

A Brand – More than just a good reputation
**Concerning the relationship between brand
and reputation**

Reputation is the holy grail of corporate communications as it promises the potential for measurability. Frequently overlooked, however, is that de facto it is the brand itself that steers corporate image, i.e. the self-conception that generates the basis for a differentiated perception within the market. Consequently, only a common brand and reputation management can provide the appropriate instrumentation for managing corporate communications.

To create continuous communications concepts many companies put their faith in reputation metrics. Considerable effort and money is invested in identifying reputation-relevant criteria among the various stakeholders, gauging their significance, and measuring these over a given period of time. These criteria, often called reputation dimensions, are directly compared to those of the competition. The result, an apparently differentiated image of how a company's reputation is perceived, purports to provide potential core issues for steering future communications activities. This is the frequently heard line of argument of reputation experts. How valid is it?

Reputation promises predictable behavior

Reputation portrays the "standing" of a company as perceived by all its stakeholders; naturally all companies consider "good reputation" to be a core issue. A good name is derived from the sum total of all the stakeholders' perceptions which, in turn, result from a company's communications and its behavior. A key distinction is that reputation goes beyond communications. For the stakeholders, the objective is long-term behavioral predictability that facilitates decision-making. The core prerequisite for a good name is identifying the trust that is being placed in a company. Trust is accrued through various criteria that constitute the fundamentals of reputation management. A typical example for the pharmaceutical

industry: What are the physicians' chief expectations? What builds their trust? What guides the decisions in choosing a specific supplier? These relevant criteria are integrated into clustered and weighted reputation dimensions (e.g. product quality, innovation, productivity, social responsibility, ethical behavior, etc.). As a rule these are mainly constants and similar if not identical throughout an entire sector. Measurement results show that in some branches, the differentiation between competitors is minimal. How can these reputation dimensions be translated into communications? How can reputation metrics such as innovation or product quality actually be exploited?

Hence, the main issue here is: How can a differentiation profile be identified and communicated? The answer is simple: Through the brand.

Brands provide added value

A strong brand elicits a clear image from its stakeholders that transcends both trust and a good reputation. Its aim is a specific reputation with its own unique promise that stands out from the standard mass of the branch. "Think different" by Apple or BMW's "Sheer driving pleasure" differentiate these brands from their competitors. A strong brand is used to mark out the company. It makes it recognizable, creates a focus. It communicates a self-image, thereby creating identity for both customers and employees. The brand creates pride and generates employee loyalty. It establishes desire and demand.

This sums up the essential and basic objectives that brands offer and which can be managed through them. To this end identity-oriented and differentiating attributes that cannot be gleaned from a purely market- and reputation-oriented perspective are necessary. Required is a self-image that does not solely depend on the criteria that are aimed at creating a good reputation in the market. Reputation dimensions themselves do not transmit a self-conception nor do they tell an emotional brand story. Where else did "Think different" come from? Or "Sheer driving pleasure"? A brand story cannot be told simply by utilizing reputation dimensions. These do not provide an integrative angle, a common denominator:

the collective story that is more than the sum of its total.

Brands steer reputation

For brand and communication management this means: The brand is central. The brand outranks its reputation. The brand must, however, be aligned with the reputation and managed jointly. Ideally in a synergetic process. The brand personality defines the content. It defines what the brand stands for. This includes future-oriented brand themes, which depending on branch and brand, may even include visionary claims. These need to be underpinned with a brand story and told with entrepreneurial intrepidity and a commitment to uniqueness. The components of the brand are added to the reputation metrics giving them an additional function: Besides reflecting branch-related criteria and expectations, they also become a valuable tool to steer the differentiating self-image of the brand. Only when the reputation dimensions are in line with the brand personality real added value is achieved. This added value means that the reputation serves to set out the brand themes. Reputation dimensions that are sufficiently differentiating and match the brand personality can then be seized for brand themes – as a sort of “proof point” within the themes. The brand themes in their turn can, if constantly and consistently communicated, influence the reputational dimensions in the market, thereby giving rise to new or different criteria, needs and decision-making drivers. And so it is Apple’s high-end design which today is essential to its market reputation, driven by the brand’s self-conception and a visionary Steve Jobs.

Integrated brand and reputation management

For a business organization this means: Brand and reputation management belong together. This is the only way to ensure that these disciplines, which still are all too often treated as separate entities, develop in unison. In other words, on one hand, reputation management that has been strongly influenced by the PR branch with its emphasis on measurability and, on the other hand, the often highly visual and design-oriented discipline of brand management.

Reputation will doubtlessly remain important. However, the realization that a brand is more than just its reputation is gaining ground. Corporate brands are the fundamental steering instruments. Optimal synergies and long-lasting successful communication are the result of aligning brand and reputation in a brand and reputation management that is implemented both within the company and as a process. This because in an integrated management process, the claims that both brand and reputation management make can be realized most effectively. That is: To be more than communication, to stand for a company’s behavior, to build trust, minimize risk and create value.



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