

Reputation comes from trust unbroken

By [Gordon Cook](#), issued by [UCT Graduate School of Business](#)

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Reputation and trust have become the most important resources for the longevity of a business. Businesses should endeavour to maintain trust and build positive reputations.

Reputation has become the most important resource brands have in the new, complex, perception-driven marketing landscape. Reputation is, really, everything. After all, it is reputation that excites people to want to work for a company and that keeps customers loyal. There are a few things brands can do to improve their reputation in the community.

But first, we've seen what happens when companies cultivate, for whatever reason, a bad reputation. In the US and Europe people have completely lost trust in banking institutions and the Occupy Movement, thousands of protestors around the world amassing against the social and economic inequality they view to be inherent in modern day power relations in society, shows that there's a growing distrust in the power corporates yield. In South Africa, a Reputation Institute survey published this year stated that top local businesses "suffered a bloodbath in their reputation"; South African's have lost faith in local corporate leadership, in a country where corporate leadership has always played a vital role. Only Woolworths came out unscathed in the survey, with their reputation as a trustworthy corporate leader and brand left intact, if not strengthened. One could argue it's because of their commitment to sustainability that keeps them in high regard in the community.

But, the Shells of the world have without a doubt been harmed by the Karoo fracking issue. Lonmin, due to the deaths of almost 50 striking miners, can't come out of the crisis without a serious knock to their reputation - and the distrust being shown there between all parties has resulted in billions of rands being lost every day; with no real end in sight.

Reputation of a business is gained by the attitude of staff towards the business and brand, and of course the reputation is driven or destroyed by the customer perception of the brand and the product offering.

Thomas Jefferson once said of trust: "When a man assumes a public trust he should consider himself a public property." Trust and reputation go hand in hand, and this quote definitely applies to companies.

What these companies above are left with, is the daunting task of regaining trust and legitimacy in the community. That can be done, but better to maintain a good reputation than rebuild one in *tatters*.

Building reputation

Marketing, of course, has the role of communicating the distinctiveness of a brand, communicating what makes that brand compelling, but what really builds reputation is behaviour; the behaviour of staff.

One could say that is an HR or management function but marketing is very likely becoming conscious of what sort of behaviour is most applicable to the brand.

So there is a great shift in terms of how marketing money should be spent: on generic, big bang campaigns or on campaigns that change and align service behaviour and the brand.

The other way to build reputation is to shift marketing thinking away from the old thinking about what markets are; moving away from marketing thinking that is focused on only engaging, finding and identifying customers, before trying to build loyalty with them. Instead, thinking should become more human centric. Markets and customers are people. Thus, brands should seek, through their services and products, to make a difference to people and in the societies and communities in

which they live.

Creating shared value is just about the best way to gain trust and build reputation.

Creating Trusts

There's so much distrust at the moment: people don't trust business, they don't trust governments, they don't trust advertising. Trust is a major issue. And so the entire business community has to regain, win back, that trust.

Businesses have to gain the trust of the employees by engaging them, listening to their grievances and ideas, making them feel that business decisions are in their interests. The first step is getting staff to trust us. Often, when asked whether they trust their companies, the answers from staff are not so great.

But once your staff trusts you, one should ask whether the community trust you. Do we have legitimacy in the community?

Leaders and managers have to, as a primary imperative, gain trust.

Therefore, trust is going to increasingly be on the agenda of brand and marketing programmes; and with that comes authentic, honest communication; because the truth is, there's a lot of dishonesty out there.

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