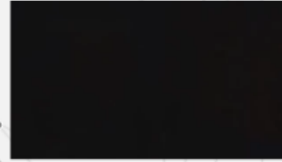


# Storm Gudrun: Managing a Crisis

Thecasesolutions.com

## Response of FedEx



• **type of the crises:** monitoring – human error frequently involved (FedEx had an employee caused crisis on 2011.)

### What Could They Have Done Better?

- Training employees (after 2011 crisis)
- Cameras in the vans
- Advanced monitoring tools to interfere social media

# Storm Gudrun: Managing a Crisis

**Thecasesolutions.com**

# Social Crisis in FedEx

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- On July 24, 2013
- Two FedEx employees
- Carelessly throwing packages into the back of their badly disorganized company van



# Crisis Of FedEx

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- The video played on 'Good Morning America Show' on July 26, 2013 and immediately went viral.
- The first post of the video appeared on their Facebook page on July 26, 2013 at 4 a.m.
- FedEx responded at 3 p.m. July 26, 2013 by recoding a video and publishing on Youtube.

# Analysing of FedEx's Crisis Management

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### Positive Side

- Did not ignore the video
- Fast reaction after recognition
- Responded through social media by publishing a video.  
Using the same tool as its customers
- Replied all comments from the customers
- Shared the video with their employees as a case study

### Negative Side

- Late recognition
- Not having monitoring tools
- Response on Facebook 11 hours after the first post
- Replied all comments from the customers but all replies were same

## Analysis of Crisis

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- **Origin of the crisis:** Employee
- **Impact:** Reputation  
Consumer action
- **Type of the crises:** Smoldering – Human error frequently involved (FedEx had an employee caused crisis on 2011.)

## What Could They Have Done Better?

- Training employees (after 2011 crisis)
- Cameras in the vans
- Advanced monitoring tools to interfere social media

# DKNY

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- **Photograph Crisis**
- **Brandon Stanton & DKNY**
- Offer is \$15,000 for 300 photos in store windows at locations **“around the world.”**
- Photos are **window display** at DKNY outlet **in Bangkok**
- Using the photos **without** his knowledge, allowance and without compensation



- **Brandon Stanton**
- **Social Responsibilites Campaing**
- **Facebook Post** - 38.000 likes and 37.000 shares in just few hours

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## DKNY Response

 **DKNY**  
Yesterday

Since its founding in 1989, DKNY has been inspired by and incorporated authentic New York into its imagery. For our Spring 2013 store window visuals we decided to celebrate the city that is in our name by showcasing "Only in NYC" images. We have immense respect for Brandon Stanton aka Humans of New York and approached him to work with us on this visual program. He declined to participate in the project.

For the Spring 2013 windows program, we licensed and paid for photos from established photography service providers. However, it appears that inadvertently the store in Bangkok used an internal mock up containing some of Mr. Stanton's images that was intended to merely show the direction of the spring visual program. We apologize for this error and are working to ensure that only the approved artwork is used.

DKNY has always supported the arts and we deeply regret this mistake. Accordingly, we are making a charitable donation of \$25,000 to the YMCA in Bedford-Stuyvesant Brooklyn in Mr. Stanton's name.

 **Humans of New York**  
about an hour ago

I am a street photographer in New York City. Several months ago, I was approached by a representative of DKNY who asked to purchase 300 of my photos to hang in their store windows "around the world." They offered me \$15,000. A friend in the industry told me that \$50 per photo was not nearly enough to receive from a company with hundreds of millions of dollars of revenue. So I asked for more money. They said "no."

Today, a fan sent me a photo from a DKNY store in Bangkok. The window is full of my photos. These photos were used without my knowledge, and without compensation.

I don't want any money. But please SHARE this post if you think that DKNY should donate \$100,000 on my behalf to the YMCA in Bedford-Stuyvesant, Brooklyn. That donation would sure help a lot of deserving kids go to summer camp. I'll let you guys know if it happens.

## Brandon's Thanks

"\$25k will help a lot of kids at the YMCA. I know a lot of you would like to have seen the full \$100k, but we are going to take them at their word that it was a mistake, and be happy that this one had a happy ending. Thanks so much for your support, everyone."



# Analysing of DKNY Crisis Management Thecasesolutions.com

## What they did right?

- They identified and responded quickly.
- An Apology along with a reasonable explanation was offered.
- They backed it up with \$25000 payment.
- In the end the photographer was quite gracious.
- So, they handled the situation promptly, directly, responsibly, sympathetically and strategically.

## What could they have done differently?

- They could have avoided the situation with better internal communication between the different stores and their managers.
- They could have responded quicker