

## **CRISIS CASE STUDY 01: The case of Cell C, its network problems and “engaged” communications**

Several crises have affected high profile companies across all sorts of industry sectors in the past few months, the most recent being the Cell C network crash which left many subscribers fuming. There’s much to be learnt from the way corporates handle crises, says Evan Bloom, MD of Crisis Communications Consultancy. This is his first in a series of real world crisis management case studies, his aim being to provide an objective examination of disasters that affect organisations and how they confront and manage them. Here he offers an in-depth look at what went wrong for Cell C, how the organisation responded, and what it could have done better.

Cell C faced a crisis on Monday 23 July when part of its network allegedly faced a nationwide disruption, which affected subscribers’ ability to make or receive calls on three of the service provider’s 12 number ranges - 084-4, 084-5 and 084-8.

According to an article posted on technology news site IT Web on 24 July, Cell C did not respond to enquiries about when the part of the network that went down would be up and running again, or what the source of the problem was. However, a small front-page article in The Star newspaper on 24 July quoted Cell C’s chief corporate officer acknowledging that there was a problem,

On Wednesday 26 July Cell C said that it was investigating the cause of their network’s disruption on Monday and Tuesday that left 600 000 subscribers high and dry (according to a Mail & Guardian online article).

SAfm, on its morning talk show on 24 July, hosted by Xolani Gwala, broadcast a live call-in programme about the network debacle. Cell C must be commended for allowing its chief technical officer Pierre Obeid, to tackle the difficult task of facing dissatisfied customers on radio. Obeid was calm, non-confrontational and approachable. This is either a sign of good media training or the ability to keep calm and focused in a crisis situation (or both). In retrospect, Cell C was streets ahead of pet food manufacturer Royal Canin whose MD Gregory Watine refused an opportunity to be interviewed by John Robbie on his morning show on Talk Radio 702 when the company had a tainted pet food crisis.

In fairness to Cell C, it must also be mentioned that Vodacom and MTN have both had their share of network problems in the past, so Cell C is not alone.

### **On air developments**

Despite the fact that Cell C went on air to deal with the issues, a number of factors became apparent during the interview.

In the early part of his discussion on Cell C, Gwala asked if customers were receiving any explanation about why the network was down. A caller complained of resulting loss of business and no communication from Cell C.

Obeid could not confirm the exact cause of the problem but said at about 12:30 on Monday 23 July there was a major failure on Cell C equipment and three out of 12 number ranges were not able to receive calls. He said that it appeared that there was a software problem or bug on a newly installed state of the art machine.

Gwala asked if there was no way that Cell C could have informed customers of the problem so that they could make alternative arrangements. Obeid replied that, “Under such circumstances where you have such a big problem which is affecting a big number of customers, unfortunately you always dimension your call centre to be able to take your daily volume of calls. With such a volume of calls, the call centre will be overwhelmed and you will not be able to get through. That’s led to frustration which I fully understand and I apologise on behalf of the company.”

When a caller asked if Cell C would be making it up to customers and compensating them for what happened, part of the answer was: “... Cell C ... provides customers with a lot of value for money products ... the compensation to the customer is that they are having a good product and a value for money for that product. But unfortunately there is no-one on earth, no operator and no supplier, that can guarantee an operation with no downtime. The only thing that we can say is when something like this happens, we restore it quickly and minimise the impact on the customer.”

The answer is wrong from both a PR and a customer relationship management (CRM) perspective. What the spokesperson is basically saying is “we give our customers a lot of services and products therefore we do not have to give them anything in the form of compensation”.

The right answer could have been, “We are focused on providing our customers with a great service and we will analyse what went wrong and put measures in place to ensure that it does not happen again. All customers on the various number ranges that went down and were inconvenienced will get a voucher to the value of RXX or a discount on their next monthly bill (if it is Cell C policy to do either).” Cell C could have also followed up with a letter from the head of the company to all affected subscribers outlining what caused the problem, how it was resolved, what measures were put in place to ensure it will not happen again and apologising.

Complaints were also made by listeners about Cell C service levels in general. Obeid referred to the Cell C customer care centre and said that “customers can call the call centre and they can complain about their issues and if they do not get resolved they can also ask for escalation in the call centre so that they can get their complaints resolved.” Obeid further mentioned that when a call/complaint is escalated a reference number must be obtained so it can be followed up.

Gwala then mentioned that callers were likely to get a reference number and then be kept on hold for about an hour or two. Obeid denied this: “On the call centre this is not what our staff confirm. We have a very high answer ratio and it compares very well with the international standards in the industry, and also we monitor very closely the number of people sitting in the queues and also the duration of how long the people are in the queue.”

While Cell C’s alleged poor management of its customer care centre was not directly part of the network problem, it dovetailed with the alleged poor communication and poor service provided by Cell C.

