

# Corporate reputation depends on brand trust



By [Kyle Rolfe](#)

6 Nov 2018

The Edelman Barometer confirms that trust in our world is at an all-time low. Whether it's trust in the media in an age of fake news, trust in corporations and their marketing promises, or trust in politicians to act in the best interests of their constituents, trust in general is a scarce commodity.



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When it comes to corporate reputation, trust is a crucial issue. No matter how much you spend on marketing and brand building, if your brand doesn't engender trust from its entire ecosystem, your corporate reputation is at risk. If your reputation suffers, so does your bottom line, which simply results in even less confidence in your brand and more pressure on the bottom line.

## Transparency and two-way communication

Thirty or forty years ago, company communication was a one-way street. Statements were released to the media, the press published them and that was it. Today things are different. The free flow of communication means that you will be caught out and called out for lying or trying to deceive.

To succeed in this environment, your brand has to resonate positively with your entire brand ecosystem. This ecosystem includes the value chain that delivers your products or services to market, the communities and infrastructure on which it relies as well as the customers which it serves.

So it's critical to understand that the issues affecting your brand can be incredibly broad as they can impact many people from different cultures and backgrounds in different ways. For example, in more developed countries, your brand's environmental impact may be of high concern; alternatively, in developing economies like South Africa, harming people and how meaningful your social investment is takes a much higher place on the social agenda.

Your ecosystem will recognise any hypocrisy in your branding and talk about it. Shareholders may not care much until they suffer financial loss, but others (employees, customers, influencers etc.) will talk and the company will have to deal with the fallout. Taking care to avoid the fallout is therefore simply good corporate governance, even if you have a small business.

Take Nike's new marketing campaign as an example. It is spending large amounts of money promoting social justice and equality, but the dark cloud hanging over the treatment of workers in the factories producing its products in Asia still looms large. It's target market is young people who support the ideals of its branding exercise, but will they overlook its manufacturing policies?



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## Polarising brands

Of course, there are only a few companies that are large enough and powerful enough to have such far-reaching brands. Today we find more companies are focusing on niche markets and targeting their brands at those specific segments.

This focus is resulting in what I call "polarising branding". Companies will focus on their niche after understanding what their values are, and are quite happy if those outside their market do not agree. This is actually good branding because those within the niche are made to feel as if they belong to a special group without being part of the "masses". Apple does this well on a global scale.



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## Trust is key

Irrespective of what your plans are and what market you serve, or its size, the key to branding and corporate reputation in this era, and especially in the tough economic times we find ourselves, is trust. To keep your reputation intact, every company needs to ensure its branding message reaches everyone in its ecosystem, no matter how large or small, and each element of that ecosystem needs to experience the validity of the brand from their perspective.

Companies need to be real, transparent and honest in the eyes of all concerned, and they need to be accountable when things do go wrong. That is the only way to engender and retain the trust of your brand ecosystem. This, in turn, will enhance your corporate reputation, and in the process protect and boost your bottom line. And is that not the ultimate aim of all your branding and marketing activities?

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