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Schindler Service (A)

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Outline

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- Introduction
- Background and facts
- Conclusion

Introduction

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- 1974 in Schaffhausen
- Robert Schindler and Eduard Villiger
- Early internationalizing
- 1996 - German market
- 1997 - French market
- 1988 - China
- 1985 - Japan

In 2006

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- 44,000 employees worldwide
- elevators and escalators - 20%
- 200 million people per day

Background and facts

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- 1% in Japan in the escalator market
- Schindler is not able to benefit from economies of scales of products

Protective Japanese market

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- Quality of Japanese companies' products
- Japanese consumers remember quality problems from a particular company many years
- Patriotic reasons
- The special Japanese specifications and regulations

Accident

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- June 3, 2006 - 16 year old boy was deadly injured
- Press releases one day after
- Schindler did not apologize

Understanding of apology

- Apologize in writing
- Apologize in writing and offer compensation

Result

- Loss of several contracts
- Schindler decided to stop offering the early delivery service because it had a higher reparation rate
- Schindler was often stressed
- Increasing the risk of contract failures

Problems

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- Long lead time in Berlin
- Long delivery times

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Schindler Service (A)



Outline

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- Introduction
- Background and facts
- Conclusion

Introduction

Thecasesolutions.com

- 1974 in Switzerland
- Robert Schindler and Eduard Vilgis
- Early international marketing
 - 1995 - German market
 - 1999 - French market
 - 1998 - China
 - 1995 - Japan

In 2006

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- 40,000 employees worldwide
- elevators and escalators - 20%
- 700 million people per day

Background and facts

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- 1% in Japan in the escalator market
- Schindler is not able to benefit from economies of scales of products

Protective Japanese market

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- Quality of Japanese companies' products
- Japanese customers remember quality problems from a particular company many years
- Patriotic reasons
- The special Japanese specifications and regulations

Accident

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- June 3, 2006 - 16 year old boy was deadly injured
- Press releases one day after
- Schindler did not apologize

Understanding of apology

- Message in words
- Show an expression of guilt
- Express an intention to change

Result

- Loss of future contracts
- Schindler did not stop offering third party elevator maintenance due to further bad press
- staff was often stressed
- increased the risk of further bad press

Problems

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Compensation in Japan

Outline

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- Introduction
- Background and facts
- Conclusion

Introduction

Thecasesolutions.com

- 1874 in Switzerland
- Robert Schindler and Eduard Villigier
- Early internationalising
 - 1906 – German market
 - 1909 – French market
- 1980 – China
- 1985 - Japan

In 2006

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- 44,000 employees worldwide
- elevators and escalators – 70% of sales
- 700 million people per day

Background and facts

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- 1% in Japan in the escalator market
- Schindler is not able to benefit from economies of scales of products

Protective japanese market

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- Quality of Japanese companies' products
- Japanese customers remember quality problems from a particular company many years
- Patriotic reasons
- The special Japanese specifications and regulations

Accident

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- June 3, 2006 – 16 year old boy was deadly injured
- Press releases one day after
- Shchindler did not apologize

Problems

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- Long weekend in Europe
- seven-hour time difference
- language problems