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How Reputation drives success

A Spotlight on the Retail Food Sector

There isn't a chief executive or business leader who doesn't focus on the fundamental drivers of their organisation's success.

But outstanding leaders also measure the intangibles that play a part in driving their corporate success: things like trust and respect; integrity and ethics; engagement and communication; respect for stakeholders and their environment.

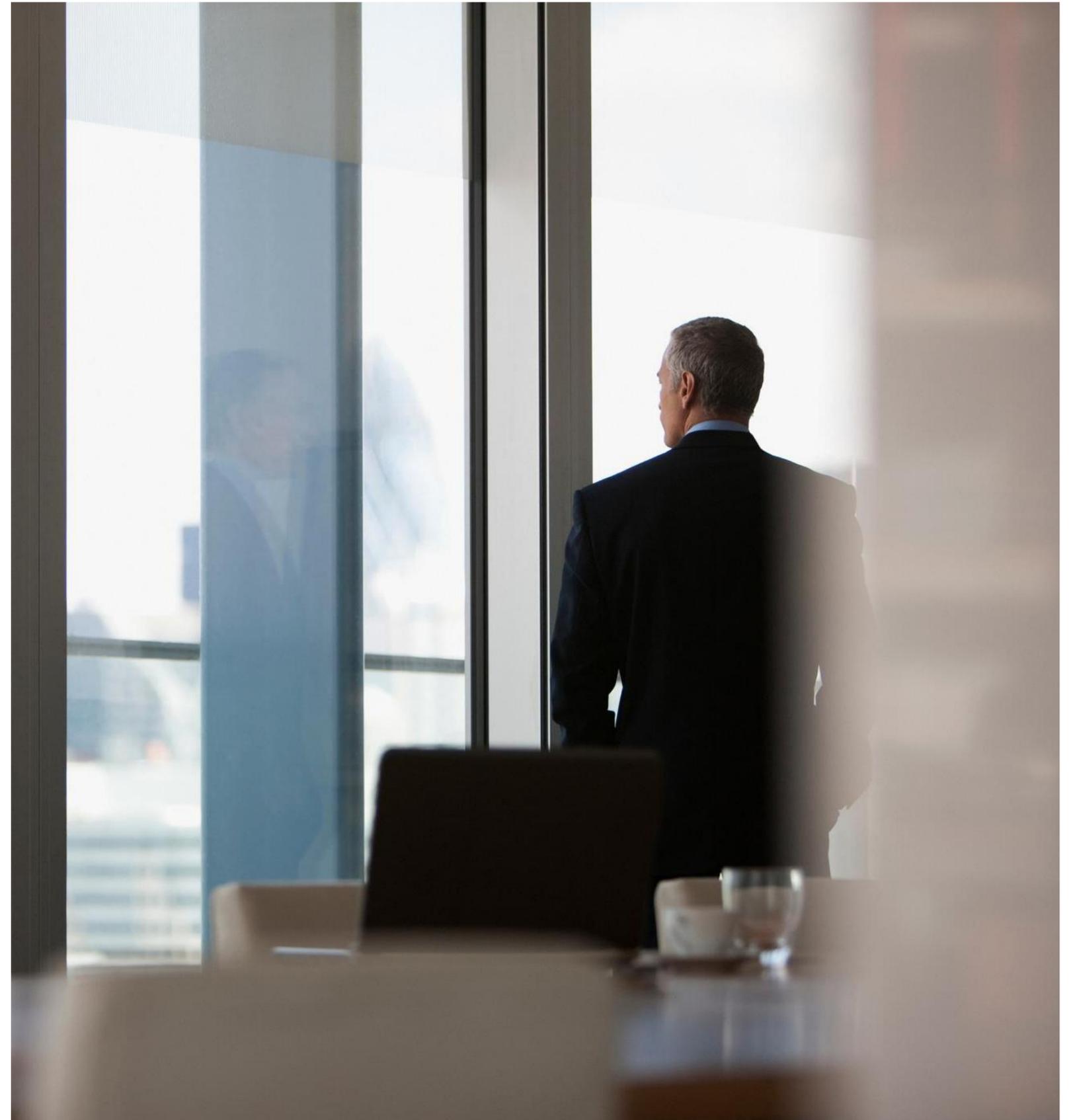
They know the importance of reputation.

