

Corporate Reputation: definitions and representative history of literature *contributed by Toby Ingram*

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Definitions:

It would be reasonable to suggest that a lot of people have a lot of different ideas of what constitutes a corporate reputation – indeed, what constitutes a reputation of *any* kind.

David M. Furman's 2010 monogram, *Development of Corporate Image: A Historiographic Approach to a Marketing Concept* provides a useful history of the origins of some of its aspects (although the focus is more straightforwardly on image) and is an excellent place to start.

However, the basic uncertainty (or multiple certainties, if you will!) is one of the issues that make reputation management such a challenging business. The fact is, it is not an exact science. It is constantly, quickly, changing and evolving.

But with that caveat in mind, there are some definitions that seem to appeal more to common (and business) sense than others.

A good example – in our opinion?

Well, the following was devised by Carl Da-Costa-Greaves, Managing Director of chartered marketing company Studiowide (UK):

What is Corporate Reputation?

There are 3 elements to reputation, known as the ***reputational radar***.

- **Brand Reputation** – how the public perceives a brand.
- **Organisational reputation** – what the public think about the 'organisation' as oppose to the brand. For example, Unilever PLC has a house of brands and also has individual sub brands. Therefore the public reputation of the company can be different to the reputation of the individual brands.
- **Stakeholder reputation** – the reputation that stakeholders have of the brand or the company that they are dealing with. (Stakeholder = person group or another organisation that has a direct or indirect stake in a company.)

Therefore when we talk about reputation we also need to be clear about whose reputation, from the list above, that we are talking about.

Definition of Reputation

There are lots of different definitions of what reputation might consist of but the main point is that *corporate reputation has to be earned*. The company can create an image, but whether that image will lead to a reputation which is the same as the image, or a positive reputation, will depend on what the organisation does.

- “Reputation is the sum values that stakeholders attribute to a company, based on their perception and interpretation of the image that the company communicates over time” John Dalton, Managing Corporate Reputation.

- “Reputation is the principal means through which a market economy deals with consumer ignorance” Professor John Kay.

- **Corporate Reputation Framework**

Corporate Reputation is the *endpoint in a chain*. A chain that comes from the corporate image, with the corporate image coming from the corporate identity or brand; which will in turn come from the personality that the organisation is trying to create. All of these elements are wrapped up in the corporate communications that the company is producing.

Source: <http://www.studiowide.co.uk/blog/corporate-reputation>

The following is given on Wikipedia, cited from a work by Charles Fombrun in 1996 (however, we must remember is not professionally regulated and is not the ‘be all end all’ of information; it is in fact one of the most subjective – and prone to be wrong – sources of information on the Internet):

“Reputations are overall assessments of organizations by their stakeholders. They are aggregate perceptions by stakeholders of an organization’s ability to fulfill their expectations, whether these stakeholders are interested in buying the company’s products, working for the company, or investing in the company’s shares.”

Source:

http://en.wikipedia.org/wiki/Corporate_communication#Corporate_reputation

Representative History of Literature

Pre-2009: key works

Measuring Corporate Reputation

Lewis, Stewart (MORI Reputation Centre), Templeton College: London, 1999.

Overview:

An article tackling several subjects quickly and effectively, in which Lewis distinguishes a "reputation problem" from a "PR problem" (the latter he calls a "reality" problem) and suggests reputation is the product of "a mix of behaviour, communication and expectation" at any given moment.

He includes various graphs and charts that by now will be out of date. However, one that remains relevant pertains to statistics on how public/business/political parties judge a company (result: social responsibility is top in most cases).

Lewis also deals with issues of familiarity and favourability, the meeting of perceived responsibilities, and community involvement in relation to reputation.

Web reference:

<http://www.angelfire.com/journal2/comunicarse/corp-rep.pdf>

Corporate Reputation and Sustained Superior Financial Performance

Roberts, Peter W. (Columbia University, USA) & Grahame H. Dowling (University of New South Wales, Australia), *Strategic Management Journal* 23 (1077-1093) and www.interscience.wiley.com (19 September), 2002.

Overview:

Good corporate reputations are critical because of their potential for value creation, but also because their intangible character makes replication by competing firms considerably more difficult. Existing empirical research confirms that there is a positive relationship

between reputation and financial performance. This paper complements these findings by showing that firms with relatively good reputations are better able to sustain superior profit outcomes over time. In particular, we undertake an analysis of the relationship between corporate reputation and the dynamics of financial performance using two complementary dynamic models. We also decompose overall reputation into a component that is predicted by previous financial performance, and that which is 'left over', and find that each (orthogonal) element supports the persistence of above-average profits over time. [Authors' abstract]

Web reference:

<http://www.goizueta.emory.edu/upload/155/rad5b4ed.pdf>

Corporate Reputation and Competitiveness

Davies, Gary and Rosa Chun, Rui Vinhas da Silva & Stuart Roper, Routledge: London, 2003.

Overview:

This book on "organizational improvement" covers media management, crisis management, use of logos, and other aspects of corporate identity. The authors argue the case for reputation management as a way of overseeing long-term organisational strategy. They present a new approach to managing reputation, one that relies on surveying customers and employees about their views on corporate character, then "harmonizing" the values of both. The approach was trialled in a number of organisations and the authors demonstrate how improving reputation, just by learning more about what a company is currently doing, is worth 5% sales growth. The book includes case studies and interviews with leading authorities in the field at that time. It features a line (on p73), quoted in more than 40 other books according to research: "Many a man's reputation would not know his character if they met on the street."

Google Books reference:

<http://books.google.com.sg/books?id=eU4bVJmmKC4C&pg=PR1&dq=chun+corporate+reputation+and+competitiveness&hl=en&ei=B2>

[PCTcCoOozOrQf2r5n3DA&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCoQ6AEwAA#v=onepage&q=chun%20corporate%20reputation%20and%20competitiveness&f=false](https://www.amazon.com/Corporate-Reputation-Competitiveness-Rosa-Chun/dp/041528743X)

Amazon reference:

<http://www.amazon.com/Corporate-Reputation-Competitiveness-Rosa-Chun/dp/041528743X>

Building Reputational Capital: Strategies for Integrity and Fair Play that Improve the Bottom Line

Jackson, Kevin T., Oxford: OUP, 2004.

Overview:

In the aftermath of scandals like Enron, Jackson perceives growing suspicion of the corporate world. He suggests, for this reason, it is more important than ever that companies maintain good reputations. He offers a practical guide to taking “the high road (the only road to continuing success)” and reveals basic principles of integrity and fairness which companies can use to build enduring reputations. He suggests that, more so than “image”, a firm’s reputation is a form of capital often neglected at CEO level and overlooked in conventional analyses of finance. Jackson couples each of his “principles” with clear actions that drive management systems. He provides tested strategies (e.g. downsizing techniques & tips on e-commerce) that “cultivate the hidden power of a good reputation.” He outlines obvious advantages of great reputation (people want to work for, invest in, and do business with companies with integrity), describes the role the firm’s top man/woman has to play, offers ways to build and protect reputation on the Internet (from defusing Internet rumours to creating online communities), and how to rescue reputation if disaster strikes.

Perhaps most important, Jackson tries to show how to hit the right balance of virtues (authenticity, honesty, responsibility in house, to the client, and to the economy, plus environmental policy). He includes success stories from giants like Hewlett-Packard to small companies like the Thanksgiving Coffee Co. (which invests

part revenues in the Central American villages where its beans are grown).

Google Books reference:

http://books.google.com/books/about/Building_reputational_capital.html?id=xPY_xPKxf24C

Amazon reference:

<http://www.amazon.com/Building-Reputational-Capital-Strategies-Integrity/dp/0195161386>

The 18 Immutable Laws of Corporate Reputation: Creating, Protecting and Repairing Your Most Valuable Asset

Alsop, Ronald J., New York: Wall Street Journal Books/Free Press, 2004.

