



# 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

*Thank you to all stakeholders who participated in the workshop on July 25<sup>th</sup>, 2017*

- 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

- Online interest groups tied to product
- YouTube videos

***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)

***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

***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



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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

*Thank you to all stakeholders who participated in the workshop on July 25<sup>th</sup>, 2017*

- 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