**BUSINESS OBJECTIVE:**

The objectives of the company are to be the leader in financial services in areas of team member engagement, customer services and advice, shareholder value, innovation, corporate citizenship, and risk management.

**CONTEXT:**

Wells Fargo's unauthorized customer account scandal first made headlines in 2016 and has since then resulted in a series of investigations and lawsuits. The scandal has had a severe impact on the company's reputation and resulted in substantial fines and compensation to customers. The year 2022 saw the Consumer Financial Protection Bureau (CFPB) ordering Wells Fargo to pay $1.7 billion in fines and $2 billion in consumer redress in connection with "illegal activity" across several product lines. The economic conditions of 2022-23 were marked by high interest, and the overall economic outlook was challenging. The scandal occurred during a period of heightened public and media scrutiny, adding to the pressure on the company to take swift and decisive action to restore its reputation and regain the trust of its stakeholders.

**PRIMARY AUDIENCE:**

The primary audience for this communication is the customers who have been directly impacted by the Wells Fargo scandal. These customers have likely received widespread media coverage of the case and have developed a negative perception of the company. They have a high level of knowledge about the case, including recent developments, and are likely skeptical and critical of the company's actions. Their motivations stem from a desire for recuperation and compensation for the harm they have experienced. Their expectations are for clear and transparent information about the steps Wells Fargo is taking to address the issue, as well as compensation for the harm they have suffered. They want to see the company take responsibility for its actions and demonstrate a commitment to restoring trust and improving its operations.

**SECONDARY AUDIENCE:**

Regulators, investors, and the media will also receive this communication as they are closely monitoring the scandal and its impact on the company.

**COMMUNICATION OUTCOME:**

The desired outcome of this communication is to restore trust and credibility in Wells Fargo among the customer, to provide transparent and accurate information about the scandal and the company's efforts to address it and to demonstrate the company's commitment to ethical business practices and customer satisfaction.

**BENEFITS:**

By demonstrating transparency and taking responsibility for the scandal, Wells Fargo can regain the trust of its current customers and maintain its position as a leading financial institution.

The improvement in reputation will instill confidence in the general market, attracting new customers.

The additional revenue from the new customers can lead to better availability of services provided by the company.

**COMMUNICATOR:**

The communicator for this communication should be a high-level executive at Wells Fargo, such as the CEO or a top spokesperson, who has a strong reputation for ethical leadership and a deep understanding of the company's values and mission.

**RESISTANCES:**

Resistance and Response 1: The primary audience, who are directly impacted by the scandal, may have some resistance towards Wells Fargo's efforts to address the scandal and remedy the situation. One of their key concerns might be the authenticity and sincerity of the company's actions. The audience may doubt the company's commitment to ethical business practices and question the effectiveness of the measures being taken. To counter these concerns, Wells Fargo has taken several steps to address the issue. The company has accepted responsibility for its part in the cross-selling scandal and has taken action against those who were involved, including terminating community bankers who promoted the cross-selling practices. Additionally, changes have been made to the company's leadership structure. Furthermore, Wells Fargo has made changes to its sales culture, including centralizing its risk and human resources organizations, to prevent future cross-selling pressure practices. To further demonstrate its commitment to rectifying the situation, the company's Board has cut the compensation of executives, including the CEO.

Resistance and Response 2: Customers who were directly affected may be openly hostile toward the company and would want some sort of reconciliation besides their money back. We can offer promotions for new products and reiterate the steps we have taken to recover from the scandal since 2016.

Resistance and Response 3: The primary audience may resist the appointment of a new CEO due to their lack of credibility and familiarity with the company. However, having an external CEO brings a fresh perspective and may offer an objective view on the situation, providing better insights and solutions to the scandal. Furthermore, the departure of the previous CEO, who was implicated in the scandal, may signal the company's commitment to making real change and regaining customer trust. The appointment of a new CEO can be seen as a step towards a brighter future for Wells Fargo and its customers.

**MAIN MESSAGE:**

Wells Fargo is committed to restoring trust and credibility among its stakeholders and is taking responsibility for the unauthorized customer accounts scandal by implementing measures to prevent similar incidents from happening in the future. Ensure that they know that we are not just putting the past behind us, we are facing it head-on as a lesson to uphold for the future.

**KEY POINTS:**

* Acknowledgment of the unauthorized customer accounts scandal and the impact it has had on the company's reputation.
* Explanation of the measures taken by Wells Fargo to address the scandal and prevent similar incidents from happening in the future.
* Talk about the change in leadership and how the new leaders are doubling down the emphasis of the customer.
* A commitment to ethical business practices and customer satisfaction, and a demonstration of the company's values and mission.

**APPROACH:**

A direct, formal, and consultative approach would be most appropriate for this communication. The communicator should acknowledge the scandal and its impact on the company's reputation and provide transparent and accurate information about the measures taken to address it. They should also be open to feedback and questions from customers most affected by the scandal for promotions on how they might continue with Wells Fargo.

**CHANNEL:**

The message should be a memo to current and former customers of Wells Fargo with an attached survey. This direct approach helps to build trust and transparency and build for the future.