Overview:

From WorldCom to the Catholic Church & Major League Baseball, Alsop claims reputation crises have never been more widespread (especially in the US) and, as a veteran Wall Street Journal executive specialising in branding and reputation management, he gives 18 “crucial laws to follow” in developing and protecting reputation.

Example: a simple decision made by a low-ranking employee... When rescue workers at the World Trade Center site after 9/11 sought bottled water from a nearby Starbucks, they complained that an employee charged them for it. In a matter of hours, the Internet had picked up the story and Starbucks' worldwide reputation was damaged.

Alsop says that although studies have shown the powerful impact of reputation on profits and stock prices, less than half all U.S. companies (then) had a formal system for measuring reputation. He talks of how corporate reputation can enhance business in good times, become a “protective halo” in turbulent times, and be destroyed in an instant by people at the highest (or lowest) levels of the corporate chain. He provides 18 documented “lessons” distilling the complex principles at the heart of reputation.

He explains:

How to protect your reputation when the inevitable crisis hits.

How to cope with the many hazards in cyberspace.

How to create a reputation for vision and industry leadership.

How to establish a culture of ethical behaviour.

How to measure and monitor your ever-changing public image.

How to make employees your reputation champions.

How to decide when it's time to change your name.

Web reference:

http://books.google.com.sg/books?id=MfRK5utELS8C&printsec=frontcover&source=gbs_atb#v=onepage&q&f=false

Amazon reference:

<http://www.amazon.com/Immutable-Laws-Corporate-Reputation-Protecting/dp/074323670X#>

Fame & Fortune: How Successful Companies Build Winning Reputations

Fombrun, Charles and Cees van Riel (co-editors of *Corporate Reputation Review*), New Jersey: FT Press/Prentice Hall, 2004 (updated 2008).

Overview:

Companies build reputations in the market place. Some do it well, others don't. Even well-managed, profitable, quality companies don't. The how and why of successful reputation building is what this book is about.

What specific actions must companies take to build a positive reputation in the market place? How can a company measure the success of its attempts to build a positive reputation in the market place?

Web reference:

<http://books.google.com.sg/books?id=7iZcLsu5HxgC&printsec=frontcover&dq=fame+and+fortune+how+successful+van+riel&hl=en&e>

[i=tWLCTb79IsHsrQe7uMDoAw&sa=X&oi=book_result&ct=result&resnum=1&ved=0CDEQ6AEwAA#v=onepage&q&f=false](http://www.amazon.com/Fame-Fortune-Successful-Companies-Reputations/dp/0137144415/ref=sr_1_1?s=books&ie=UTF8&qid=1314260195&sr=1-1)

Amazon reference:

http://www.amazon.com/Fame-Fortune-Successful-Companies-Reputations/dp/0137144415/ref=sr_1_1?s=books&ie=UTF8&qid=1314260195&sr=1-1

Corporate Reputation in Asia: Looking Beyond Bottom-Line Performance

Lines, Vivien (AsPac President & COO, Hill & Knowlton), *Journal of Communication Management* 8:3 (233-245), 2004.

Overview:

Considers corporate reputation a major concern for CEOs globally. In Asia, Lines sees it increasingly being managed strategically at the highest corporate levels. A survey of "C-Suite executives" in Asia, North America and Europe, by Hill & Knowlton and Korn/Ferry International finds, however, that Asian executives are more focused on using corporate reputation to drive business benefits than their North American and European counterparts.

However, evidence suggests that CSR and the range of stakeholders beyond customers and shareholders do not feature strongly on the corporate reputation agenda of Asian executives. The survey results indicate Asian executives are more concerned with core stakeholders and bottom-line performance plus corporate governance, rather than 'softer' areas of reputation management such as community relations and internal communications.

Lines suggests the time has come for Asian CEOs to take a broader view of CRM. Her article is well-known and referenced on many separate corporate and training websites.

Web reference (example):

<http://www.emeraldinsight.com/journals.htm?articleid=1524262&show=pdf>

Reputation Management: The Key to Successful Public Relations and Corporate Communications

Doorley, John (Head of Corporate Communications, Merck & Co. Inc, Academic Director and Clinical Assistant Professor of the M.S. in Public Relations and Corporate Communication Program, New York University's School of Continuing and Professional Studies) with Helio Fred Garcia (President, Logos Consulting Group and Adjunct Professor, Executive MBA program, New York University's Stern School of Business), Routledge, 2006 (updated 2010).

Overview:

Argues most CEOs don't pay much heed to reputation – to their peril. A "how-to guide" for professionals (and students) of PR and corp comms, as well as CEOs and others, the book rests on the premise that reputation can be measured, monitored, and managed. Organised by corporate communication units (media relations, employee communication, government relations, and investor relations, for example), it provides a field-tested guide to corporate reputation problems such as leaked memos, unfair treatment by the press, and negative rumour. It also focuses on practical solutions.

Each chapter includes real-world experiences by the authors and their contributors (from a wide range of professional corporate communication backgrounds). The new (2010) edition features updated examples, two new chapters on social media and public relations consulting, a new textbox feature in each chapter relating key communication theories to the practice of public relations and corporate communication, expanded coverage of global issues, and a companion website:

<http://cw.routledge.com/textbooks/doorley/>

Amazon reference:

<http://www.amazon.com/Reputation-Management-Successful-Relations-Communication/dp/0415974704>

Corporate Reputations in China: How do Consumers Feel about Companies?

Fombrun, Charles & Matthew Pan (both of The Reputation Institute (Pan based in China, Fombrun in the U.S.), *Corporate Reputation Review* 9:3, 2006.

Overview:

An overview of the reputation "landscape" of China. Consumer surveys demonstrate the existence of "cognitive barriers to competition" which favour international firms over domestic and private companies over state-owned ones. In particular, Chinese consumers ascribe higher reputations to international companies such (Nokia, Intel, IBM) and downgrade Chinese "branded" companies. Few domestic companies do well, but privately held Haier Group, Tsingtao Brewery and Yili Group beat larger state-owned companies like China Telecom and energy titan SINOPEC.

The article speculates about the (then future) Beijing 2008 Olympics and notes that corporate partners seem to be benefiting from "enhanced visibility" in pre-event publicity. The results reinforce the importance of examining "reputation dynamics" as an important factor on the rapidly evolving Chinese economy at home and overseas.

Web reference:

<http://reputationinstitute.com/crr/V09/FombrunV9N3.pdf>

Corporate Reputation: 12 Steps to Safeguarding and Recovering Reputation

Gaines-Ross, Leslie, New Jersey: John Wiley & Sons, 2008.

Overview:

The author says "image" makes up 63% of the value of most corporations and raises the "soft practice" of building and maintaining reputation to the level of "executive concern". She aims to educate about strategies for developing, sustaining and repairing corporate reputations.

Google Books reference:

http://books.google.com.sg/books?id=7LOuHUoRIg8C&dq=corporate+reputation&printsec=frontcover&source=in&hl=en&ei=NmHCTeOyNs7yrQfbv4j6Aw&sa=X&oi=book_result&ct=result&resnum=16&ved=0CI8BEOgBMA8#v=onepage&q&f=false

Amazon reference:

<http://www.amazon.com/Corporate-Reputation-Steps-Safeguarding-Recovering/dp/0470171502>

New Strategies for Reputation Management: Gaining Control of Issues, Crises and CSR

Griffin, Andrew, London & Philadelphia: Kogan Page, 2008 (updated 2009).