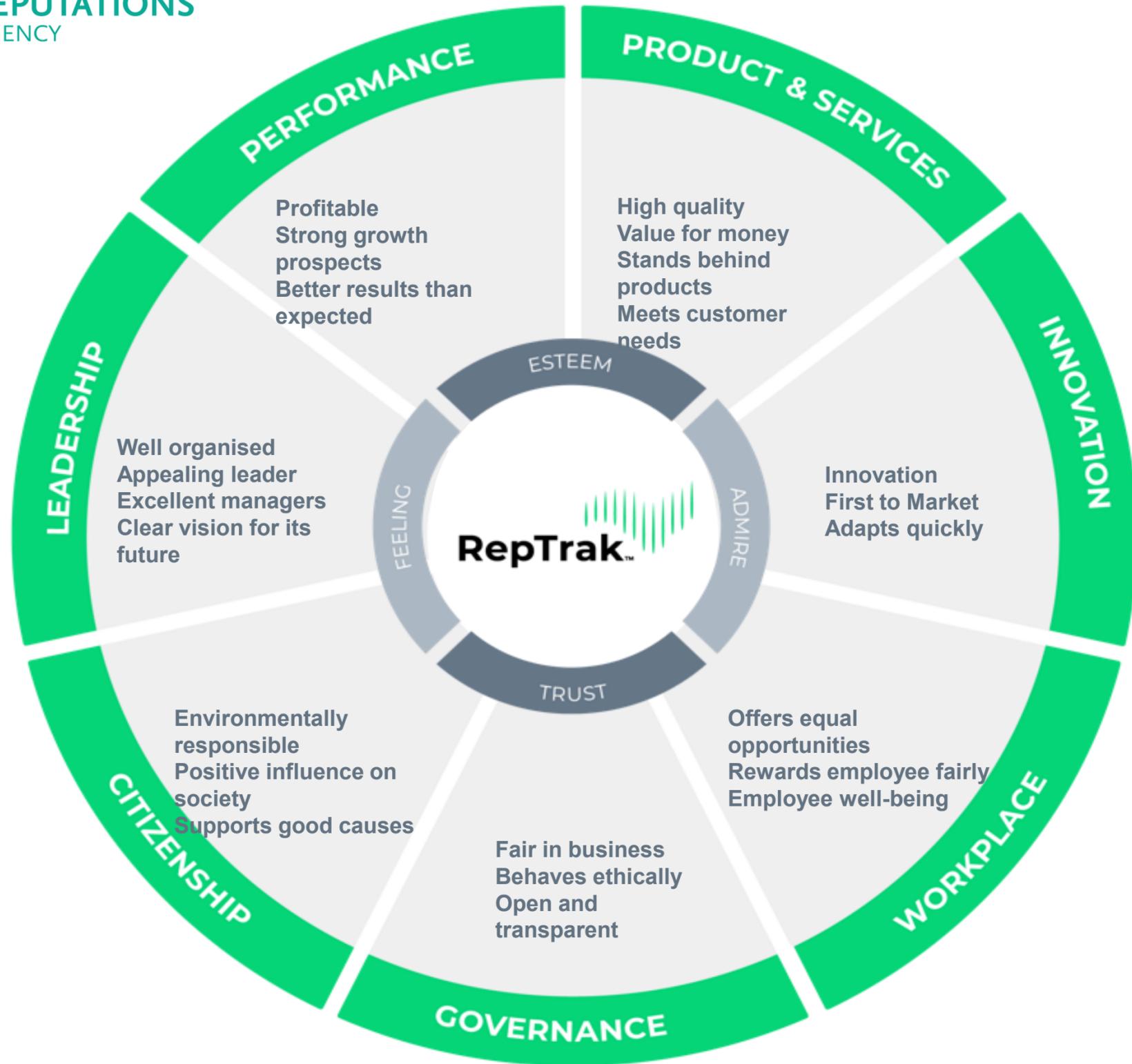
What really counts when crises occur, markets tumble and buying power slows, is whether you've earned enough trust, support and respect from your stakeholders to give you the license to continue to operate.

Reputation is everything in business because it drives support and it drives sustainable and prosperous businesses.

However, business leaders need to understand each of the components that build a reputation.

Access to the right data and analysis means that the C-Suite is armed with the right tools to protect and build their organisations.





REPTRAK® IS THE COMPLETE BUSINESS INTELLIGENCE SYSTEM

RepTrak® helps business leaders to better measure and manage corporate reputation by identifying the drivers of reputation that impact stakeholder behaviour. These seven rational dimensions are proven to be the pillars of organisational reputation.

The Pulse score measures the emotional connection between your organisation and the public, based on esteem, admiration, trust, and good feeling.

