

MARKETING

## Fast, transparent response to crises breeds continued brand loyalty

November 11, 2019



*Because of social media, news of crises now travels fast. Image credit: Yoox*

By SARAH JONES

Courtesy of social media, brand crises are now going global at a faster rate, but a swift digitally driven response can also enable brands to maintain their position.

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According to a new report from Crisp, half of consumers want brands to respond to a crisis within an hour of it breaking. Social listening can help brands identify a potential problem at a faster pace, and it also offers an opportunity to engage consumers in real-time.

**Crisp's** report is based on a survey of 2,000 U.S. and U.K. consumers.

### Crisis communications

According to research from Deloitte, at least 80 percent of brands have had to respond to a crisis within the last five years. Slightly more than a quarter of crises spread internationally within an hour, with 69 percent extending globally within 24 hours.

Consumers most commonly disseminate news about crises through social media, ahead of in-person word of mouth. Unsurprisingly, younger consumers are even more prone to use social media to share news about a brand's perceived wrongdoing.



*Compared to the days of print, news now travels fast via consumers. Image credit: Gucci*

Respondents were most apt to consider the mistreatment of workers, ethical misconduct and CEO misconduct as crises. However, a CEO's wrongdoing is the most likely to be remembered.

Even though crises are common, brands can avoid losing their customers if they respond appropriately.

Ninety percent of shoppers say they are likely to shop with a brand that responds well to crises, and about four in 10 would recommend a brand after a positive response. On the flip side, two-thirds are likely to abandon a brand if it does a poor job navigating a crisis, and 37 percent say they would unfollow a brand that failed to provide an adequate response.

Along with losing their dollars, brands' word of mouth reputation is at stake. While only a quarter of consumers will post something negative on social media in the fallout of a crisis, 55 percent say they would warn family and friends about a brand.

Consumers were most apt to say the biggest mistake a brand can make is to not take responsibility. The next most named missteps were not addressing the crisis at all and not putting procedures or plans in place to avoid a similar issue in the future.

Another issue identified by consumers is the lack of a fast enough response. Forty-seven percent of individuals say that regardless of a brand's price point, they expect a swift reaction.

Size of the company is also not a factor, with 52 percent saying that regardless of how big an organization is, they want a response.

While consumers remember a CEO's wrongdoing, they also want the chief executive to be the one to respond to a crisis. Six in 10 consumers want the CEO to address an issue, compared to just 13 percent for the president and 5 percent for the PR team.

#### PR practices

Consumers care more about diversity missteps than companies think they do, with a new study finding that one in five consumers would be unwilling to forgive and forget after a controversy.

Two surveys conducted by First Insight found that while 92 percent of executives believe that customers will continue to buy from them following an offensive product, only 27 percent of customers actually said they would still shop with a brand post offense. In the wake of widespread boycotting of luxury labels over perceived offensive designs, companies should consider instituting inclusive practices to avoid future snubs by consumers ([see story](#)).

Public relations has evolved to be about more than media outreach and placements, with practitioners today managing a brand's overall strategy and image.

The role public relations plays in the marketing ecosystem is changing, as publicity efforts become more aligned with other marketing activities and the lines between earned and paid media blur. In this altered media landscape, the skills and tools needed to effectively build and guard brands are also adapting ([see story](#)).