Overview:

"A damaged reputation can severely hurt the bottom line." Griffin attempts to show executives how to take the initiative in "strategically managing" a reputation. He argues that standard thinking on reputation management is often inadequate for today's "information age" and describes the [then] new methods to protect a reputation and withstand major crises and unforeseen events. He also describes what strategies can build a company's good reputation with international case studies and a genuinely huge number of examples.

Google Books reference:

http://books.google.com/books?id=pg8newAFM1kC&printsec=frontcover&source=gbs_atb#v=onepage&q&f=false

Amazon reference:

http://www.amazon.com/New-Strategies-Reputation-Management-Responsibility/dp/0749456337/ref=sr_1_1?s=books&ie=UTF8&qid=1314261864&sr=1-1#

2009

Reputation Capital: Building and Maintaining Trust in the 21st Century

Editors: Joachim Klews & Robert Wreschniok, London & New York: Springer Science & Media, 2009.

Overview:

Klews and Wreschniok present a collection of articles giving insights on new strategies and management rules for investing in, earning and keeping reputation capital safe in unpredictable and complex markets. The circa 50 monographs collected give a wide variety of key industry examples (automotive, chemical, finance, food, luxury, energy and pharmaceutical sectors). A substantial team of international authors opens "controversial" debate on the positive and negative aspects of reputation in this century and takes on "conventional approaches" to reputation management (e.g. with regard to CEO positioning, CSR, corporate communications & social media).

Google Books reference:

http://books.google.com/books?id=Ip9MaMC-H-wC&pg=PA24&source=gbs_toc_r&cad=4#v=onepage&q&f=false

Amazon reference:

<http://www.amazon.com/Reputation-Capital-Building-Maintaining-Century/dp/3642016294>

Times of India Group's Economic Times: 74% Asian executives fear for corporate reputations

5 Feb 2009

Overview:

Short, incisive newspaper & online article measuring the percentile extent of Asian executives' fears about their own CR. It would be interesting to see if/why the percentage has changed now.

Web article reference:

http://articles.economictimes.indiatimes.com/2009-02-05/news/28447873_1_senior-executives-reputation-management-survey

Is Online Reputation Management Important? Asian Corporate Leaders Think So

Doug Herman, Digital Asia:

<http://www.digitaleastasia.com/contributors/#Doug>

10 Feb 2009

Overview:

A relevant companion piece to above article (in Economic Times). Aims to provide Asian insights to American executives eyeing business in the Asia region. Discusses results (including statistics) of an Asian survey about online reputation management.

Web article reference:

<http://www.digitaleastasia.com/2009/02/10/is-online-reputation-management-important-asian-corporate-leaders-think-so/>

The China Effect (26 March 2009)

Mitigating harm to brand & reputation resulting from layoffs

(5 May 2009)

Schloss, Glenn (Hill & Knowlton, Hong Kong):

<http://www.hillandknowlton.com.hk/index.php/en/our-people/glenn-schloss.html>

Overview:

The China Effect: on how “increasing numbers of multinational companies are rightly tapping into the China growth story to reassure investors, employees and other stakeholders.”

Mitigating harm...: Schloss’ [then] recent observations of Asian companies making staff redundant in the gloomy economic climate and their reputations suffering because of *how* they did it, not *that* they did it. Schloss gives seven rules (in bullet point form) for how to manage lay-offs without losing corporate reputation. This article

includes much of a published article Schloss wrote for *Marketing* magazine in the same year.

Web article references:

<http://blogs.hillandknowlton.com/glennschloss/2009/03/26/the-china-effect-which-can-lift-companies-during-tough-times/>

<http://blogs.hillandknowlton.com/glennschloss/2009/05/05/employee-layoffs-can-harm-brand-and-reputation-and-how-to-mitigate-the-impacts/>

Beyond Corporate Image: Projecting International Reputation Management as a New Theoretical Approach in a Transitional Country

Zulhamri, Abdullah (Universiti Putra, Malaysia), *International Journal of Economics and Management* 3:1 (170-183), 2009.

Overview:

Zulhamri builds a theoretical approach to international reputation management from the perspective of strategic management and multiculturalism. He undertakes collective ideas and arguments based on literature reviews of public relations, corporate communication, strategic management and cultural diversity. He proposes an "adaptive model of international reputation management" based on realistic communication practice in a transitional country. The model seems unique in terms of localisation; it is focused on showing the 'international' perspective, beyond 'Western' philosophy.

He notes that, in the 21st century, the world has changed tremendously and so has the way global corporations operate in fast-developing countries. Image alone is not enough to build a favourable reputation.

He suggests his paper may benefit global corporations operating in a transitional country in how they may foster and maintain their business by focusing on "glocalisation" instead of infusing pure Western philosophy.

Web reference:

<http://www.econ.upm.edu.my/ijem/vol3no1/bab11.pdf>

Building Intangible Resources: The Stickiness of Reputation

Ang, Siah Hwee (Dept of Management & International Business, The University of Auckland Business School, NZ) and Ana-Maria Wight (Microsoft London), *Corporate Reputation Review* 12:1 Spring, 2009.

Overview:

Starts with recognised assumption that reputation takes significant time and effort to build. Studies/tests effects of consistency and change in relative financial performance on subsequent reputation. Based on data from Fortune magazine's annual survey of corporate reputation, it finds (perhaps unsurprisingly) that companies performing relatively better tend to have better reputations. But in addition, companies that perform consistently better also have better reputation than those that are *less consistent* in *superior* performance. Conversely, those performing consistently worse, have worse reputations than those that are less consistent in their "inferior relative" performance. Finally, change in reputation as a result of a change in positive performance follows an exponential, rather than a linear, function. Results suggest the "sticky" nature of reputation.

Using Feng Shui to Create a Positive Corporate Reputation

Chang, William Li (Dept of International Business, China Institute of Technology, Taiwan), *Corporate Reputation Review* 12:1 Spring, 2009.

Overview:

Short study of Asian markets/culture from a Taiwanese perspective. Reviews and conceptualises the ideas of Feng Shui (defined as a method for inspecting and keeping in harmonious Chi). Discusses implications of Feng Shui for the relationship between corporate reputation management and business activities. Develops a practical model for understanding the process of creating corporate

reputation based on Feng Shui. Makes related suggestions to Western firms in using Feng Shui to create a positive corporate reputation.

Defying a Reputational Crisis – Cadbury's Salmonella Scare: Why are Customers Willing to Forgive and Forget?

Carroll, Conor (Dept of Management & Marketing, Kemmy Business School, University of Limerick, Ireland), *Corporate Reputation Review* 12:1 Spring, 2009.

Overview:

Based on a case from June 2006: Cadbury Schweppes, world's largest confectionary company, recalled seven branded products in the UK & Ireland due to possible contamination with Salmonella Montevideo.

CS had known of the possible contamination as early as January that year, but did not inform health authorities. It was crucified in the media by the Food Standards Agency (FSA), lambasted for negligence. Only then did it issue a recall (over one million affected products). Despite the FSA declaring Cadbury products posing "an unacceptable risk to the public", Cadbury's crisis management strategy was counterintuitive to traditional mantra (i.e. be open, honest and responsive).

This case study raises interesting questions and implications in the management of a food safety crisis and of crises in general. Does admission of guilt affect reputational integrity? Did short-term profit maximisation objectives override long-term reputational objectives? Did positive brand equity and good reputation insulate Cadbury from full crisis impact? Would competitors have survived a similar scandal? Did the scare, and the handling of it, jeopardise the brand? What lessons can be learned for crisis management and reputation managers? Cadbury's market share quickly returned to pre-crisis levels. But some say longterm repercussions still reverberate around its image.

Corporate Social Responsibility within the Organization

Lindgreen, Adam (University of Hull Business School, UK) and Valérie Swaen & François Maon (Université Catholique de Louvain, Belgium), *Corporate Reputation Review* 12:2 Summer, 2009.