Reputation Moves Markets

An increase in reputation score has been proven to accelerate sales, attract better talent and mitigate against corporate risk.

Through reputation analysis we can predict the actions your stakeholders will take, and what strategies will push the needle to grow your business.

Accelerates Sales 

78%
(companies with excellent reputation)

Establish Trust Equity 

4.5%
increase by 5 points in reputation)

More Advocacy 

3.5X
(from average to excellent range)

Mitigates Corporate Risk 

3.4%
(increase by 5 points in reputation)

Attract Better Talent 

66%
(companies with excellent reputation)

Fosters Commendation 

4.4%
(increase by 5 points in reputation)

Drive More Investment 

74%
(companies with excellent reputation)

Expand Geographic Growth 

3.0X
(from average to excellent range)

Key learnings from our Ireland RepTrak® 2020 as well as our global partners, The RepTrak Company showed that:

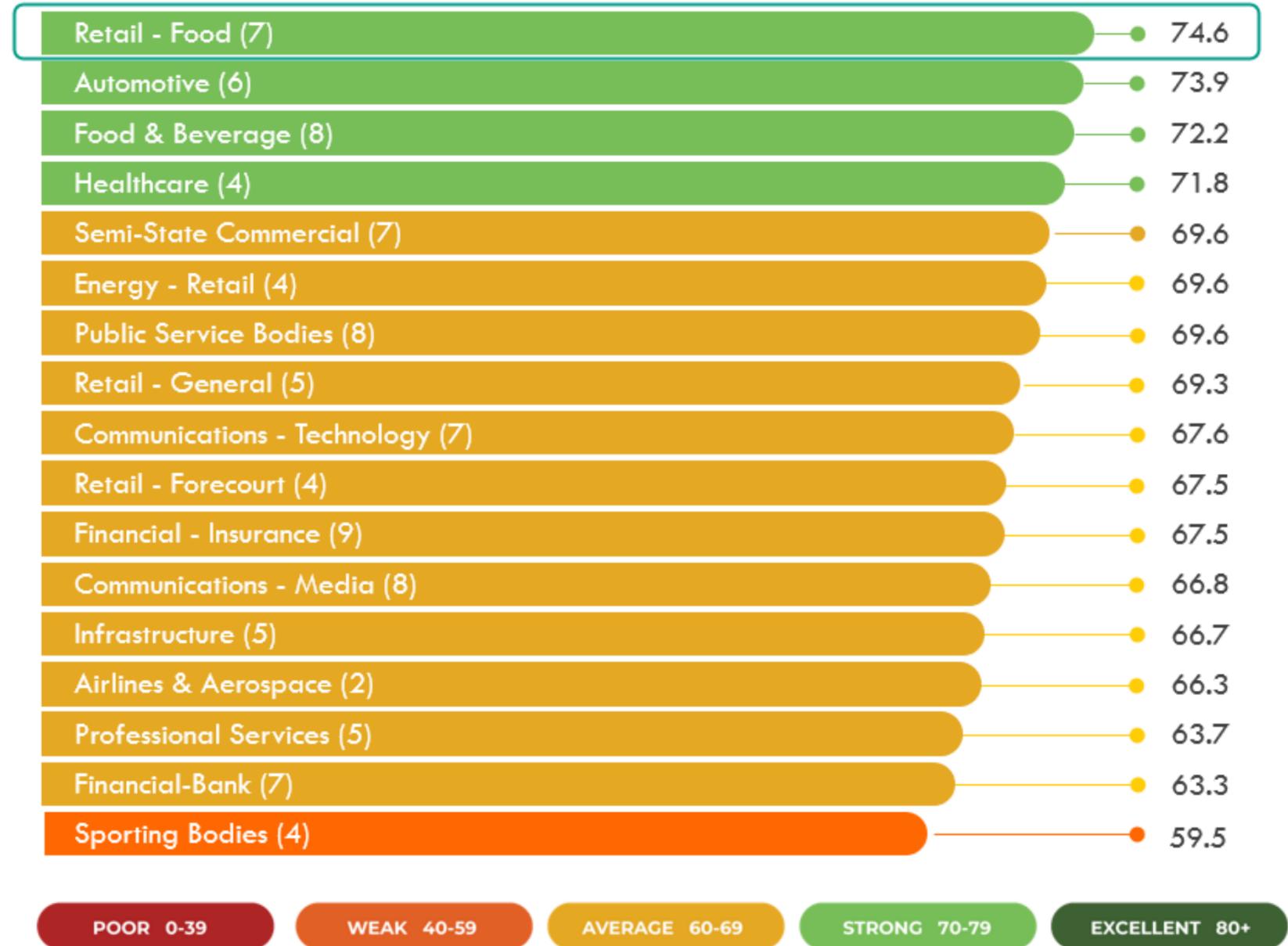
- 78% of global consumers are willing to buy from an organisation with an Excellent Reputation Score compared to only 9% when a reputation is Poor. This is in line with Irish results of 72% and 8% respectively .
- Corporate Responsibility pillars (*Governance, Workplace, Citizenship*) account for 47% of a company's Reputation Score. On average, companies that significantly improved their score over the last year did so by enhancing perceptions of their social impact and their ethics.
- A *genuine* brand personality is associated with a four-point lift in global reputation. Communicating about your business and purpose in a way that is authentic can move the needle in your favour.
- Globally, Corporate reputation was Excellent among respondents who cited the company's CEO as taking a stand on key social issues, and it dropped to Weak when respondents felt the CEO was too neutral on issues.

