

GLOBAL RECALLS AND THEIR IMPACT ON LEADING POSITIONS

**CELIA RANGEL
GEMA LÓPEZ MARTÍNEZ**

INTRODUCTION: The purpose of this article is to analyse well-known product crises suffered by four brands worldwide. They have led to recalls, free product repairs and even to a complete withdrawal of a product from the market. In some cases, only a specific market was affected, while in others the impact was a worldwide one.

OBJECTIVES: The objectives of this article are the following: to find the keys to understand how to overcome a product crisis, to determine how consumer confidence is restored, to identify how to establish the bases for regaining one's market position. Therefore, the hypothesis we try to answer in this paper is that overcoming a product crisis is possible when the company implements the necessary repair, control and change mechanisms in the organization, to solve, compensate and improve the business trajectory. This mastery of the situation is based on a business ethic of transparency, honesty and good governance.

METHODOLOGY: In this study we analyse the latter through the crises of Mattel in 2007, Toyota in 2009, Volkswagen in 2015 and Samsung in 2016. In all these cases, the companies managed to overcome their crises and stay at or close to the top of the market. When collecting data on each case, we looked for the common factors and the keys to overcoming the crises, in order to maintain the leading market positions they held. For this, the 'case study' methodology was used to analyse the key dates, reasons for the crisis, losses suffered, successful response to the crisis and sales data of the sample.

DISCUSSION: The environment may react in a hostile way, trying to penalize the company and take advantage of the crisis, but it is in the company's own hand to overcome it and recover its previous position.

RESULTS: A clear finding is the need for the company to take proactive control of the crisis and also develop the future strategy such company will have to implement. Although overcoming a product crisis is possible, it is important to always keep in mind that it is consumers who are in charge and who need to be listened to, be understood and be provided with what they need or want.

CONCLUSIONS: We live in an era where the standards of good governance and long-term business vision predominate and are the basis of business success. From what we have seen here, they are also therefore integral to overcome a product crisis. Our comparative of the different cases draws together and summarises the keys that help to overcome major product crises.

PALABRAS CLAVE

CRISIS COMMUNICATION, PRODUCT CRISIS MANAGEMENT, RECALLS