

Regaining balance after facing 'a Woolies wobble'

 By [Aki Kalliatakis](#)

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All South African businesses face a strategic 'wobble' on the recent Woolworths pattern. The good news is that balance can be restored through proper crisis management.

It is difficult in a highly diverse society to be perfectly in tune with all of the people all of the time, but rapid recovery is possible.

The Woolworths controversy arose after the retailer published job ads seen by some as racist as Whites appeared to be excluded, leading to calls for a boycott.

A balancing act is necessary in view of our history and racial sensitivities. An occasional wobble is inevitable. We've just seen 'the Woolies wobble', but something similar can happen to any business.

A key issue is whether staff should be representative of the population at large or of a company's customer-base.

Similar challenges

It's not the first time local companies have faced this dilemma and won't be the last. Similar challenges have confronted SAA, MultiChoice, Nando's, five-star hotels, various magazine and newspaper publishers and most luxury brands.

In the Woolworths controversy, an in-store poster campaign had rolled out to inform customers of the 'facts'. Unfortunately, reliance on facts and rational argument misses the point as emotions come to the fore. Any crisis management strategy should focus on emotions and perceptions.

Four key elements

A timely response should include at least four key elements:

- Acknowledge how upset people feel. This doesn't imply agreement, but shows the company is not indifferent. An apology also helps to defuse situations. Without apologising for a specific action, management can at least 'say sorry' that some customers may have felt upset.
- Communicate regularly in as many media as possible - never ignore controversy in the hope it will go away.

- Remember perceptions are often more important than facts and wordy explanations can be dismissed by customers as empty excuses. Instead of focusing on the past, outline what will happen in future in a positive and hopeful manner.
- Heartfelt gestures make a big difference, so making a donation to a worthy cause, such as the NSPSA, or a charity, for instance, makes good sense. For example, an outcry was caused when an employee of a major retailer (not Woolies) killed a stray cat by hitting its head against a wall. The retailer repudiated such conduct, disciplined the staff member, sent notices on the issue to all stores and made a big donation to the SPCA. The story died within a week.

A crisis or controversy, if handled sympathetically and promptly, is an opportunity to reinforce a company's connection with its customers. Typically, you pick up speed after getting over the wobble.

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