Overview:

Short article discussing various CSR reports published, including one by May Seitanidi on employee role in the implementation of CSR, one by Singapore's Mark Chong on how corporate identity influences employee participation (see *below*), and one on the development of CSR.

Corporate Social Responsibility: A Review of the Top 100 US Retailers

Lee, Min-Young & Scarlett Wesley (Dept of Merchandising, Apparel, and Textiles, University of Kentucky) with Ann Fairhurst (Dept of Retail, Hospitality & Tourism Management, University of Tennessee), *Corporate Reputation Review* 12:2 Summer, 2009.

Overview:

A study motivated by the perceived lack of information on the U.S. retail industry's commitment to (and attention given) to CSR. Purpose: to discover in what context CSR is addressed in the Top 100 retail organisations. Framework: principles, processes and outcomes of CSR. Reviews corporate webpages using content analysis procedures. Over 50% of retailers mention CSR principles, either in separate statements or embedded in mission statements. Economic statements were most common to "category killers" whereas discount stores often had "philanthropic statements." In analysis of CSR programs, social programs followed by environmental programs most mentioned.

Results suggest more retail firms should communicate social responsibility beliefs on corporate websites (although previous research showed that majority of Fortune 500 companies used websites to promote "some aspects" of CSR).

Effects of Perceived Identity Based on Corporate Social Responsibility: The Role of Consumer Identification with the Company

Pérez, Rafael Currás (Faculty of Economics, Dept of Marketing, University of Valencia, Spain) *Corporate Reputation Review* 12:2 Summer, 2009.

Overview:

Focuses on mediating role of consumer identification with a company in the effect of CSR-based “perceived identity” on consumer behaviour. More specifically, deals with direct/indirect influences of identification with a socially responsible company on purchase intent. Uses two “affective variables”: attitude and affective commitment to the company.

Includes a literature review that supports the hypotheses, then empirical study to test proposed model. Findings show CSR-based consumer-company identification influences purchase intent through mediator role of company attitude and company commitment. Academic and managerial implications are presented and discussed.

Employee Participation in CSR and Corporate Identity

Chong, Mark (Singapore Management University), *Corporate Reputation Review* 12:2 Summer, 2009.

Overview:

Employee identification with corporate identity has been shown to enhance commitment to the company, personal motivation and satisfaction, and organisation-relevant ‘citizenship’ behaviour. But few studies have looked at how corporate identity influences – or is influenced by – employee participation in CSR programs.

Chong’s qualitative, exploratory study examines this relationship by looking at DHL Asia-Pacific employee participation in the disaster response to 2004’s tsunami. It shows employee participation in this pillar of DHL’s CSR strategy simultaneously feeds off and reinforces experience of corporate identity. Over time,

interactions between participation in CSR and corporate identity form a self-reinforcing loop.

Chong notes close alignment between CSR strategy, corporate identity, and internal communication, are critical to success. He concludes by noting some of the study's limitations; he also offers suggestions for future research.

Winning the Internet Confidence Game

Gorry, G. Anthony & Robert A. Westbrook (Jesse H. Jones Graduate School of Management, Rice University, Texas), *Corporate Reputation Review* 12:3 Fall, 2009.

Overview:

Assumes senior managements are increasingly apprehensive about threats to company reputation from Internet criticism and rumours spreading quickly via online communities. Source of threat is in emerging "culture of the Internet", which (was) largely ignored by business and academia. "The Internet has fundamentally altered the notion of authority." Where authority was once vested in the few, it has now become the claim of many, empowered and emboldened by anonymity. Managing damage to company reputation requires more than adapting traditional media relations to the Internet. It requires business leaders to "re-invigorate their connections with customers" and encourage employees to speak to customers directly and plainly about their work, plans and aspirations related to company's products and services.

Human Resource Management Role Implications for Corporate Reputation

Freidman, Barry A. (School of Business, State University of New York at Oswego, New York), *Corporate Reputation Review* 12:3 Fall, 2009.

Overview:

Claims that to add organisational value, HR must focus on actions that build employee competencies and motivations which, in turn, positively influence corporate reputation.

Reviews HR roles and presents conceptual framework that builds on research conducted by Fombrun & van Riel (2004).

Suggests HR can indirectly help improve corporate reputation. Organisational examples given with implications for HR managers.

Leveraging Organizational Innovation for Strategic Reputation Management

Courtright, Jeffrey L. and Peter M. Smudde (School of Communication, Illinois State University), *Corporate Reputation Review* 12:3 Fall, 2009.

Overview:

Writing conventions and communication "genre" are the basics of corporate message creation but their role in reputation management has been ignored. Using message and perception of "innovation" to illustrate importance of understanding genre theory in reputation management, this article proposes a process model of identity, image, and reputation that situates "message design" in context of "diffusion of innovations theory."

To demonstrate utility and apply genre principles, it analyses (then) recent strategic communications from selected companies in the Reputation Institute's 2008 Global Pulse Project.

Results suggest common themes, stylistic choices, and discourse patterns used to frame company identity, produce favourable stakeholder images, and build "innovative" reputations.

Reputation's Effect on Pricing Power: The Importance of Strategy

Jarmon, Randall (Management, Marketing, and General Business, West Texas A&M University), *Corporate Reputation Review* 12:3 Fall, 2009.

Overview:

Proposition that “good corporate reputation is associated with favourable economic outcomes” has had lots of theoretical and empirical support. Empirical studies generally test reputation’s impact on economic performance, without regard to strategy.

This paper calls for strategy while using comparison website data to examine online retailer reputation effect on pricing power. Finds good reputation positively associated with pricing power only under focused “differentiation strategy.” Therefore, to benefit from reputations effect on pricing power, an online retailer first had to pick the right strategy.

Corporate Reputation in the People’s Republic of China

Ewing, Michael T. & Linda Windisch and Fiona J. Newton (Monash University, Melbourne, Australia), *Industrial Marketing Management* 39.5 (728-736), July 2010 (article completed in 2009).

Overview:

How B2B firms in China view, value, and manage their corporate reputation has received little research attention, say the authors.

Drawing on multiple case studies, their findings confirmed that firms are utilising Western concepts of corporate reputation, including leveraging intangible forms, but many firms were also using hitherto underemphasised elements (company-to-government relationships and government regulatory policies) to create positive assessments of a firm’s reputation. However, notwithstanding the findings that corporate reputation is valued as a means of gaining competitive advantage and dispelling perceptions that Chinese products/services are low-cost and low-quality, concern remains that building reputation capital among stakeholders may result in a loss of price competitiveness.

Finally, results suggest B2B firms in China do not impose clear boundaries between reputation and “corporate reputation capital” and neither does there seem to be emphasis on “disaggregating the constructs of identity and image from that of reputation.”

Web abstract reference:

http://www.sciencedirect.com/science?_ob=ArticleURL&_udi=B6V69-4YMX37-3&_user=10&_coverDate=07%2F31%2F2010&_rdoc=1&_fmt=high&_orig=gateway&_origin=gateway&_sort=d&_docanchor=&_view=c&_searchStrId=1754364891&_rerunOrigin=google&_acct=C000050221&_version=1&_urlVersion=0&_userid=10&md5=e0995860b41c218aa42660121b5e51b3&searchtype=a

2010

Building Web Reputation Systems

Farmer, F. Randall & Bryce Glass, Sebastopol (California): O'Reilly Media Inc, 2010.