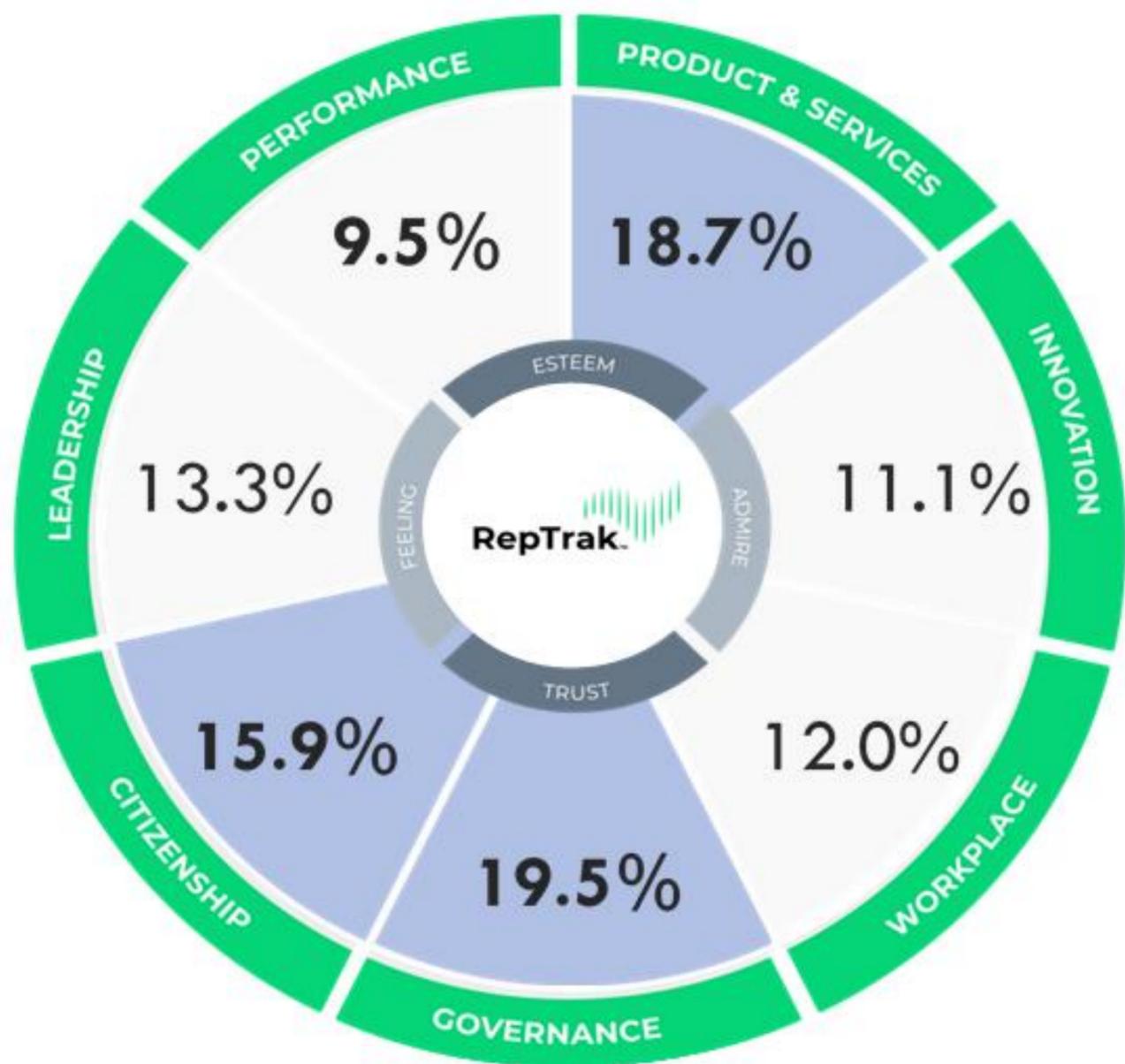


Insights from The RepTrak Company also showed that, while multinational corporations still have a long way to go in terms of communicating and convincing the global audience about their higher purpose, owning and developing a unique purpose can set your company apart and foster greater support.

