Crisis management after product failure

[→ Crisis Mgmt]

A large automotive manufacturer had to deal with a sensitive product failure when launching a much-hyped new car. Initially factual media coverage developed into a spiral of negative and sometimes even malicious reporting. The product failure became a threat to the group's image. In an effort to deal with the crisis, management set up a task force in which a CNC partner became responsible for communications strategy.

Danger of escalating press reports after product failure

Implementation of task force

The group resolutely took responsibility for the fault, and the Product Director with the backing of the CEO followed the crisis plan to communicate the company's position to the wider public. The fault was taken seriously in public discussion, and the will to learn from it was demonstrated. Active, honest communication to the outside world created the necessary room for manoeuvre for the task force to develop solutions internally while under significant time pressure.

Crisis communication

After a matter of months, the CEO successfully relaunched the car. Consistent messages were conveyed through the media that the group had matured as a result of the problems. The mixture of gently self-ironic promotion and honest reporting actually enhanced general sympathy with the group. The reputation of the car was thus given to a positive image. The group also took the opportunity to improve its internal structures and processes through a detailed follow-up exercise.

Enhanced sympathy thanks to successful crisis management

Improvement of crisis organisation