Overview:

Discusses web reputation systems from a technical/product development standpoint. Defines reputation as "information used to make a value judgment about an object or a person." Treats reputation as actionable information (i.e., making a "judgment"). Definition equally treats objects and people as having reputations. In general, people are dynamic, content is static (unless altered by a person). Authors divide discussion to separately address process of establishing a personal "reputation". Primarily focuses on grading and sorting content items, especially user-generated content. Useful insights about both content filtering and establishing user trustworthiness. Emphasises authors' contributions to reputation system at Yahoo Answers, which has emerged as a success story (one billion answers to date) – Chapter 10 is a case study of how Yahoo Answers developed new filtering/reputation system that helped "turbocharge" the Yahoo Answers community.

Google Books reference:

http://books.google.com/books?id=MXJ5iB7BS_0C&printsec=frontcover&source=gbs_atb#v=onepage&q&f=false

Amazon reference:

<http://www.amazon.com/Building-Reputation-Systems-Randy-Farmer/dp/059615979X>

Making Money in the Reputation Economy

Johndrow, Anthony (The Reputation Institute, New York) Forbes.com, August 2010.

Overview:

In this short article, Johndrow looks at three hot companies – SAP, Sprint and The Geek Squad – leading the reputation economy by tying their products and services and their corporate image together in the interest of both, in a synchronised way and by seeing that the whole is greater than the sum of the parts.

Web reference:

http://www.reputationinstitute.com/press/Forbes_JOHNDROW_27aug2010.pdf

Under What Conditions Do the News Media Influence Corporate Reputation? The Roles of Media Dependency and Need for Orientation

Einwiller, Sabine A. (Johannes Gutenberg University, Mainz, Germany) with Craig E. Carroll (University of North Carolina at Chapel Hill) and Kati Korn (University of Applied Sciences, Northwestern Switzerland School of Business), *Corporate Reputation Review* 12:4 Winter, 2010.

Overview:

Claims previous research assumes “uniform effects” of news media influence on corporate reputation and so uses theories of media system dependency and “need for orientation” to examine conditions affecting amount/degree of media influence. Integrated measurement approach gauges media coverage and stakeholder

evaluations on same dimensions of reputation. Finds that stakeholders depend more on the news media to learn about reputation dimensions which are hard to “directly” experience or observe, and for which the news media are their main sources of information.

Web reference: N/A

Competence and Benevolence of Contact Personnel in the Perceived Corporate Reputation: An Empirical Study in Financial Services

Nguyen, Nha (University of Moncton, Canada), *Corporate Reputation Review* 12:4 Winter, 2010.

Overview:

“In service management, contact personnel are considered a crucial element that determines the success of the service delivery process.” Claims, not unreasonably, that performance of contact personnel helps attract target groups and defines corporate reputation. Assesses main effect of two predominant characteristics of contact personnel: competence and benevolence... plus interactive effects on the perception of the reputation of service firms (especially from client pov). Collects data from 445 customers in financial service setting. Results reveal that perception of corporate reputation tends to be higher when perceptions of both competence and benevolence are strongly favourable. Suggests benevolence intervenes as a moderator variable to enhance impact of competence on corporate reputation. Implications discussed from a managerial point of view.

Systematic Review of the Corporate Reputation Literature: Definition, Measurement, and Theory

Walker, Kent (Asper School of Business, University of Manitoba, Canada), *Corporate Reputation Review* 12:4 Winter, 2010.

Overview:

A review conducted with sample 54 articles (and one book), consisting of well-cited papers, and papers in journals that have published (to Walker's mind) high quality work in corporate reputation.

Sample analysed and three basic problems in the literature are addressed: need for a comprehensive and well-accepted definition, the difficulty in "operationalizing" corporate reputation, and the ongoing need for more developed theory.

Two main findings: reputation may have different dimensions and is issue specific, and different stakeholder groups may have different perceptions of corporate reputations.

Reputation and Supportive Behavior: Moderating Impacts of Foreignness, Industry and Local Exposure

Newburry, William (Dept of Management & International Business, Florida International University), *Corporate Reputation Review* 12:4 Winter, 2010.

Overview:

Examines whether there is relationship between company reputation and "the stated propensity of an individual" to take on and maintain behaviour that support the company. Studies extent to which reputation-supportive behaviour link is moderated by a company's "foreignness", its industry and exposure in its own local market. Multi-level analysis uses 117,195 individual evaluations of 125 companies in Latin America and Spain. Finds strong direct relationship between reputation and supportive behaviour in product, capital and labour markets. Also finds this relationship moderated by variables related to foreignness, industry and local exposure.

The Use of Incentive Contracting and Firm Reputation

Volkman, David and Kath Henebry (College of Business Administration, University of Nebraska), *Corporate Reputation Review* 13: 1 Spring, 2010.

Overview:

Following much theoretical research demonstrating benefits of “incentive contracting” (e.g. Jensen & Meckling, 1976, Weinberg, 1975; Basu etc, 1985, Bryan etc, 2006), corporations have increased its use in commission on sales over that past decade. They have simultaneously expressed increased interest in maintaining or improving the reputation of their firm. This research demonstrates that the two goals may be incongruous. That, in contrast to previous research, use of incentive contracting may not align the interests of management and sales staff. It may expose the firm to increased reputation risk. Demonstrates a salesperson’s incentive to increase reputational risk by misrepresenting the product or service of the firm is a function of the existence of “asymmetric information between the salesperson and the customer”, e.g. customer knowledge base, the inability of management to monitor a salesperson’s actions, lack of a penalty for wrongful actions, and relative level of salesperson’s commission to base salary.

Impact of Direct Marketing Activities on Company Reputation
Transfer Success: Empirical Evidence from Five Different
Cultures

Falkenreck, Christine and Ralf Wagner (DMCC – Dialog Marketing Competence Center, University of Kassel, Germany), *Corporate Reputation Review* 13: 1 Spring, 2010.

Overview:

Aims to challenge the cultural impact on a firm’s reputation, particularly reputation transfer to new business areas. Theory-based model enables testing of hypotheses related to culture-specific differences between B2B customers in Australia, Finland, Germany, Spain and Russia. Empirical aspect uses application example of selling pharmaceutical products to hospitals. Focuses on impact of customer satisfaction, direct marketing activities, and word-of-

mouth effects. Open-minded and honest communication turns out to be of varying importance.

Understanding General Distrust of Corporations

Adams, Jason E., Scott Highhouse and M.J. Zickar (Dept of Psychology, Bowling Green State University, Ohio), *Corporate Reputation Review* 13: 1 Spring, 2010.

Overview:

Claims research on trust and distrust has focused mainly on interpersonal relationships within organisations, or the impressions people have about specific companies. Less is known about attitudes toward all corporations (i.e. as "institutions"). Describes theory of distrust toward corporations, how this attitude comes about, and how its study can contribute to organisational research. A "corporate distrust scale" is developed and shown to have favourable psychometric properties. People who scored higher on corporate distrust were higher on general cynicism, organisation-specific cynicism, negative affectivity, and liberal political attitudes. Corporate distrust matched negatively with interpersonal trust, positive attitudes toward human nature, and belief in a just world.

Suggests the scale/construct can be used in future research on beliefs about the corporate world.

Comparing Effects of Country Reputation and the Overall Corporate Reputations of a Country on International Consumers' Product Attitudes and Purchase Intentions

Kang, Minjeong Kang and Sung-Un Yang (S. I. Newhouse School of Public Communications, Syracuse University, New York), *Corporate Reputation Review* 13: 1 Spring, 2010.

Overview:

Compares effects of country reputation and overall *corporate* reputation of a country on international consumers' product attitudes and purchase intentions. Country-of-origin effect can be linked to both country reputation and that country's *corporate*

reputation. Uses general public survey of American citizens and attempts to examine the relations between the American public's opinions of South Korea, South Korean corporations, and South Korean products. Findings and implications for communication strategies in international marketing discussed.

Development of Corporate Image: A Historiographic Approach to a Marketing Concept

Furman, David M. (Clayton State University, Georgia, USA), Corporate Reputation Review 13:1 Spring, 2010.