The Retail Food Sector

Our eleventh annual Ireland RepTrak® 2020 study, the largest and longest running study of reputation in Ireland, is based on the perceptions of over 7,000 members of the public and was completed between early January and early March 2020. Our results showed that, of the seventeen sectors studied in 2020, the Retail Food sector is the most trusted in Ireland.





In 2020, Reputation across the 100 companies has improved not just as a result of what they sell but coupled with what a company stands for.

For the first time *Governance* surpasses *Products & Services* as the number one driver of an organisation's reputation with an importance weighting of 19.5%.

The reputational importance of *Governance* has been increasing gradually since 2013, but spiked this year, indicating the public's sharpening demand for organisations to have a stronger sense of Purpose and Ethics. Now one fifth of an organisation's reputation derives from perceptions that it is ethical, fair, and open and transparent in the way it does business.

Products & Services (quality, value, standing behind products, and meeting customers' needs) is the second most important driver at 18.7%, and *Citizenship* (positive influence on society, environmentally responsible, and supports good causes) is the third most important driver at 15.9%

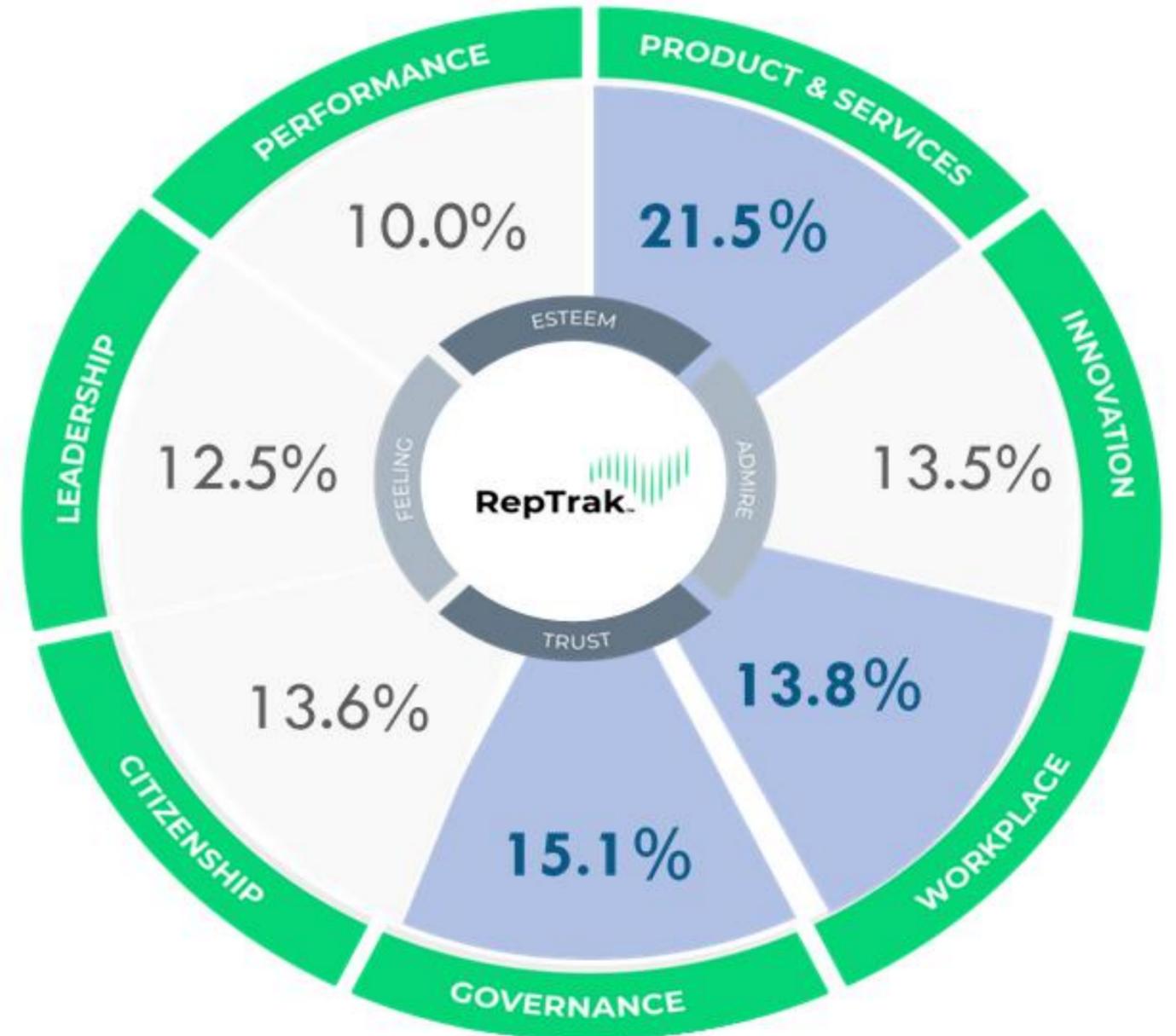
The results show us that people wish to be treated with authenticity, transparency, decency and fairness by the companies they are spending their money with.

