

CAN YOU HEAR ME?



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Corporate reputation should be an integral part of your marketing strategy – ignore it and your brand voice runs the risk of not being heard.

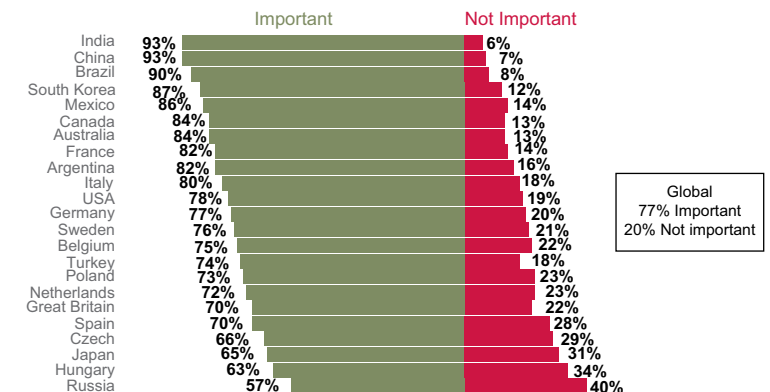
There was a time when corporate reputation was the exclusive preserve of the public affairs professional, with little involvement from the marketing department - but no more. Many companies now see reputation as a vital part of the overall 'marketing mix', with the ability to increase the impact of marketing messages and consideration for their brands.

This is in part because people have become more knowledgeable and interested in the organisations that lie behind the brands they consume. Even in the global recession there is clear evidence that consumers still factor in CSR when purchasing a product or service.

Our research also indicates that advertising effectiveness, measured as advertising impact on the one hand and an organisation's rating on key product/service brand attributes on the other, is driven by the degree of trust that consumers assign to the organisations themselves. In other words, a company with a good reputation needs to spend less to break through to consumers with its marketing communications, and so has a higher "marketing efficiency". It's as if consumers screen out or dilute messages from organisations they have a question mark against in terms of corporate behaviour.

Social responsibility

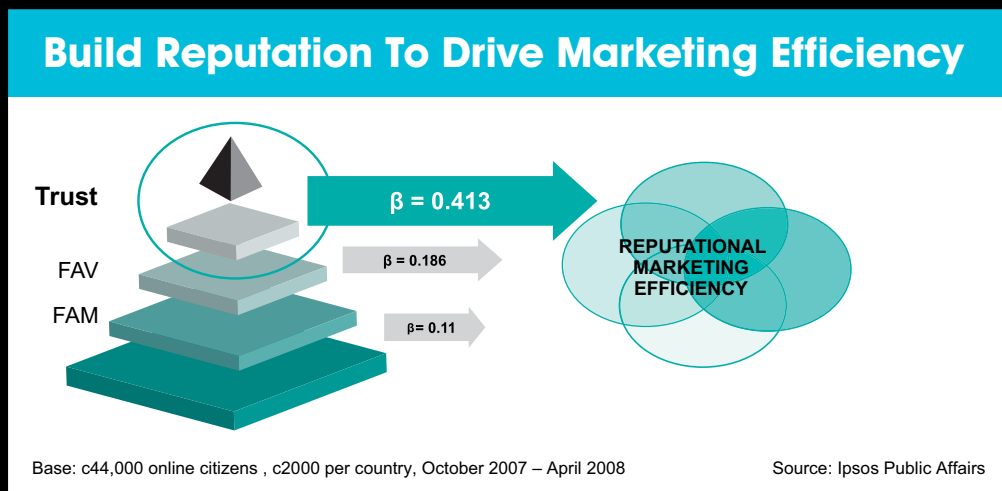
When forming a decision about buying a product or service from a particular company or organization, how important is it to you that it shows a high degree of social responsibility?