Overview:

Accepts that "corporate image" has become a well-known component of most modern corporations. Traces its development over the past 150 years. Beginning in England, moving to Europe, then further development in the United States. Distinct geographic and temporal eras are identified, each contributing "substantially" to the current meaning of the term.

Collective Trust within Organizations: Conceptual Foundations and Empirical Insights

Kramer, Roderick M. (Graduate School of Business, Stanford University), Corporate Reputation Review 13:2 Summer, 2010.

Overview:

Introduces concept of "collective trust" applied to organisational settings. Contrasts with widely studied interpersonal forms of trust, collective trust is conceptualised as a kind of "generalised" trust conferred on other organisational members. Elaborates on the psychological, relational, and structural underpinnings of collective trust. Discusses individual (and organisation-related) consequences. Also discusses methodological approaches to studying collective trust, from laboratory simulations to fieldwork qualitative studies. Findings from such studies are summarised.

Trust and the Economic Crisis of 2008

Ulsaner, Eric (Dept of Government and Politics, University of Maryland and Center for American Law and Political Science, Southwest University of Political Science and Law, Chongqing, China), *Corporate Reputation Review* 13:2 Summer, 2010.

Overview:

Ulsaner remarks that "The economic crisis of 2008 led to a loss in confidence in financial institutions and to government more generally. However, public perceptions of the economic stimulus plan were marked by beliefs that wealthy business people were getting special treatment while ordinary Americans were not."

Perceptions of increasing inequality are not typically linked with confidence in government or business (as they are with trust in people in general), which is a key element in social cohesion in any society.

While most Americans see business as striking a balance, there are clear concerns for how people might see business after the economic crisis. Factors that underlie trust in other people include whether success in life is determined by hard work, whether the rich get richer and the poor get poorer, and whether success is determined by factors outside control. They also shape the belief that businesses balance profits against public service.

Ulsaner shows a strong connection between trust & honesty and the level of inequality in American society. With greater inequality comes less trust. With less trust comes a lack of willingness to compromise to achieve a larger "social" purpose.

Web reference:

http://www.reputationinstitute.com/crr/V13/uslaner_v13n2.pdf

The Role of Public, Relational and Organizational Trust in Economic Affairs

Cook, Karen S. (Dept of Sociology, Stanford University) and Oliver Schilke (Dept of Sociology, University of California), *Corporate Reputation Review* 13:2 Summer, 2010.

Overview:

"Trust, when established, contributes to the smooth running of political and economic systems which require the success of collective undertakings. Trust must be based on trustworthiness of the actors involved and the reliability of the institutions that are created to provide for the public good. Public trust is low when this is not the case."

Discusses role of trustworthiness in relations between doctors and clients (example of role of public trust in professionals). Also trustworthiness in the realm of strategic alliances, focusing on organisational culture and contractual safeguards as "significant determinants of trust formation". Implications of the research and related work on potential for increased trust at relational, organisational and general social levels in an "interdependent world."

Repairing Public Trust in Organizations

Poppo, Laura & Donald J. Schepker (School of Business, University of Kansas) *Corporate Reputation Review* 13:2 Summer, 2010.

Overview:

Claims past research has examined trust with key stakeholders, including employees, but not much on how organisations can repair trust with the general public, which is key to "ensuring legitimacy" and survival. Violation of public trust can impact the repair strategies companies enact. Examines construct of public trust, discusses important aspects of trust violation, and sets framework to repair trust with the public. Argues communication and strategic institutional reforms are necessary to repair trust, but are more important following competence, rather than integrity violations.

'Public Trust' and Trust in Particular Firm-Stakeholder Interactions

Harris, Jared Harris & Andrew Wicks (Darden School of Business Administration, University of Virginia), *Corporate Reputation Review* 13:2 Summer, 2010.

Overview:

"Trust is a well-established facet of organizational life, and one that can have a profound effect upon the performance of business organizations."

Develops theoretical model accounting for different aspects of trust, differential stakeholder views of trust, and how differences impact a stakeholder trust in particular businesses. Theorises as to connection between "particularized stakeholder trust" and trust we have in business as "an institution", accounting for the role of institutional influences and third-hand anecdotes/stories about business.

The Informal Corporate Identity Communication Process

Otubanjo, Olutayo & Olusanmi C. Amujo (Lagos Business School and Nigerian Institute of PR respectively), in collaboration with Nelarine Cornelius (Bradford School of Management, UK), *Corporate Reputation Review* 13:3 Fall, 2010.

Overview:

An "informal corporate identity communication process model" that gives theoretical foundation to the assumption everything a company does "communicates" something. Existing theories are reviewed, highlighting contributions and stressing weaknesses in explicating the "informal presentation" of corporate identity. An ethological theory of "non-verbal behaviour" provides theoretical foundation for the development of their model.

Aims to "broaden existing discourse in corporate marketing literature" by giving a medium in which corporate identity formation processes might be explored.

Investor Reactions to Diversity Reputation Signals

McMillan-Capehart, Amy & Joshua Aaron (East Carolina University, USA) and Brandon Cline (Clemson University, USA), *Corporate Reputation Review* 13:3 Fall, 2010.

Overview:

Provides new evidence on nature of investor reactions toward signals of a reputation for diversity. Tracks returns for firms listed on DiversityInc. Top 50 Companies for Diversity over five years. Finds support for a hypothesis that the market will respond positively to the announcement of a firm's inclusion on the list (not exactly hard to predict!). Finds market reaction more positive for manufacturing firms than for service firms. Provides practical evidence that a firm's investment in diversity and quality diversity management techniques will be rewarded by the market. Examines one specific component of social performance (diversity management) and its relationship with market valuation to understand the "construct" as a whole.

Reputation as a Driver in Activity Level Analysis: Reputation and Competitive Advantage in Knowledge Intensive Firms

Sheehan, Norman (Edwards School of Business, Canada) and Charles Stabell (Norwegian School of Management, Oslo), *Corporate Reputation Review* 13:3 Fall, 2010.

Overview:

Claims that drivers within the value chain are central to gaining firm-level competitive advantage don't consider "reputation" as a driver. This paper reconciles the above view of reputation with the literature on competitive advantage in "knowledge-intensive" firms. Argues reputation meets the criteria to be labelled a "driver of knowledge-intensive firms" as is a "relative and relational property" of the firm's "activity set", impacts the firm's competitive position, and is indirectly controllable by management.

Concludes by discussing potential implications of labelling reputation as a key driver of knowledge-intensive firms.

Revalidating Two Measures of Reputation in Thailand

Chetthamrongchai, Paitoon (Dept of Marketing, Faculty of Business Administration, Kasetsart University, Jatujak, Thailand), *Corporate Reputation Review* 13:3 Fall, 2010.

Overview:

Two measures commonly used to assess corporate reputation (the Reputation Quotient and the Corporate Character Scale) tested and revalidated in Thailand in a survey of 385 customers of Tesco Lotus. The factor structures of both measures, as defined when developed in the West, were confirmed. Some individual measurement items were found to be less appropriate in Thai context but generally both scales were validated.

Oxford University's Centre for Corporate Reputation

(Saïd Business School, Oxford Uni, UK)

Annual Review 2010**Overview:**

The Research and Projects section (p6-21) is most relevant. This includes short articles on Reputation is Relational, Corporations Have Multiple Reputations, Reputation Signals Have Value, and Reputation is Intermediated.

There is also a Publications List (p34).

Web reference:

<http://www.sbs.ox.ac.uk/centres/reputation/Documents/CCR%20Annual%20Review%202010.pdf>

PR Trends 2011: Reputation Management and Crisis Plans

Falkow, Sally (social media coach), first posted on proactivereport.com and re-posted in various online locations.