Drivers of Reputation for the Retail Food Sector

The key reputation drivers for the Retail Food sector are *Products & services*, *Governance* and *Workplace*.

We can see that the *Products and Services* dimension has a higher weighting or importance level for this sector and this is where the majority of initiatives and communications compete in the marketplace.

Placing a higher emphasis on *Governance*, *Workplace*, *Citizenship* and *Innovation* will form a more robust reputational cushion and future proof an organisation to withstand crisis and issues, whether external or internal.



Lidl most reputable Food Retailer

Lidl employs over 5,900 people on the island of Ireland and has 202 stores.

Lidl is recognised by the public for providing value for money and a wide range of products. In particular, Irish consumers also acknowledge Lidl's positive contribution to local communities, its work with Irish suppliers and its commitment to its staff.

It was recognised in Ireland RepTrak® 2020 as the most reputable Retail Food organisation in Ireland



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Lidl features among the top 10 organisations in six of the seven dimensions driving corporate reputation. Not only that, the organisation features in the top five in Products and Services, Workplace, Governance, Citizenship and Performance.

They are an organisation who have been investing in their reputation strategy over the last six years with the results demonstrating a 10-point lift in their overall Reputation scores and a fixture in the top five most reputable organisations three times in the past five years.

"Results and KPI's are one thing but it is that emotional connection that can ensure that any misconceptions about how we do business are dealt with and understood. This allows us put a strategy in place to allow for reputation growth into the future"

- JP Scally, CEO Lidl





Why Brand personality is so important

The most reputable brands at a global level have established strong and distinctive brands. Fifty-three percent of consumers consider the top 10 most reputable companies to stand out from the crowd. The brand persona associated with your brand affects its corporate reputation around the world.

Being perceived as *genuine* is the brand personality trait associated with the strongest lift in global reputation in 2020.

Other brand personality traits that have a positive impact on your Reputation Score include *Exciting*, *Charming*, and *Intelligent*.

On the other hand, self-serving personality traits with a negative impact on your reputation include *Aggressive*, *Lazy*, *Greedy*, *Boring*, and *Arrogant*.



Persona of Retail Food Sector

The Brand Persona of the sector in Ireland is cited as *Straightforward, Caring and Friendly*.