Base: 23,237 online citizens, c1000 per country, April 2009

Source: Ipsos Public Affairs

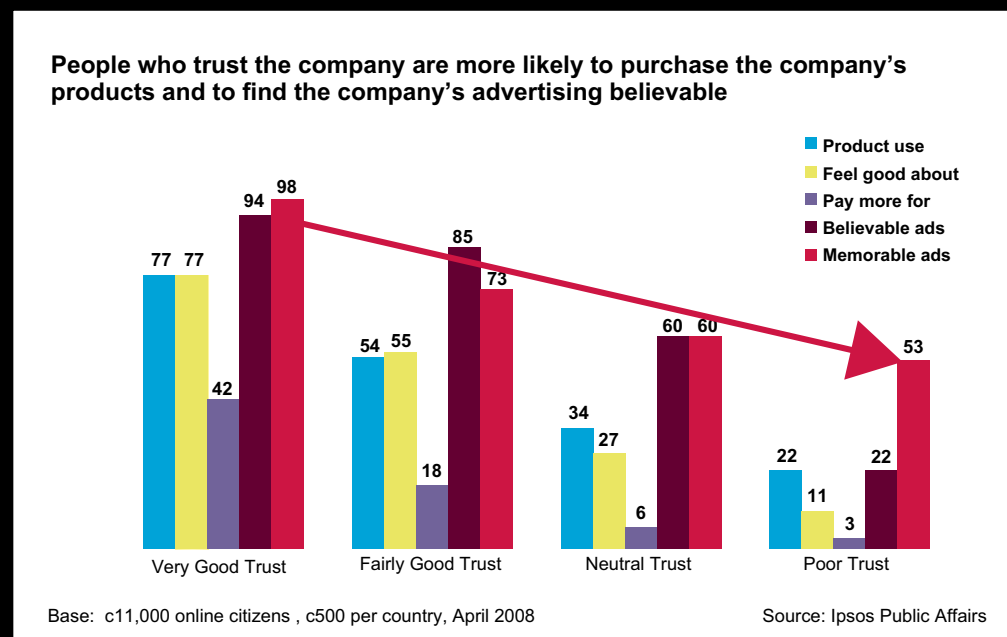
The relationship between trust and marketing efficiency has been substantiated across different company sectors and nations at different stages of development by the Ipsos Global Brand Influencer survey. This survey tracks the views of online citizens in 22 countries worldwide, including a key group we call Brand Influencers due to the influence they exert on the views of other consumers. The chart below shows that trust has a greater impact on marketing efficiency among online citizens than the more basic measures of familiarity and favourability.



Individuals who trust a company are more likely to believe its marketing communications, feel good about using a company's products, and pay more for a company's products. We have also seen the reverse of this in the real world: below a certain level of trust companies find it hard to make headway with their marketing efforts. Simply, a low level of trust is a barrier to selling their products.

We have carried out reputation studies for many global organisations. The following chart demonstrates the linkage between trust and various dimensions of the marketing efficiency for a leading FMCG company.

Trust is a function of both WHAT you do as well as HOW you do it. Core product and service attributes generally have a strong influence on feelings of trust in an organisation. In addition, responsibly marketing products, credibility, and social responsibility all play a role in building trust.



There are many facets that build trust, some broadly consistent from one sector to another but others that are distinctive to a particular market. However the important thing is to understand the relative importance individual drivers have in building trust and ultimately reputation capital. This is where research among consumers and brand influencers can be used to great effect, by identifying what buttons an organisation needs to push in order to build trust and ultimately improve its marketing efficiency. Many organisations have benefitted from our assistance in identifying these buttons. We think you would benefit too.

If you would like to know more about reputational marketing efficiency please do not hesitate to contact Milorad Ajder or Janette Henderson. We look forward to hearing from you.

Milorad Ajder
Tel: +44 (0)20 7347 3925
Email: milorad.ajder@ipsos.com

Janette Henderson
Tel: +44 (0)20 7347 3081
Email: janette.henderson@ipsos.com