## **ENTRY NOMINATION**

## **AGENCY:**

Image Merchants Promotion Ltd

## **CLIENT:**

Kano State Electricity
Distribution Company (KEDCO)

## TITLE:

Communicating Regulatory
Compliance for Consumer
Loyalty





# Summary/Background

## Summary

After a purported suspension of its service by a regulator through a Press statement, the Kano Electricity Distribution Company (KEDCO) was vindicated when it promptly provided the facts and figures also through the media in its defence and engaged the relevant authorities with the same while reassuring its consumers and host communities on its commitment to serve them better.

KEDCO's effective issue management and crisis communication strategies helped in dousing the tension between it and the regulator, Transmission Company of Nigeria (TCN). It also retained loyalty of its consumers and improved its internally generated revenue through effective communication.

### Background

KEDCO is the energy Company responsible for distributing electricity in Kano, Katsina and Jigawa States which a total population of over 20 million inhabitants.

TCN on the other hand is a regulator in the energy sector which operates and maintains electricity transmission and system operations in Nigeria towards a reliable and efficient grid.



electricity lines [Photo: RETA - WordPress.com]

## Blackout looms in parts of Kano as TCN suspends KEDCO

July 22, 2019 Bassey Udo

The **Kano Electricity Distribution Company** (KEDCO) on Sunday became the latest electricity distribution company to be affected by the gale of regulatory sanctions by the electricity market operator.

# **Problems/Challenges**

#### **Problem**

The TCN in July 2019 suspended KEDCO from the Operator-administered market after allegedly going against one of the rules and in August 2019, withheld over N3.2billion due to KEDCO.

The action created Customer apathy and was threatening the brand image of KEDCO with a potential to negatively affect its revenue. Noting that it was innocent of the allegation, KEDCO responded with all the facts and figures to reassure the public of its integrity as well as win customers' loyalty against the perceived misinformation.

### **Define the Problem**

Realising the negative impact of such a damaging report from the regulator, KEDCO considered best strategies to counter the narrative by putting the issues in the right perspective and providing facts and figures on the issue.

On September 1, 2019, KEDCO in a public statement denied the allegations of flouting any law. It said instead of suspension, TCN should pay its debt.



# Opportunity/Objectives

### **Opportunity:**

#### **OPPORTUNITIES**

Realizing the importance of the media (Broadcast and Print), New media and News release, especially to dispel the news through the same platforms that the news was propagated, on August 31, 2019, KEDCO countered the accusation. The Organization followed up with statistics and facts to deny this accusation with the media, staffs and stakeholders of the KEDCO continually playing a pivotal part to distribute the counter narratives from KEDCO's perspectives.

#### **CAMPAIGN OBJECTIVES**

- To rebrand the image of KEDCO
- To stop the customer apathy created by TCN advertorials
- To avoid loss in revenue occasioned by customer apathy
- To sensitize and re-orientate customers of KEDCO on its activities



## **Geographic Location/Targeted Organisations**

## **Geographic Location:**

KEDCO is one of the major electricity distribution company in Nigeria and the only distributor of electricity largest city of Kano and Katsina and Jigawa State with a population of over 20,000,000 people.

### **Communication Tactics**

Provision of Facts and Figures to the public

Lobbying the major authority concern with the facts of the situation



## Tactics/ Endorsement

**Media relations:** The issuance of Press Releases and hosting of media representatives to provide the counterperspective including social media and Crisis Communication strategies with the real facts and figures that are persuasive and convincing.

**Stakeholders Engagement:** Behind-the-scene tactics of engaging the relevant stakeholders with the facts and figures were also considered

**Community Relations:** Advocacy visitations and sponsorship of local events as part of Corporate Social Responsibility were to be undertaken with relevant department of KEDCO with Corporate Communication Department



# **Executions of the Campaign Programme:**

**Orientation Stage:** When the TCN issued the damaging notification in the media on the suspension, the KEDCO management considered factors that triggered the unwarranted and unexpected attack on its reputation with the suspension.

**Brainstorming Stage:** The management realised there were communication gaps and wrong assumption on the true position of things. The KEDCO considered the "right of reply" by correcting the negative impression through the same media channels used by TCN in the notification of suspension.

**Decisive Stage:** The management considered immediate response in the media as well as engaging the regulatory and relevant authorities on the true perspective from the misleading report through behind-the-scene-lobbying.

**Implementation Stage:** A Press Release was immediately issued to the media. Afterwards, KEDCO PR Division sponsored a sustained campaign through jingles and participated in phone-in-programmes in electronic media in reassuring the consumers and the host communities of quality service, while the top management engaged regulatory bodies and other stakeholders with the facts.

**Feedback Stage:** Most of the platforms used by the TCN in accusing the KEDCO of non-compliance also updated their reports with the counter-perspectives. The social media traction through Facebook and Twitter were also very impressive in awareness creation.

# **Creative Solutions/Difficulty Eliminated**

## **Creative Solutions:**

The timely issuance of the Press release through the most effective media tools was most desirable and timely. In addition, the support of staffs and major stakeholders of the KEDCO was also cost effective.