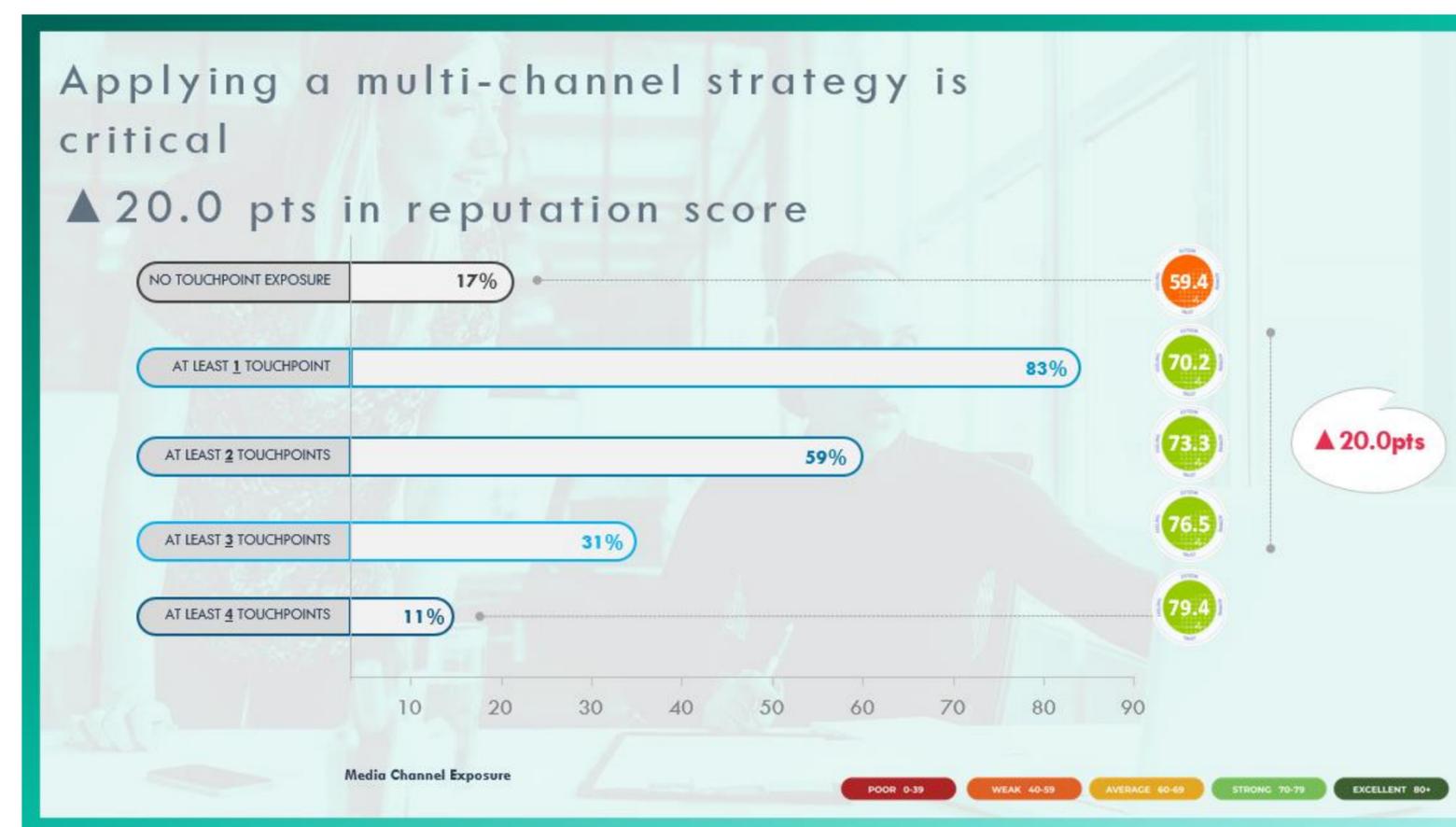
It is the least cited sector as *Greedy, Self-Serving or Lazy*.

Making your voice heard

Applying a multi-channel communications strategy is critical to an organisation's reputation.

Consumers who have experienced an organisation through four critical touchpoints - direct experience, earned media, paid media and owned media - provide reputation scores that are 20 points higher than those who have not experienced any touchpoint with that organisation in a twelve month period.

The organisations who benefit most from this will have an integrated approach to project consistent impressions across multi touchpoints.



Reputation and Purpose

Purpose has become a key theme of 2020. We launched our Purpose Power Index (PPI) study in April 2020 to understand the impact of the Covid-19 pandemic on the perceptions of organisations in Ireland, and to identify the organisations and sectors that the Irish public believes have performed best during the crisis. The study measured the degree to which organisations perform against four elements – whether they are improving lives, acting beyond profits, acting for a better world, and benefiting society.

