Recall Effectiveness Workshop
CPSC in cooperation with stakeholders
Consolidated Discussion Notes

What is an Effective Recall?

Carol Cave with Blake Rose, Shelby Mathis, and Tanya Topka

What is an effective recall?
- Sufficient remedy (appealing to consumers)
- Use alternative metrics/measures
- No incidents after recall announcement
- Done quickly
- Fulfillment by firm quickly
- Eliminate future causes for recall

What does an effective recall look like?
- Tailored to hazard
- Flexible for manufacturers, retailers etc. in communicating recall information
- Done quickly
- Maintain brand image through recall process

What elements should the CPSC consider when determining if a recall is effective?
- Consumer correction rate
- Firm's speed and efficiency
- Readiness to provide remedy / Flexibility of announcement date
- Clear message communicated
- Consumer motivational challenges
- Early communication of pending recall to retailers
- Measure the effort of firm. Multiple ways to reach consumer
- Actual use, expected life of product
- Ease of taking advantage of remedy
- Getting and addressing negative feedback
- Consumer feedback to CPSC- make available to all public
- Hire contractors for surveying and modeling (to determine what elements to measure)
- Retail reporting limitations

What can the CPSC do to increase recall effectiveness?

Collaborate
- Collaborate with other agencies

Communication Channels
- Multimodal (if no initial response) – Use various channels
- New category of alerts (non-press release, non-recall alert)
- Clearer expectations on social media
- Consumer feedback

Flexibility
- With firm as long as recall effective (direct to consumer) and potential resellers (press release)
- Give staff greater approval authority
- Eliminating legal imped. of Fast Track

Explore new methods for:
- Ways to communicate
- Track purchases (apple pay, credit card companies)
- Consumer and retailer education on technology
- Consumer behavior research
- Consider appropriate use of word "recall" – change instructions, warning labels, inspect and then repair if necessary

Registration
- Increase registration rate (durables) via CPSC.gov
- Revisit regulations on juvenile product registration

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- Research on registration cards
- Improve and ease of registration of products
- Creative registration ways (at purchase checkout)

Speed, Efficiency, Transparency
- Ensuring hazard and risk is efficiently communicated
- Shorter turnaround
- Increase transparency
- Tier hazards and give time frames like HC
- Speed up PSA process - if really a hazard should know sooner
- CAPs include being ready

- Set reach rate mirroring risk (comprehensive process)
- Reduce time between report and announcement
- Trust (company and CPSC)
- Engaging marketing /sales with safety/legal for notices
- Public information of correction rates (overall general /specific)
- Evaluate content of releases

Indirect Recall Support
- Communication retailer and recalling firm especially if won't do it (communicate CPSC to retailer)
- Acknowledge costs retailers to recalling firm and privacy concerns

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Communicating the Hazard

Celestine Kish and Tanya Topka with Shelby Mathis

What communication channels are available to convey a recall message?
- Bloggers
- CPSC.gov
- Emails (potential risk – privacy)
- Letters company website
- Social media (and user tags)
- Online communications with consumers
- Text messaging (potential risks – privacy)
- Use targeted advertising information to push recall information
- Trade magazines
- Registration with preferences from consumer for contacts
- Micro-targeting (by zip codes for instance)

Do companies develop specific marketing strategies for recalls?
- High hazard focused strategy
- Facebook/Social media ads
- Resonating message
- Recall strategies should match marketing strategies
- Increase registration by consumers
- Fast Track requires quick decision-making and cross-marketing strategy

What is the best way to convey the hazard in recall communications?
- Consider term "recall" in some cases
- Recall symbols (such as for recycling)
- Use recognizable term (e.g. "safety" to cue consumer)

How do consumers respond to the use of social media regarding recalls?
- Large amount of hits/traffic
- Effective for product registration
- Facebook messenger, texting = younger demographic reached
- Consider brand image impact from social media campaigns

What elements form the most effective social media communications?
- Clear and concise
- Videos (high click through rates)
- Images (high share/pass on rates – for videos as well)
- Use "URGENT" or other attention-grabbing language
- Facebook App (always on top and accessible) with tracking information on use
- How-to videos (e.g. repairs)
- Use comments from public to communicate recall information effectively
- Timely campaigns

What tips and tricks have you used for promoting your posts?
- Affordable ads via Facebook
- No competing messages
- Repetition is key
- Reach out to bloggers to reach new audience
- Connect with local media (not just via press release)
- Encourage sharing

Are there any barriers to the use of social media to promote recalls?
- Adequate staff for questions from public
- Limited to network of followers only

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- Continually evolving/changing (social media type changes)
- Consumer fatigue/message confusion
- Clear hazard language

What types of notices are available for use in retail locations?
- Could maybe include in circulars
- Store posters ineffective
- Location of posters important (wrong location means consumers don't see)
- Be creative about notices in store
  - Elevator space
  - Use related product space to post e.g. cribs and diapers
- Limited recalls by retailer = better viewing
- App for recall notices
- Store receipts
- Loyalty programs
- Consumer targeted messaging much preferred
- On front door (most effective in retail)

In what situations are they use of posters most effective?
Skipped

What other types of notification are available to promote recalls?
- Advertising
- OEM CRM
- Credit card statements
- Push notices to smart devices
- Direct mail
- Phone calls
- Text messages
- Loyalty programs/rewards clubs

- Online interest groups tied to product
- YouTube videos

What are some of the limitations, barriers, or challenges of these communication channels?
- Push notices to smart devices
  - Could be firewalled
- Direct mail
  - Reimbursement requests and lack of customer information and overall costs
- Phone calls
  - Reassigned numbers
  - Issues with consumer protection
- Text messages
  - Reassigned numbers
- Loyalty programs/rewards clubs
  - Subject to use terms/limits

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Consumer Motivation

Shelby Mathis and Tanya Topka

How has consumer behavior changed in the last 20 years?

