations of sexual assault.

## Focus

I have decided to focus on the presence of Dan Price on social media and how that became a front for his actions. When I started reading about the case, with the sources that were given to us and the first that I encountered, I didn't think much of it. I just thought it was the director of a company trying to make the lives of his employees better and didn't really find anything wrong. But as I kept digging, going through more sources, and analyzing the case, I realized I too had fallen into the Dan Price spiral, and had been a bystander to his spectacle. The allegations that made him quit came out only a few months ago, but there was more proof it had happened before, but he made such a great job of hiding it and building himself up again. I found that surprising and fascinating, that in these times of social media, he was able to hide all he had done and keep the image of a great guy. That is why my focus is on this aspect of the case.

## Analysis

Price said that he used social media to help Gravity attract customers and employees, saying "*I get over 100 direct messages daily*", and that he shared the company's story to inspire others. (Weise, 2022) In this way, he was starting to take advantage of his online presence and the people that started surrounding him. He started hiding behind his good actions, his brilliant idea and improvement of pay, and all his other engagements were passing under the radar. This is called framing. Frames are built socially through interaction. (Sánchez, 2021)

Framing involves selection and salience. The frame determines whether most people notice and how they understand and remember a problem. Frames select and call attention to aspects of the reality described, and they simultaneously direct attention away from other aspects. Most frames are defined by what they omit as well as include. Exclusion of interpretations by frames is as significant to outcomes as inclusion. (Entman, 1993). In this case, the frames narrowed the situation and only showed the improvement of pay and Price's own salary sacrifice to try and ignore the wrongs and shed the light on the rights.

Back in 2015, his former wife came out with allegations of domestic violence. This was published in The New York Times, causing him to lose some important things in the process, like a book deal and his agent.

He disappeared for some time, but kept reappearing little by little on social media, and started building a new image for himself. (Weise, 2022). That same year, he gained popularity for wanting to change his employees lives and raised their minimum salaries. Suddenly, everyone forgot about the abuse charges, and he became one of the most looked up to CEOs in America.

The speech shapes the situation. By emphasizing certain aspects and ignoring others, it is possible to control the way in which the audience perceives the situation. (Gabrielsen & et al, 2010). This is exactly what Dan did, and we can see it reflected on his social media following.

He uploaded a tweet on August 18<sup>th</sup> of this year. In response to the situation, here are some tweets replying to Dan's quitting message.

*Force him out? Read the allegations. He is a predator. And thinking this is some plot because he pays his employees incredibly well is just ridiculous. (Maddock, 2022)*

*The problem with Dan was not that he paid workers above market value. The problem is his habit of abusing people. (M, 2022)*

But not all of them were like this. Most of the responses wish him well and say goodbye with kind words and endearing messages.

*Your example will never disappear. You have proven that companies can pay very good wages, treat employees right, and still be profitable. All the naysayers were wrong about you! I look forward to your often brutally honest calling-out of corporate America. Be well. (Chenard, 2022)*

*Oh dear so sorry. I hope you win your fight against false accusations. (Sensa, 2022)*

*You've done well. On to the next chapter! I'm sure you'll make it amazing! (holycatsteen, 2022)*

This is exactly what his notable presence on social media did. He became a good person for some of his actions, blinding the public with his good Samaritan act and hiding under the rug his dangerous and secret engagements. Amid all this, he has still not lost his following, and has not stopped being active on social media.

One of the comments on a The Kelly Clarkson Show YouTube video (2019) was similar to the tweets under his page.

*Very heartbreaking to see him fall from grace & be exposed as a sexual abuser. He was a pioneer for workers rights & showed CEOs how to be more humble but ruined it by doing that stuff. (Joestar, 2022)*

Even though the video is from years ago, there a few comments stressing the current situations and the video has not been taken down yet. 95% of the comments on that piece of media just mention what a good person Dan is, and they thank him for his good deeds. The vast majority remark that he is a model to follow, and many CEOs should take him as an example and follow in his footsteps, to give their employees a better work situation.

## Discussion

The two traditions I have chosen for this essay are the rhetorical tradition and the sociopsychological tradition. These two theories account of persuasion, and so, they complement each other. They both also talk about rhetoric and how it is used in communication and speech.

The rhetorical tradition says that rhetoric is trying to understand what works persuasively and to establish guidelines for successful speaking. It says that a good speaker pays attention to three types of appeal: Logos, Pathos, and Ethos. Logos focuses on the proofs that will make the speech persuasive. In this case, Dan Price used the fact that he would up the minimum wages of his employees. Secondly, Pathos emphasizes the emotions that need to be aroused for the speech to work and persuade. Clearly, the emotions had to be stimulated in this situation were joy and excitement, which Dan got his workers to feel. Finally, Ethos, the way in which the speaker presents themselves to make the speech persuasive. (Gabrielsen et al, 2010). Dan presented himself (and still does) as a good person, understanding, caring and calm. In an interview done at The Kelly Clarkson Show in late 2019, two of his workers (Rosita Barlow and Jose Garcia) talk about the experiences with him and what took him to make the decisions of the raise. Even the host herself says “This wonderful man gave all of his employees raises.”, “You’re such a good guy.”, because the way he presented himself to the public was in a way where you can see he’s thinking of the best thing to say. He hardly speaks about anything bad, doesn’t use negative connotations, and, in addition, his workers sell his work and his personality as a great one.

But for years, Price used the progressive good boss persona he refined online to allegedly lure, assault, and abuse women. (Sato, 2022).

The sociopsychological tradition also talks about framing. To frame is to select different aspects and make them more salient (Entman, 1993).

Situations defined as real are real in their consequences, so that the interpreted reality becomes the social reality by excellence. Before acting, the individual gets an idea of the situation before him, consulting his attitudes and previous knowledge. (Sebastián de Erice, 1994). Price knew exactly what he was doing as he was doing it. He thought through the process and created the perfect scenarios where some information got lost by putting shinier statements on top.

Laswell says that it is not about conditioning the audience with a type of content, it is a process that must be done long term. It is sophisticated, and well thought throughout. The message ends up conditioning people to think a certain way if it is done long term. (Sánchez, 2021). And that is exactly what Dan Price did. He curated his social media presence throughout the years, from his little fall of grace in 2015, his resurface and announcement of the minimum pay for his employees, until the inevitable moment when it all came to light, and what he had been building fell apart.

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