

PROFESSIONAL MARKETING BULLETIN

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Banking on your reputation to beat the recession

What is your organisation's reputation like? Is it good? Is it serving you well?

In the current downturn, your **reputation** is a key factor that will either help you cope well with recession or it will drag you down and threaten your survival.

So what exactly is meant by 'reputation'?

First of all, **reputation** is more than just your brand identity, which is simply how you present yourself visually to people to identify yourself, including your logo, colours, symbols, and other visual design components.

Reputation is closer to your 'corporate image', which refers to the total impression you actually make on the minds of people. It is how people truly perceive you in reality rather than how you think you look or would like to look to others. That's a crucial difference, because there is usually quite a gap!

Your **reputation** is how people assess and sum up overall the image they perceive of you. It's the overall judgement they make of what they see and hear about your firm, based on all the communication sources and influences reaching them.

It's almost the same thing as your image, but it includes the extra element of people evaluating you, even if they do this unconsciously. This is what gives rise to people talking of a company or product having a "good" or "bad" reputation.

Reputation is quite different from a firm's 'awareness' or 'profile'. It certainly helps a company if it is well-known, but not if it has a **bad reputation**. Customers will soon stop coming to you, once they hear about a **bad reputation**.

You've got more than one reputation!

A crucial point about **reputations** is that your organisation does not have a single image or reputation – it has **many reputations!**

The reason for this is simply that your business has a wide range of different people who come into contact with you or know about you and, as they all have different backgrounds, experiences, values and objectives in life - as well as a different reason for coming across you and different degrees of information about you – they will naturally adopt their own, slightly individual view about you. It's unavoidable, as we're all different and naturally see and value things differently!

In theory, then, managing a **reputation** would mean, ideally, you having to think about every single individual who could or does come into contact with you and trying to present yourself and communicate in tailored terms to everyone. Obviously, this is not practical.

So, the best thing to do is **think** of your business as having **groups** of different types of people – clusters of ‘like-minded’ people - who you can assume are more likely than not to hold similar views and **reputations** of your firm. Sometimes these groups are called ‘**stakeholder**’ groups.

Who might these groups be? Typically, an organisation will have about half a dozen groups, including:

- Board:** Company owners, investors, shareholders, Board directors
- Employees:** Managers, other employees, temporary/casual staff, trade union
- Clients/
customers** These are people who use your services, ideally divided into market segments, based on similar type of characteristics or type of requirements.
- Suppliers &
Partners** Other organisations / providers your organisation needs to use or work with to be able to do what it does, including: suppliers, sister or associate companies, bankers, energy suppliers, property owners etc
- Support
Professionals** Business service and support professionals your organisation needs to use e.g. accountants, PR agency, lawyers, surveyors, health and safety advisers, professional associations etc.
- Regulatory/
public agencies** Government agencies or professional bodies that lay down or enforce standards, rules or regulations relevant to your sector
- Community:** Local government, councillors, MP, charities, voluntary & community groups, local/regional media, library/information services

Managing your **reputation** means thinking about how you come across to each of these groups **and** how you meet their specific type of expectations of a firm like yours. People in each stakeholder group will be looking at and judging what your firm does and says regarding their particular interests. If you fail to be doing or saying the right things, you will have a **poor reputation**.

Thus, for example, your employees will want and expect you to be a caring and supportive employer that pays reasonably well, treats staff fairly and provides training opportunities. Clients will expect such things as a quality service and a good range of products or services available. Your commercial contacts will expect to be paid on time.

If all this didn’t make **reputation** management hard enough, you also need to create an **overall reputation** that cuts across all groups that is reasonably balanced and coherent enough to be credible and meaningful. If the messages you convey to some stakeholders conflict or jar too much

with those you send to others, you'll soon have a range of unimpressed people and an overall, poor **reputation**.

The good news is that it does help that most stakeholder groups do tend to share some common opinions and expectations of what merits a good reputation and what type of things they want to see you do or hear about.

So, by planning carefully what your firm does, how it operates, and how it communicates with the broad interests of all stakeholders in mind and then **adding** some extra, more tailored actions or communications to meet the specific interests of individual stakeholder groups, you will go a long way to creating a positive image and **reputation**. Examples of tailored tactics might be: for employees twice-yearly training review meeting with each staff member; and for clients, a regular satisfaction survey process.

Developing good **reputations** with your stakeholders is very largely about keeping in tune with their respective views and concerns and communicating well to people to show or confirm to them how you are meeting their expectations. Often the best way to keep up good relationships is to 'press the flesh' and meet up with people face-to-face, rather than just rely on letters, email updates, brochures, or PR tools like a press release or an annual report.

Key factors that create a reputation

Ten major factors to look at to help develop a good **reputation** are as follows, with the significance of each depending on the relevant stakeholder group:

- **Marketing communications** – this refers to messages that come from your planned promotional and customer targeted communications e.g. brochures, website
- **Product/service factors** – what clients and other stakeholders infer from the products/services you offer is important. Factors like range, quality, terms, flexibility, and price send significant messages that influence what people perceive of your firm
- **Design and appearance of premises** - how your offices / premises look, how they are organised, and how efficient they are influences people
- **Attitudes, appearance and behaviour of employees** – people form impressions of your firm based on their experience of interacting with your staff
- **Client relationship handling** – this refers to the approach, style, quality and processes used
- **An organisation's operating policies and procedures** – issues like how clear/understandable, client-centred, efficient, quality-driven, up-to-date, and fair your processes are all influence people's perceptions.
- **What third-parties say about you** - these could be, for example, customers, suppliers, other business professionals, local media, professional bodies, regulators/inspectors etc.
- **Support for external causes / local community** – if your firm is active in the local community, this is likely to enhance your esteem
- **Your firm's degree of success, profile and performance** – if external people see your firm is doing well or winning plaudits, your stock will rise



- **Standing and style of the firm's top management** – the standing and profile of your firm's senior executive(s) rebounds on the standing of the firm itself

Reputation is one of your firm's most important assets, so be sure to manage it well!

If you would like any help with managing your organisation's **reputation**, please do not hesitate to give us a call on 01494 761811 / 439690.