Overview:

Very short call for companies to install a reputation crisis response plan next year. Gives case of Nestlé's response to Greenpeace attack (earlier in year) as example of what NOT to do.

Web reference:

<http://www.proactivereport.com/c/pr/reputation-management/>

8 Ways Reputations Will Change in 2011

Gaines-Ross, Leslie (Weber-Shandwick, USA), The Huffington Post online, 30 Dec 2010.

Overview:

Here are the basic titles: Hijacked reputations, reputation recoverers anonymous, reputation warfare, online reputation revisionism, ascendancy of Social CEOs, reputation blacklisting, reputation risk insurance, and "the corporate brand rises".

Web reference:

http://www.huffingtonpost.com/dr-leslie-gainesross/ask-the-magic-8ball-reput_b_802139.html?ref=tw

2011 (to July)

What's New in Online Reputation Management in 2011

Mackenzie, Josiah (in association with ReviewPro, a firm that helps companies in the hospitality industry manage their reputations – especially online). Jan 2011.

Overview:

A free textbook on how (in 2011) to build and protect a hotel's online reputation. Gives case studies plus tips on templates for respond to reviews + increase volume of online reviews. Highlights six trends and explains them. Trends are: 1: Customer service goes public as marketing. 2: More personalisation with social graph integration. 3: Reputation becomes a key part of sales. 4: More creativity in asking for reviews. 5: Semantic analysis as a marketing tool. 6: Search optimisation for reputation management.

The 11 Unwritten Laws of Reputation Management

Beal, Andy (CEO, Trackur.com and co-author, *Radically Transparent: Monitoring & Managing Reputations Online*, editor of MarketingPilgrim.com) forbes.com, 4 Jan 2010.

Overview:

Here are Beal's laws, which he expands upon in each case: 1) Everyone has an online reputation, 2) Your reputation is an extension of your character, 3) Every reputation has an Achilles heel, 4) Listen twice, act once, 5) A crowd is louder than a solitary voice, 6) If you build it, they will come, 7) If *you* don't build it, *they* will, 8) Your reputation *will* come under attack, 9) Being stubborn is more expensive than saying "Sorry", 10) Three strikes and you're out, 11) The laws of RM will change.

Web reference:

<http://blogs.forbes.com/andybeal/2011/01/04/the-11-unwritten-laws-of-reputation-management/>

In The Reputation Economy, It's The Enterprise, Stupid

Johndrow, Anthony (The Reputation Institute, New York), forbes.com, 8 June 2011.

Overview:

Mainly on the U.S. marketplace, consumer base and companies, Johndrow here says marketplace behavior is really governed by only two factors: our perceptions of the products or services in question and our perceptions of the enterprise behind them.

He talks about two variables of supporting behaviour on these perceptions:

1. Purchase consideration (getting commercial): Only 39 percent of the decision is based on product perceptions, while 61 percent is based on perceptions of the company behind that product.
2. Advocacy/recommendation (securing advocacy in an interconnected world): Only 42% of this critical behavior can be explained by product perceptions, while 58 percent is explained by what they think of the enterprise--what they

think the company stands for beyond the features and benefits of its products.

Johndrow concludes that "... it's not about dropping your product or service focus entirely but those leaders of the reputation economy who are leading by example have found a way to deepen those connections with their customers by letting them know who's behind the curtain."

Web reference:

<http://www.forbes.com/2011/06/08/reputation-economy-stupid.html>

The Relationship between Perceived External Prestige and Turnover Intention: An Empirical Investigation

Ciftcioglu, Aydem (Faculty of Economics and Administration, Uludag University, Gorukle/BURSA, Turkey), *Corporate Reputation Review* 13:4 Winter, 2011.

Overview:

Investigates relationship between students' external prestige perception of university and their intentions to remain or drop out. Study includes 318 students. Structural equation modelling used to estimate relationship between perceived external prestige and turnover intention. Uses competing configuration models. Results show perceived external prestige has indirect and negative impact on turnover intention through partially mediating effect of affective commitment to university and group-based self-esteem. Analysis shows cognitive organisational identification did not impact students' turnover intention – an unexpected result. Implications of findings and directions for future research also discussed.

Impacts of Reputation for Quality on Perceptions of Company Responsibility and Product-related Dangers in times of Product-recall and Public Complaints Crises: Results from an Empirical Investigation

Grunwald, Guido (University of Osnabrueck, Germany) and Bernd Hempelmann (Welfenakademie Braunschweig, Germany), *Corporate Reputation Review* 13:4 Winter, 2011.

Overview:

Crisis management-related analysis of role of pre-crisis reputation for quality on consumer perception of product-related dangers and company responsibility in product-harm crises, with varying risk info. Considers fully and unsubstantiated public complaints, incorporating low and moderate product-related risks, plus product-recall situations involving serious risks to consumer health & safety. Hypotheses derived from theories and concepts of consumer behavioural psychology, then tested via an online experiment. Effects of reputation analysed across different crises contexts to obtain general insights useful for crisis management. To illuminate situational differences of the reputation mechanism, effect on individual crisis levels also considered. Finds that reputation for quality can positively influence perceptions of company responsibility, shielding manufacturers from blame. However, an established reputation for high product quality prior to crisis fails to positively impact consumer perception of crisis severity. Crisis-specific effects of reputation results are ambivalent. Recommendations to crisis managers, and relevant avenues for future research, are given.

Corporate Social Responsibility in a Business Purchasing Context: The Role of CSR Type and Supplier Product Share Size

Hietbrink, Joop Joost C. (PWC, Amsterdam), Guido Berens (Corporate Communication Centre, Rotterdam School of Management, Erasmus University) and Johan van Rekom (Dept of Marketing Management, Rotterdam School of Management, Erasmus University), *Corporate Reputation Review* 13:4 Winter, 2011.

Overview:

Though previous studies have suggested that companies increasingly take CSR into account in their buying decisions, little is known about the conditions under which buying companies choose one particular type of socially responsible supplier over another.

This study addresses the issue and finds that when a company focuses on improving its own transformation processes ("congruous" CSR), the company's buyers prefer suppliers that also practice a congruous type of CSR over suppliers that practice CSR activities without a connection to their transformation processes ("incongruous" CSR).

In addition, preference is found to be stronger when the supplier's product constitutes a relatively large share of the buying company's end product.

Re-Assessing the Relationship between the Fortune Reputation Data and Financial Performance: Overwhelming Influence or Just a Part of the Puzzle?

Flanagan, David and K.C. O'Shaughanessy & Timothy B. Palmer (Haworth College of Business, Western Michigan University, USA), *Corporate Reputation Review* 14:1 Spring, 2011.

Overview:

One measure of reputation is Fortune's annual "America's Most Admired Companies" survey. Despite its widespread use, there are concerns that the data are strongly influenced by a firm's previous financial performance. This has led some scholars to conclude there is little new to be learned from the series that cannot be ascertained from traditional financial performance data.

Results of a study conducted by Brown and Perry using the Fortune survey (in 1991) are often cited as evidence of the strong correlation between financial performance and the Fortune data.

The goal of this study is to analyse more recent Fortune reputation data to examine whether the relationship between Fortune's reputation measures and financial performance has

changed. Also examines impact of industry level controls on this relationship.

Main finding is the strong relationship between measures of financial performance and the Fortune overall ratings is far weaker when more recent data are examined. Also finds controlling for industry effects is important when using the Fortune data.

RepTrak™ Pulse: Conceptualizing and Validating a Short-Form Measure of Corporate Reputation

Ponzi, Leonard & Charles Fombrun (The Reputation Institute, New York) and Naomi Gardberg (Baruch College, New York), *Corporate Reputation Review* 14:1 Spring, 2011.