- Immediate gratification
  - Quick response
- Attention span
  - High priority recalls
- Lifespan of products has decreased
  - Remedies change
- Higher expectation of quality
- Less consumer interaction
  - Online registration
- More vocal consumers
- More diverse news sources
  - Good initial response for companies
- Peer recommendations more important
- More global markets

What challenges exist in motivating consumer behavior for recalls?

- Too complex/Time-consuming
- Brand image/maintenance of integrity with consumer
- Consumer can evaluate message/clearly communicate
- Communicate impact to consumer (of defect)
- Balance risk with remedy
- Recall effectively communicated very important measure

What motivates consumer to participate in recalls?

- Convey the message
- Consumer research/feedback on lack of recall participation
- Where in useful life of product consumers are
- Lack of alternatives

What type of incentives are the most effective for recalls?

- Communication of recall expense
- Discount/replacement with new product
- Repair vs. full refund
- More options
- Accessories and gifts (helps brand image)
- Remove hurdles to participate (receipts)

Are there wording styles/changes that can be made to notices that will help motivate consumers?

- Photos and image
- Uniform recall message – highlight retailer, time frame
- Consumer research on recall message needed (focus group)
- Picture of product and hazard wanted up front
- Call to action prominent
- Few seconds to convey message
- Press alert easier to follow than what goes to consumers

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Technological Advances to Improve Recall Effectiveness

Carol Cave, Pamela Chisholm, Christopher Nguyen, Blake Rose, and Mary Toro
with Celestine Kish, Matthew Lee, Stephen Lee, and Troy Whitfield

Questions:
(1) What advances in technology have arisen to improve the notification of consumers?
(2) What advances in technology have arisen to improve the effectiveness of recalls?
(3) What can companies do to improve direct notification?
(4) What challenges exist in implementing new practices or acquiring new technology to assist in notifying consumers?

Technological advances that improve notification and other technology that improves effectiveness (Questions 1 &2):

- Email addresses and email tracking/open rate
- Social Media, Facebook and Twitter, SM buzz platform
- Recall registration sites with scheduling for repairs
- Retailer posting National Brand recall
- CRM/loyalty programs
- QR and RFID Codes in retail locations
- Personal URL
    - Product confirmation
    - Remedy selection
- Micro-targeting of websites (art and music)
    - Stimulating to consumers but shouldn't sensationalize the hazard
    - Consider how you target, one size does not fit all
- Include clicks/views in effectiveness measures
    - Shares, opened emails
- Strong self-serving tools (registration – automation)
- Serial numbers
- Software updates and firmware
- Accept photo of destroyed product for verification
- Plenty of technology assuming registration/permission/tech to register
    - Text messaging
    - Email
- Apps – messaging functions

- Advanced search functions on website
- Text mining tools – CPSC to expand retail reporting preprogram
    - Synthesize data and use data analytics (sales force)
    - Use for recall effectiveness
- QRD and FRID (when affordable) at SKU level
- Connected devices allow for direct communication
- Voice activated communication devices

Direct Notification or Registration (Question 3):

- Online sales
- Make registration easier
    - Time of purchase registration/notification (Opt in/Opt out)
    - Incentives for registering ($, free gift, gift cards, coupons)
    - App
    - QR code or picture registration
    - Standardization of registration with voluntary standard
- Direct Mail with confirmation and incentive to respond
- Apps: Information collection app for receipt scanning, push notifications, easier for connective products)
- Targeted mailings (including bilingual)
- Better collaboration between retailers and manufacturers to contact consumers

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- Leveraging smart home or voice activated products
  Google Home, Amazon Alexa
- Repetition in different forms of communication

Challenges (Question 4):
- No incentive to be creative
- Resources and Cost
- Rapid change in technology – time and resources
- Product marketing/brand protection mindset
- Notification issues with recall fatigue
- Notification issues with company contact fatigue
  (too many emails cause consumers to
  ignore/delete before reading)
- Consumer motivation issues
- Privacy concerns and Confidentiality
    - Information collection and sharing
    - Knowing and understanding the data
    - Budget – IT
    - Multiple contracts for sharing information
- The more complex the marketing/recall plan is,
  more staff involved – procedural slow down
- More social media requires more staff to respond
- Registration/challenges too much information
- One size doesn't fit all – creative actions creates
  expectation for future recalls
- 140 characters (twitter)

Other suggestions and comments:
- Handbook Best Practices
- Video – How-to-do Recall
- Something new = Replace old idea

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