

Lessons from the Woolies crises

 By [Chris Mberdyk](#)

22 Oct 2013

There are two sides to the current crisis in which Woolworths finds itself. From a completely impartial point of view, Woolies responded very quickly to the social media tsunami surrounding its use of a hummingbird design. Its response was also plausible.

So, why didn't the social media tirade stop and why haven't the mass media looked at both sides of the story instead of just perpetuating an anti-Woolies campaign?

Well quite simply, the current issue is not so much about hummingbirds as ginger beer.

What has happened is that the [Frankie's debacle](#), which saw Woolies reacting far too late and subsequently ending up being seen to be not only wrong but uncaring and something of a bully, has sort of stuck in the minds of a lot of people, particularly the mass media.

A number of lessons

Interestingly, there are a number of lessons to learn from all this.

The first is that the occasional PR cockup does not really damage a brand or bring about a drop in retail sales.

Over the entire period of the Frankie's saga and long afterwards, Woolworths' share price remained steady and its overall sales showed no sign whatsoever of dropping. Right now Woolies' share price is equally unaffected by the hummingbird saga and I daresay that its sales won't register the slightest downward blip.

So, why should a powerful brand like Woolies worry about this sort of thing? Why doesn't it just ignore it all and get on with the business of making money and keeping shareholders happy?

It catches up with you

Well, the short answer is that eventually, if left unchecked, it catches up with you. For starters, journalists will become more and more negative.

The question one needs to ponder is not whether Woolies' share price has dropped as a result of issues such as Frankies and the hummingbird, but rather whether it would not have been higher right now if these crises had not been allowed to

take place or had been handled properly.

The accumulation of negativity can be hugely harmful to brands. Take SAA for example. Are the problems the airline is experiencing entirely just bad management or can one ascribe negative media and public sentiment to shocking service to the overall mess that surrounds the airline?

In a nutshell, consumers and shareholders will keep supporting a brand, seemingly through thick and thin but unfortunately it is impossible to even begin to consider what the support would have been like if that had been a lot more thick and far less thin.

Safest route

The safest route to take is not to ignore a crisis. The safest route to take is to become obsessed with customer service not just make a token attempt at it.

There are those who claim that in retail you cannot be all things to all men. The safest route however, is not to fall into that trap but to keep trying as hard as possible to be all things to all men. That is the brand challenge of the future.

Great brands are brands that demonstrate differentiation. And the best way to be different is not to create differences between your target market and yourself.

ABOUT CHRIS MOERDYK

Apart from being a corporate marketing analyst, advisor and media commentator, Chris Moerdyk is a former chairman of Bizcommunity. He was head of strategic planning and public affairs for BMW South Africa and spent 16 years in the creative and client service departments of ad agencies, ending up as resident director of Lindsay Smithers-FCB in KwaZulu-Natal. Email Chris on moerdykc@gmail.com and follow him on Twitter at [@chrismoerdyk](https://twitter.com/chrismoerdyk).

- Covid-19 boosts trust in traditional mass media - 21 Jul 2020
- Don't listen to the post-corona marketing hysteria - 17 Jun 2020
- Let's talk about marketing after corona - 15 May 2020
- Will the mass media learn anything from Covid-19? - 28 Apr 2020
- Covid-19: Secure online advice, mentoring and workshop facilitating - 23 Mar 2020

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>