Overview:

Describes development and validation of the RepTrak™ Pulse, an emotion-based measure of the corporate reputation construct that untangles the drivers of corporate reputation from measurement of the construct itself.

Authors draw on signaling theory to conceptualise corporate reputation as a set of beliefs about companies. Qualitative research conducted in the U.S. demonstrated the content validity of this measure of reputation. Quantitative studies with multiple samples of participants validated the simplified measure in different geographical locations and confirmed the measure's ability to assess perceptions across stakeholder groups. Specifically, authors examine how the U.S. general public thinks about companies, how Canadian doctors assess pharmaceutical companies, how U.S. consumers rate energy companies, and how Danish transportation employees evaluate their own firm.

To confirm cross-cultural validity, it collects and analyses data from 17 countries across six continents.

Reports results of these analyses, demonstrates reliability, internal validity, nomological validity and cross-cultural validity of the RepTrak™ Pulse scale as a short-form measure of corporate

reputation that can facilitate cross-cultural research as well as online interviewing and survey-based data collection.

Note: the RepTrak model was used in the collection of data discussed by Johndrow in the article noted above, *In the Reputation Economy, it's the Enterprise, Stupid*.

Web reference (excerpt):

http://goliath.ecnext.com/coms2/gi_0198-751065/RepTrak-TM-Pulse-conceptualizing-and.html

When Nobody Knows Your Name: Country-of-Origin as a Reputational Signal for Online Businesses

Reuber, Rebecca A. (Rotman School of Management, University of Toronto, Canada) and Eileen Fischer (Schulich School of Business, York University, Canada), *Corporate Reputation Review* 14:1 Spring, 2011.

Overview:

Businesses competing online frequently face crowded markets where customers have low familiarity with most firms. In such markets, does a firm's country-of-origin constitute a reputational signal that will influence customers?

Examines the question in context of consumers making online product trial decisions on the web site Download.com.

Finds product risk moderates the relationship between negatively stereotyped country-of-origin signals and product trial, which is taken as a measure of customer reputational evaluations.

Findings suggest signals arising from negative country-of-origin stereotypes can be consequential, after controlling for other reputational signals about the firm or its products. The implication for managers is that stereotyping signals can influence customers in online markets, and they should be wary of disclosing any potentially stigmatising information.

Does Corporate Reputation Improve Stock Performance in an Emerging Economy? Evidence From Turkey

Gök, Osman (Dept of Marketing) and Hakan Özkaya (Faculty of Economics and Administrative Sciences, Yasar University, Turkey), *Corporate Reputation Review* 14:1 Spring, 2011.

Overview:

Several studies have investigated the relationship between reputation and various performance measures. However, researchers have reached conflicting results for companies in developed countries, indicating positive, conditionally positive and even no relationship.

This study finds that a portfolio of highly admired firms in an emerging economy earns about 10% less than that market's overall portfolio annually and discusses possible explanations for this finding.

Sustainability Disclosure and Reputation: A Comparative Study

Michelon, Giovanna (Università di Padova, Italy), *Corporate Reputation Review* 14:2 Summer, 2011.

Overview:

Drawing on legitimacy theory, discusses a company's reputation is a determinant of sustainability disclosure.

Specifically considers the concept of reputation into three dimensions for analysis: commitment to stakeholders, financial performance and media exposure.

Differs from previous social and environmental reporting studies in investigating both internal and external contextual factors that influence disclosure practice.

Claims that companies with good financial performance, which are adopting an active strategic position towards stakeholders and which are exposed to significant public pressure, are more likely to use sustainability disclosure in order to communicate their legitimacy to operate to stakeholders.

Analyses a wide range of corporate reports for their social and environmental content using an international sample that allows for

a comparison of disclosure practices among Continental European, UK and U.S. companies.

Results show both commitment to stakeholders and media exposure are positively associated with sustainability disclosure. Finds evidence that “drivers” of disclosure vary by information type.

Web reference:

<http://ideas.repec.org/p/pad/wpaper/0044.html#author>

Ethical Scandal, Legacy Identity and Relationship Outcomes: Sensemaking of the Innocents

Lawrence, Catherine with Will Locander (College of Business, Loyola University, New Orleans) & Cecily Raiborn (McCoy College of Business, Texas State University-San Marcos), *Corporate Reputation Review* 14:2 Summer, 2011.

Overview:

Examines legacy identification within the context of a global service company that was dissolved following an ethical disgrace. The study was based on in-depth interviews with Latin American respondents who previously worked for the disgraced company, but were later hired by competitor firms.

Comparisons drawn between “legacy” identity’s influence on workplace relations versus client relations, thus uncovering nuances about the nature, motivators and consequences of legacy identity.

Findings suggest legacy identity became the lens through which respondents interpreted the past, negotiated relationships and created a new self.

Managing Corporate Reputation in the Blogosphere: The Case of Dell Computer

Vecchio, P.D., Valentia Ndou and Giuseppina Passiante (Euro-Mediterranean Incubator, Ed. IBIL Campus Ecotekne, Italy) and Robert Laubacher (MIT Center for Collective Intelligence, Cambridge, USA), *Corporate Reputation Review* 14:2 Summer, 2011.

Overview:

“Blogosphere” has created new challenges for large companies in the management of their corporate reputations, since “grass roots blogs” can generate negative perceptions about firms and spread them rapidly and widely.

Blogosphere has also created new opportunities for firms to enhance their reputations. Informal and personal communication that occurs on blogs may generate significant positive “word of mouth.”

Examines interaction between the blogosphere and a leading technology company, Dell Computer, over a critical two-year period.

Approach combines two techniques: automated mining of blog entries, enabled by parsing software, which generates semantic analysis and network maps of the relevant blog entries; and “netnography”, a method derived from ethnography for analysing Internet-based discussions.

Study shows many established reputation management approaches, which were developed during the era of mass media, need to be reshaped to meet new realities in the age of Web 2.0

The Positive Effects of Human Capital Reporting

Gamerschlag, Ramin & Klaus Moeller, *Corporate Reputation Review* 14:2 Summer, 2011.

Overview:

In a knowledge-based economy, successful companies’ most important assets are intangible (e.g. human capital). However, few companies provide their stakeholders with detailed information about this resource, as they do not adequately assess the value of such reporting. Nevertheless, against background of CSR discussion, providing human capital information is becoming increasingly important as a key driver of corporate reputation.

Human capital reporting (HCR) can also be regarded as an instrument that may affect company financial performance and ultimately increase shareholder value.

Develops theoretical model that illustrates the transformation of the intangible factors of HCR into tangible outcomes. Consequently, model considers the cause-and-effect relationships between HCR and company financial performance. As with a strategy map, three dimensions with a specific number of different intangible factors should be taken into consideration.

Ultimately reveals the benefits of HCR.

Misc. and other

Kim Harrison of **Cutting Edge PR** (Australia) posted the following articles post-2005 – no specific dates available:

Why a Good Corporate Reputation is Important to Your Organization

http://www.cuttingedgepr.com/articles/corprep_important.asp

Coming to Grips with Online Reputation

<http://www.cuttingedgepr.com/articles/coming-to-grips-online-reputation.asp>

Social media becoming vital in crises

<http://www.cuttingedgepr.com/articles/social-media-becoming-vital-in-crisis.asp>

Wayne Hartrick, President and Chief Reputation Officer, of **Reputations Corp** (Vancouver) posted the following three-part online (unknown precise date):

What is CR?

<http://www.youtube.com/watch?v=bvfls5HJeIq>

Importance of CR

<http://www.youtube.com/watch?v=OppZpv6J5yc&feature=related>

CR vs. Brand

<http://www.youtube.com/watch?v=mnB5a3A-ZNo&feature=related>

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