## **Difficulties Eliminated**

Despite the initial misinformation in the media, the timely release of official Press Release by KEDCO eliminated difficulties that could have been encountered by the TCN's narratives.



**ENERGY** 

KEDCO demands payment of N3.2bn debt from TCN

Published September 1, 2019













# Outcomes of the Campaign

**Reputation Protected:** The prompt actions mitigated the likely financial repercussions and damage to reputation which uncontrolled negative rumors and media reports could have done to KEDCO which is charged with electricity distribution and administration in selected North-Western states in Nigeria of over 20 million population

**Sustain customers' loyalty:** The customers sustained their loyalty and patronage due to the improved service and the effective communication of KEDCO on the reassurance

**Enhanced Revenue:** Despite challenges over disagreement between the regulator and the company, KEDCO Revenue Hits Record N3bn at the end of 2019

**Social Media Traction:** Facebook followers increased from less than 6000 followers to over 19,000 followers while Twitter has over 8,000 followers from about 6,000 followers

**Media Solidarity:** The mainstream and online media played prominent roles in ensuring that KEDCO's voice was heard loudly by the public and the authority concerned which resulted in the reconciliation of the two organisations



## References to Press War Between TCN and KEDCO

#### TCN'S INITIAL SUSPENSION OF KEDCO

Kano Disco gets termination notice from TCN

https://punchng.com/kano-disco-gets-termination-notice-from-tcn/

Blackout looms in parts of Kano as TCN suspends KEDCO

Read: https://www.premiumtimesng.com/news/headlines/342185-blackout-looms-in-parts-of-kano-as-tcn-suspends-kedco.html

TCN: KEDCO Remains Disconnected Over Rule Breach

Read: https://economicconfidential.com/2019/08/kedco-remains-disconnected-rule-breach/

Outage looms as TCN bars KEDCO from electricity market

 $\underline{\text{https://www.dailytrust.com.ng/outage-looms-as-tcn-bars-kedco-from-electricity-market.html}}$ 

TCN clampdown on KEDCO taking toll on customers!

https://www.dailytrust.com.ng/tcn-clampdown-on-kedco-taking-toll-on-customers.html

### KEDCO STRATEGIC ACTIONS/RESPONSE FROM SEPTEMBER 2019

TCN, Kano Disco bicker over debt

https://punchng.com/tcn-kano-disco-bicker-over-debt/

KEDCO dismisses power outage, assures of improved supply

https://www.dailytrust.com.ng/kedco-dismisses-power-outage-assures-of-improved-supply.html

KEDCO Rattles TCN Over N3.2bn Judgment Debt

Read: https://economicconfidential.com/2019/08/kedco-tcn-n3-2bn/

KEDCO to TCN: Pay Us Our N3.2 billion

 $\underline{\text{https://www.thisdaylive.com/index.php/2019/08/31/kedco-to-tcn-pay-us-our-n3-2-billion/}}$ 

TCN yet to pay N3.2bn penalty for wrong billing - KEDCO

https://www.dailytrust.com.ng/tcn-yet-to-pay-n3-2bn-penalty-for-wrong-billing-kedco.html

KEDCO strategizes on services, holds marketing conference

https://www.dailytrust.com.ng/kedco-strategizes-on-services-holds-marketing-conference.html

## **OUTCOME: The Sweet Ending after the Alteraction**

## THE AFTERMATH FROM OCTOBER 2019

KEDCO, TCN Reconcile as FG Builds Code Line from Kaduna to Kano Read: <a href="https://prnigeria.com/2019/10/21/kedco-tcn-reconcile-fg/">https://prnigeria.com/2019/10/21/kedco-tcn-reconcile-fg/</a>

KEDCO Boosts Revenue in 2019, Rewards Staff for Performance Read: <a href="https://economicconfidential.com/2020/01/kedco-revenue-rewards-staff/">https://economicconfidential.com/2020/01/kedco-revenue-rewards-staff/</a>

KEDCO Improves Service Delivery in 2019, Promises Innovative Packages in 2020

https://politicsdigest.ng/index.php/2019/12/31/new-year-kedco-2020/

KEDCO rewards 69 best performing staff
<a href="https://www.dailytrust.com.ng/kedco-rewards-69-best-performing-staff.html">https://www.dailytrust.com.ng/kedco-rewards-69-best-performing-staff.html</a>

KEDCO assures of improved electricity services

Read: <a href="https://www.dailytrust.com.ng/strike-kedco-assures-of-improved-electricity-services.html">https://www.dailytrust.com.ng/strike-kedco-assures-of-improved-electricity-services.html</a>

KEDCO's Head of Communication gets special recognition award for revolutionizing company's image

Read: https://www.dailytrust.com.ng/kedcos-head-ofcommunication-gets-special-recognition-award-for-revolutionizingcompanys-image.html

KEDCO Revenue Hits Record N3bn Despite Challenges in 2019
Read: <a href="https://prnigeria.com/2019/12/11/kedco-revenue-record-2019/">https://prnigeria.com/2019/12/11/kedco-revenue-record-2019/</a>

Crisis Communication to the Rescue on KEDCO – TCN

Read: https://emergencydigest.com/2020/01/24/crisis-communication-rescue-kedco-tcn-sani-paki/