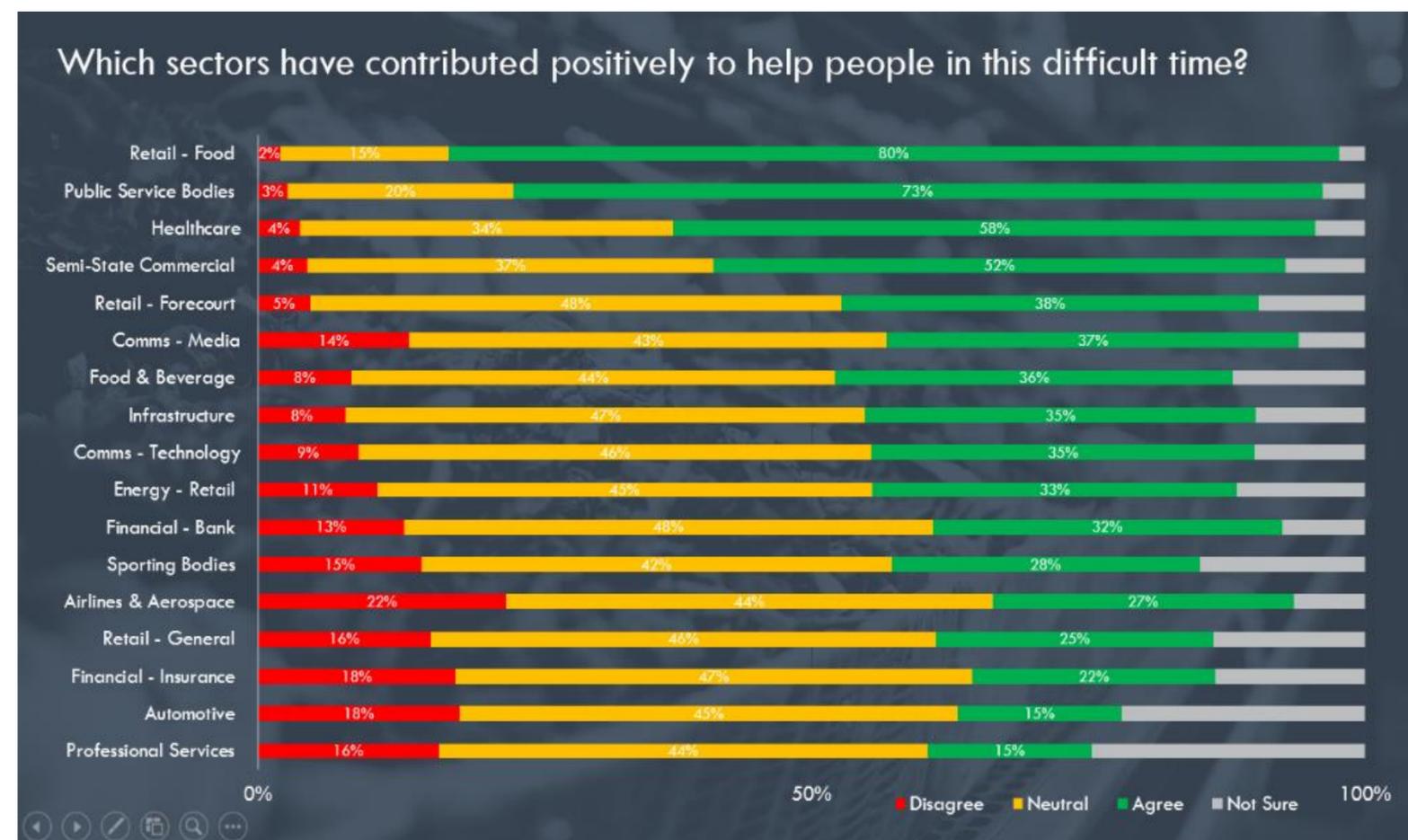
The PPI revealed the public's recognition of the strong purpose-led performances by the HSE, An Garda Síochána, The Government, An Post and in particular, the Retail Food sector during Covid-19, demonstrating that it is crucial for an organisation's purpose to translate into clear actions.



When we looked at the key take-outs for the Retail Food sector, again the industry topped the charts with eight in 10 people mentioning supermarkets and shops as contributing in the most positive way during the Covid-19 pandemic.

The industry has been recognised for reacting quickly and evolving with the crisis. Particularly, how they reorganised to make their premises safe for their customers and their employees, with social distancing signage, controls on the number of customers, personal protection shields at tills, and enhanced hygiene facilities like disinfectant and gloves.

They have also taken special care to protect the elderly and vulnerable by instituting preferential shopping times.



At The Reputations Agency

Our experience has shown us that investing in a reputation and purpose driven strategy can translate into powerful business results for organisations.

At The Reputations Agency, we have the insight and the experience to audit, build and activate your brand, purpose and reputation.

We are best positioned to be your strategic communications partner on a journey to support your purpose-driven business in the years to come.



To Learn More

about the Ireland RepTrak® 2020 insights on the Irish Retail Food sector, as well how The Reputations Agency can support you to audit, build and activate your Reputation Strategy please contact partner@thereputationsagency.ie.

To see some of our work in the Food Retail space, view our agency case studies [HERE](#).