A listener’s SMS suggested that Cell C should have used the media to alert all affected users that there was a problem with the network. Obeid then mentioned that the entire Cell C team, as well as external experts in Bangalore, Munich and the USA, had been up for 24 hours trying to fix the problem. This is admirable and responsible.

Obeid said that the company had been discussing the question of going to the media, but that it had to “make sure of the facts and what the problem is exactly and how many customers are affected. We had to give a little bit of time for the technical resources to resolve the problem before we said we had a problem here.”

This is where the entire Cell C crisis management strategy went awry. Classic crisis management dictates that when you have a crisis you communicate immediately to take control of the situation, open messaging and communication channels, show that you are aware of the problem and that you are giving it your immediate attention. It does not matter whether you know what the problem is or not, you still communicate.

So what should Cell C’s message have been to the media and customers when the problem first arose? How about something like this:

“Cell C is experiencing a technical problem. We are doing everything in our power to find what went wrong and to fix it, please bear with us. We apologise for any inconvenience caused. If you need any further assistance please call our call centre on XXXX. For further updates on the situation please monitor both the media and our website.”

Gwala threw Obeid a curved ball and said on air that he wanted to call the Cell C customer care centre “and see exactly what is happening.” SAfm then broadcast the queue waiting music and told Obeid that “this is what we are getting,” which embarrassingly Obeid could not recognise as his own company’s customer call centre music! Eventually the signature sexy Cell C voice was heard in a recorded message confirming that this was in fact Cell C’s customer call centre.

When the message was rebroadcast, part of it was “... If you are tired of waiting you can SMS your query to ...” and Gwala said “Of course I am tired of waiting,” echoing the sentiments of most of the Cell C users who had experienced problems.

### **LESSONS LEARNT:**

What can be learnt from the Cell C network failure crisis?

- **Lesson one:**

Have a crisis plan in place that covers all eventualities, offers an immediate course of action and most importantly has a strategy of rapid and immediate communication to all staff, customers, partners, suppliers and the media using all possible channels of communication.

- **Lesson two:**

Have processes in place – long before a crisis is on the horizon – that can be rolled out in 15 minutes to communicate with your client base and the public at large who may be trying to call Cell C subscribers.

The communication processes must overlap in case there are any points of failure. These include: sending out bulk SMSs to the entire Cell C client base using other networks that are stable at the time of the crisis (Vodacom and MTN).

It must be remembered that the entire Cell C network was not down, only part of it. The reason why you let those subscribers who have a working cellular service know that there is a problem is so that you create an informed customer base that will know and understand why they can not contact a particular person (See how you start managing many people's perceptions of your brand with good PR?).

Next you send out bulk e-mails to all clients. Yes, many may not have access to e-mail but combine the SMSs with e-mail with the other communications processes and you start creating an overlap which acts as a security layer ensuring everyone is informed. At the same time, Cell C should have contacted key national radio stations to ask them to inform listeners of the issue at hand and issued press releases to all relevant print, broadcast and online media. All of this should have happened within the golden crisis hour – the first 60 minutes – and been backed up with a press release informing the public of the problem and finally, immediately posting an announcement on the Cell C website. Even if Cell C did not know the cause of the problem, it should have said so and simply included the fact that its technicians were working on the problem. As new developments arose, these should have been communicated to the media and clients. Even if there were no new developments then hourly updates simply stating that the problem was being worked on would have sufficed.

- **Lesson three:**

In your crisis plan, make sure that as part of your crisis communications strategy you expand the capability of your call centre to receive incoming calls. Have emergency back-up procedures so that extra call centre staff can be called in with in 60 minutes.

- **Lesson four:**

Have an integrated crisis management plan. Of key importance is ensuring your CRM plan, business continuity plan and crisis PR plans are fully integrated. If Cell C felt that the call volumes would be too much for the company to handle it could quite easily have invoked its business continuity plan and either moved its call centre operators off site to a business continuity facility with a call centre infrastructure big enough to deal with the flood of queries and complaints, or additional pre-trained call centre operators could have been brought in to deal with the excess calls. The call centre operators should be issued with crisis messaging to communicate to incoming callers.

- **Lesson five:**

One of the fundamentals of any crisis is to “tell it all, tell it fast, tell it openly.” This must be a central strategy for Cell C going forward. As soon as an event has happened and the facts have been collated, preliminary announcements must be made. These can always be updated. The public are more likely to forgive if they have been communicated with openly and honestly for the duration of a crisis than if some form of communication kicks in at the end.

- **Lesson six:**

Let third party experts talk as well. Cell C did mention it was working with Nokia Siemens Networks to find the cause of the problem. It would have helped Cell C if a senior spokesperson from Nokia Siemens Networks had spoken to the media giving some indication of the complexity of the problem and what was being done to resolve the situation. Third party expert advice adds a load of credibility to any crisis message.

**Further media information:**

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