

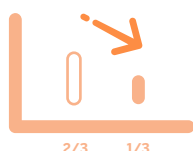
# Are you ready for World Consumer Rights Day (3.15)?

## WE RED BRIDGE'S TAKE ON CONSUMER RIGHTS SEASON, AND WHERE BRANDS SHOULD DIRECT THEIR ATTENTION

All clients in China will be familiar with [World Consumer Rights Day](#), March 15, as it is a major media event. Every year, domestic and foreign brands operating prepare anxiously for potential high-profile and damaging criticism from media and the public as companies' perceived mistreatment of consumers are given the spotlight.

The centerpiece of the "season" is the 315 Consumer Rights TV Special, held annually by China Central Television (CCTV) for over 30 years. During the slickly produced 2-3-hour special, brands that have violated consumers' interests are named and shamed, bringing to light stories that have not yet been told publicly.

Analyzing the issues mentioned during the past 3.15 specials, **personal information security and other internet and technology-related issues** have become the top targets, representing over 30% of featured topics in the past three years. **Food and healthcare, areas of significant scrutiny**, are other focal areas, with about 20% of featured topics in the past ten years.



In recent years, the program has evolved, focusing more on industry-wide practices versus individual companies. By our estimate, **individual company mentions** have shrunk to the **one-third** of program in the past three years, compared to **two-thirds** in the last ten years.

The effect of this shift is two-fold. While attention is no longer laser-focused on the brands named during the program, other media and social media have become the go-to channels for naming and shaming brands during the season. **Brands must be on guard throughout March across all channels.**

Beyond the CCTV program, top media in China, including Xinhua, Yicai, and China Business Journal, publish articles spotlighting consumer rights issues during March, giving a platform to consumers who feel they have been unfairly treated by companies. The level of reporting varies within these articles, but typically, companies featured in the stories are given little time to respond to allegations, and their viewpoints are generally underrepresented.

Given the past year's changing priorities and today's political climate, we expect the following stories other than internet and technology-related issue and food and healthcare issue are expected to take the spotlight this season:

- Defective **automotive products**, especially in the EV realm
- **Education training** institution deposit refund delays
- **Travel company** challenges given the COVID-19 situation, for instance, how airlines do not refund passengers after flight cancellations and travel platforms mandatory purchasing of insurance
- **Finance industry** issues as payment platforms deduction without user's knowledge and arbitrary loan platform charges

## ARE YOU READY TO MANAGE A CRISIS?

We view World Consumer Rights Day as a timely reminder for brands to review their issues management protocol, improve crisis readiness and ensure stakeholders are equipped with the necessary crisis management skills. While Consumer Rights Season extends the month of March, crises may happen at any time. **Preparations made now will improve brand resilience throughout the year.**

We recommend brands take the following precautionary steps to minimize reputational risk:

- **Check for any customer service defects** and how they were resolved.
- **Assess compliance requirements** such as product quality, after-sales service, information protection, etc.
- **Review training for all frontline staff**, such as sales and customer service, ensuring their behavior and interactions with customers meet expectations and understanding of customer complaint protocols.
- **Remain vigilant for undercover reporters** who may use hidden cameras to gather materials.
- **Evaluate crisis management manual** to define role and responsibility, clarify processes and system, fine-tune statements, and prepare Q&As with scenario mapping.
- **Brief spokespeople** on crisis management protocols for various crisis scenarios and organize crisis training for spokesperson and key personnel.
- **Inform company leadership** on recent policy changes that may affect the industry, and current public sentiments of the business.
- **Enhance relationships** with key external bodies like think tanks, key media, industry organizations, and top influencers.

## HOW WE RED BRIDGE CAN SUPPORT YOUR BRAND

With a strong focus on senior counsel at all levels of engagement, WE Red Bridge takes a partnership approach to make sure everything we do positively builds and protects your corporate reputation. Our crisis management specialists leverage years of issues management experience to aid clients across all sectors, including **health, technology, F&B, beauty, fashion, travel & hospitality**, in preparing for, identifying, and responding to crises at varying degrees of severity. We are available to assist you in preparing for this year's Consumer Rights Season and to support your crisis management readiness in the long term.

Our issues management services include:

- Crisis monitoring
- Risk audit
- Training for media spokespeople and crisis managers
- Crisis procedure generation or adaptation (crisis manual)
- Fire drills
- Crisis consultation
- Scenario-based rapid response statement

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