

Company Recall:

Bayden

Key issues:

- **How** the recall process will take place
- **Identify** the problem
- Inform **Stakeholders**
- **Communicate to consumer**
- Don't delay time
- Protect **brand image**
- Refunds and reimbursements
- Minimise cost
- Conduct **Audit**





Impact on stakeholders:



Reputation - Damages the valuable **trust** between stakeholder and business

CSR - Corporate Social Responsibility - Inform all consumers

Due to **consumer protection laws**, manufacturers and suppliers must take on the **costs** of a product recall

Time is of the essence - Fast product recalls will minimise attention and solve the problem as fast as possible also it won't disrupt the stakeholders life too much

Loss of customer goodwill

Erosion of shareholder wealth



Key messages for recall

- Implement the companies **communication plan**; established businesses usually already have set plans for such situations
- Inform all **stakeholders** with the **necessary information**
- **Assess** the **type** and **scale** of the problem
- **Plan** the communication channels used to inform stakeholders

Remind consumers that this is a established company, running for many years

Make the recall as **swift** and un-noticeable as possible

Be **transparent** with consumers affected and offer a compensation for the companies mistakes such as a **full refund** or **large discounts** on future purchases.



Communication channels?

Use the businesses **social media** sites to inform of the recall. **Journalists** may be pressing for comment and the **sales team** want to know what to tell customers.

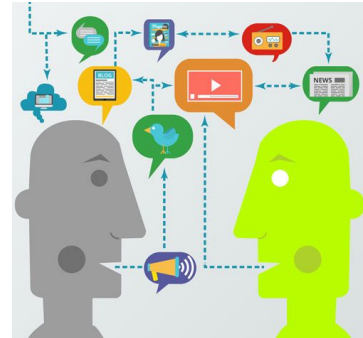
However only a '**batch**' are being recalled so don't make the recall too obvious as **brand image** could be damaged further

Maintaining consumer trust during the recall is key. The best approach for this is to be:

- **Transparent**
- **Consistent**
- **Responsive**

Email your consumers if you have their contact information.

Offer a full **refund** or **discount codes** for future purchases





How to solve the problem; Tools for monitoring



Begin [root cause analysis](#); **how** did this happen? How can it be **prevented** in the future?

A procedure should be established that details the **activities and procedures** for a recall.

Assessment of [scale](#) and [type](#) of recall we are dealing with

Then finally, the response team needs to bring the recall to a close by **reintroducing** the product and conducting a **post-recall audit** to avoid similar situations in the future.



Repositioning message:



Should be **transparent** and **responsive** to questioning.

Product recall can create opportunities for companies by **developing policies and procedures** for handling recalls in the future, these mistakes can also build goodwill and loyalty from consumers

The results of the **Audit** should then be used to **develop and refine** the companies **procedures** for dealing with future recalls.

Correct **testing** and **TQM techniques** will reduce the likeliness of allowing a problem product to make it to market