

Monitoring – A Fictional Case

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Robert manages the US monitoring program of Bordwell Motors Corp. He uses a service that scours newspapers, magazines, TV, radio, blogs, forums, web sites, Twitter and Facebook for 33 keywords and the name of Bordwell and does media analysis. The service gathers and examines nearly 2,000 mentions a day, far more than Robert could handle on his own. Using the service, Robert has discovered opportunities for Bordwell to get its messages out and has alerted Bordwell management to incipient customer service problems with new vehicles. Robert estimates that monitoring and analysis pay for themselves in sparing the company bad press and allowing it to take the initiative before customer dissatisfaction takes hold.

Recently Robert has been concerned about a specific customer complaint related to aging Bordwell minivans. The monitoring service highlighted a potential problem of transmissions on the minivans leaking fluid then failing after 100,000 miles – or at least some of them had done so. The service forwarded to Robert a post from “Furious” in Automotiveforums.com about the transmission that were echoed by five others – Bbcue, Sbig, rcc, mhanford and jlong – all of whom cited a similar problem in their responses to “Furious.” Robert e-mailed Jason in customer service but there was no service bulletin from Bordwell addressing the failure, and complainers appeared to be using private mechanics rather than dealer service to fix their vehicles. Most also appeared to be second owners, so it was unclear how their vehicles were used by primary owners.

“Furious,” or someone with the same transmission problem, wasn’t satisfied, however, with venting on an auto forum. An Angela DeJuro registered anger on her Facebook wall at Bordwell’s minivan for leaving her and her three children stranded on the edge of Highway 54 at 9 pm on a Thursday night. “The leaky transmission just crapped out,” she wrote. The dealer was quoting an “astronomical price” for putting in a new one. She was “never going to own a Bordwell again.” Several friends responded to her post with sympathetic comments. Robert figured they were lost customers to the company. He forwarded her tirade to Jason, who sent a private e-mail to DeJuro to contact the company.

Four days later, an auto repair blog offered a diagnosis of the Bordwell transmission failure in response to another high-mileage minivan owner. The blog writer volunteered that he was aware of several Bordwell minivan owners with older models who had the same transmission leak then failure. The blogger concluded with this remark,

“Bordwell knows about this but its (sic) ignoring it. I’ve gotten the runaround from the compny (sic) and I’m suer (sic) they just want you to go away.”

Robert forwarded this to Jason, then followed with a phone call. Jason told him he had opened an issue file for the problem, but there was unlikely to be a recall because the

power trains were out of warranty. Robert established keywords for “Bordwell minivan transmission leaks” in the search system and let the VP of PR know that he was expanding monitoring to include the issue.

A second auto repair blogger picked up the transmission issue a few days later and called for comments from Bordwell minivan owners. There were 15 responses, and most complained about the cost of repair. The auto repair blogger began following the issue. He placed a notice on his blog seeking comments from Bordwell minivan owners with transmission leaks and failures. In three weeks, 30 people had responded, but it was unclear that all were suffering the same problem. In fact, Robert was certain they were not. Nevertheless, Robert forwarded these comments to Jason and the VP of PR and asked what the company was doing about them. He received no answer.

The transmission issue escalated when a Bordwell minivan owner dialed [Cartalk](#), the National Public Radio program about cars and car repair. On the air, Tom Magliozzi commented that he had seen a number of high-mileage Bordwells with leaking transmissions, and he thought there was a defect. Ray, his brother, then said in his opinion, Bordwell had built “a crappy transmission” and the best bet was for the owner to “sell the minivan or trade it in for a Honda.” Robert tagged this with an exclamation point and sent it to Jason and the VP of PR. “This could get out of control,” he wrote.

The VP of PR asked Robert to report on the transmission issue, and Robert sent a summary of complaints. Robert heard nothing back for several days. Meanwhile, comments on Bordwell minivan transmission failures began to spread through forums, blogs, Facebook and Twitter. Owners seemed to appear from nowhere to report problems and vent their feelings. Robert was now up to 10 comments a day about the minivan transmission. He e-mailed the VP of PR and suggested that the company should take a position on repair of the transmissions. The VP of PR wrote him back to say the issue was being discussed.

The issue next leaped to local radio shows on car repair in San Francisco, Albuquerque, Daytona, and Santa Barbara. Robert sent transcripts of the calls to both the VP of PR and Jason who told him there were now 300 complaints on record, and they were receiving new complaints on average of 15 a day. Over 95 percent of the complaints were for minivans out warranty and with more than 100,000 miles on the odometer. The problem seemed to occur with minivans involved in stop-and-go city/suburban driving.

Suddenly, there was a story in *Automotive News* about the transmission issue, followed in a few days by the *Detroit Free Press*. Neither story was long but they referenced a growing chorus of complaints, and Bordwell’s comment that it was studying the issue. Robert e-mailed the VP of PR and suggested there was an urgency for the company to take a position on fixing the transmission seal and failures. The VP of PR replied that Bordwell didn’t have a complete fix yet for the transmission failure but would have a bulletin out to dealers once engineers had time to assess the problem and develop a solution. The VP didn’t want to issue a press release until Bordwell knew what to say.

Two days after the *Detroit Free Press* story, a law firm in Alabama issued a press release announcing a class-action suit against Bordwell for building a defective transmission. The press release urged owners of Bordwell minivans to contact the law firm and join the litigation. The VP of PR asked Robert to send all monitoring results for the transmission failure to the legal department, which would prepare a defense. Bordwell declined to issue a press release in response to the suit.

The Wall Street Journal took notice of the class action lawsuit and wrote a 6-inch story. The article estimated that it would take hundreds of millions for Bordwell to repair or replace transmission seals and/or failed transmissions. Bordwell's stock dropped when the day the story appeared.

After the *Journal* story, Robert was picking up dozens of complaints a day about the transmission to the point where it was escalated as a major issue for Bordwell. The VP of PR convinced the CEO that it was time to act. Bordwell issued a press release acknowledging the transmission leak and failure and stating that a repair bulletin would be in dealers' hands within a month. The firm said it would extend the powertrain warranty on the minivan for vehicles in excess of 100,000 miles, and it said that it had redesigned the seal to eliminate the problem.

The class action suit continues. The National Highway Traffic Safety Administration (NHTSA) has requested information from Bordwell in preparation for issuing a recall notice on the transmission. Robert wonders if the issue could have been forestalled had the company been paying closer attention when the first reports of the problem had come in.

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Questions for discussion:

1. When is the proper time to act on customer complaints? What is the tipping point?
2. Should Robert have made a larger issue of the transmission problem sooner?
3. Did the VP of PR fail to handle the problem correctly?
4. If you were the VP of PR, what would you have done?