



Mattel's The Playground Community Created by Communispace Helps Them Weather Recall Storm

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What members of The Playground Community had to say about being an advisor during the recall period:

"I am glad to see Mattel take action in forming this group [the community]. The recalls shouldn't have happened in the first place, but my confidence in Mattel remains strong."

"I think it [the Bob Eckert article] shows that Mattel really has been listening to participants in [the community] and parents around the country. I like that he was specific about what Mattel plans to do. And I felt he was honest and sincere. It made me feel that they're not going to hide anything from us, but will continue to be up front."

LISTENING AS A CORPORATE STRATEGY

In June of 2007, Mattel's Worldwide Consumer Insights Department launched The Playground Community—comprised of 400 moms who have kids aged 3–10. Since then, the community has expanded to 500 members. This private online community was created by Communispace to help Mattel's research organization listen to and gain insight into moms' lives and needs in order to help the company drive growth and innovation.

During the fall of 2007, Mattel had a series of worldwide product recalls, due to lead paint on popular toy brands, that sent the organization reeling. In order to make things right with their consumers as quickly as possible and assuage consumers' fears, they turned to the Consumer Insights Department and its Playground Community for guidance. Using this group of highly engaged and dedicated moms, they were able to weather the recall storm so that their business, heading into the busy holiday season, wouldn't be battered beyond recognition. Moms from the community provided Mattel with insights around how they felt about the recall, Mattel, and China-produced toys, their perceptions of Mattel's response plan, what their biggest fears and concerns were, and what Mattel could do to help them. In fact, the moms were even able to help the company shape a promotion for one of the toy lines that was majorly affected by the recall so that it was more relevant and meaningful to consumers and therefore more effective for the company.

The Playground Community continues to provide great insights and learning to Mattel—members help them shape new products and marketing plans to maintain and grow its leadership in the market.

COMMUNITY MEMBERS' INPUT HELPS MATTEL GET IT RIGHT

Despite several worldwide product recalls in 2007, Mattel reported that fourth quarter 2007 sales had increased 6% over the previous year. Having a primed and ready group of brand advisors in The Playground Community to help at a moment's notice proved to be key in making the right moves. Via Mattel's Worldwide Consumer Insights Department, CEO Bob Eckert, his senior management team, and Mattel's corporate communications group received regular updates from the community during the crisis period regarding their feelings about how Mattel was handling the recall. During some of the most trying times, the community was responding daily to Mattel's requests for guidance and providing honest and thoughtful feedback that was only possible because they had already begun a relationship with members through The Playground.

Mattel posted gains in sales and profits for the fourth quarter and 2007 as a whole. It was clear that the company was judged according to its response to the safety issues, rather than the fact they had a safety problem at all. In fact, Mattel's supplementary consumer research data verifies continued consumer confidence in their products. Even key elected officials praised Mattel's response at congressional hearings. Media coverage, while critical of the recalls, recognized Mattel's extensive efforts to communicate appropriately with their consumers.

The LA Times said, "Mattel did everything it could to get its message out, earning high marks from consumers and retailers. Though upset by the situation, they were appreciative of the company's response." In January 2008, Mattel was added to FORTUNE's 2008 "100 Best Companies to Work For" list. FORTUNE noted the company's swift response and leadership through the 2007 recalls as a defining moment.



Using the community to keep their finger on the pulse of consumer reaction in this way gave Mattel the information they needed to develop relevant and meaningful messages for the market. Having a listening strategy in place enabled Mattel's Consumer Insights Department to help the company weather a difficult period and further solidified its relationship with moms as a brand that cares deeply about children and their families. Now with the real business value of listening to the Groundswell proven, Mattel stays on top of what their consumers need and want in order to drive growth for their brands.

Michael Shore, Vice President of Worldwide Consumer Insights at Mattel, said about The Playground: "We are so fortunate to have this dynamic and insightful group of moms who are at the ready to help us not only during a difficult situation but also ongoing—who open up and share their lives with us in the community so we can continue to create the best products to meet their needs. The community truly is a strategic business asset for us."

