



In Reputation We Trust: CEO Impacts Corporate Image

by [Nancy Pekala](#)

Does your CEO help or hinder your brand's reputation? According to a recent survey by Weber Shandwick, it's a question worth asking.

A full two-thirds (66%) of consumers say their perceptions of CEOs affect their opinions of company reputations. The second installment of Weber Shandwick's global research, [The Company Behind the Brand: In Reputation We Trust—CEO Spotlight](#), further reveals that executives, like consumers, appreciate the importance of a leader's reputation and attribute nearly half (49%) of a company's overall reputation to the CEO's reputation. Given that 60% of a company's market value is attributed to its reputation, executive leadership is more critical than ever to the overall reputation of today's organizations.

AMA Weekly Poll	
Does Your CEO Help or Hinder Your Brand's Reputation?	
Help	49%
Hinder	27%
Neither	19%
No Comment	3%

In an AMA Weekly Poll, nearly half (49%) of responding marketers indicated they believe their CEO helps, rather than hinders their brand's reputation. More than a quarter (27%), however, indicated their CEO hinders their brand's reputation. A little less than a fifth (19%) of respondents noted that their CEO neither helped nor hindered their brand's reputation.

As consumer trust in brands continues to wane, the importance in executive leadership's role in building a quality reputation becomes more evident. In the first segment of the Weber Shandwick study, released earlier this year, results reported the growing interdependence of product brand and corporate reputation in a "new see-through, nowhere-to-hide global marketplace". The report stressed the importance for marketing and communications executives to communicate the voice of the "enterprise" to key stakeholders. The survey among 1,950 consumers and executives in two developed (U.S. and U.K.) and two developing markets (China and Brazil) was conducted by KRC Research in late 2011.

"Gone are the days when purchases were made solely on product attributes," explained Leslie Gaines-Ross, chief reputation strategist at Weber Shandwick. "Today's consumer is savvy, well-informed and privy to a plethora of purchase options. Decisions are now increasingly based on additional factors such as the company behind the brand, what the company stands for and even the standing of its senior leaders."

The survey further revealed that nearly three in 10 consumers (28%) report they regularly or frequently talk about company leaders with others. When consumers are asked what influences

their perception of companies, approximately six in 10 (59%) say they are influenced by what top leaders communicate.

Moreover, corporate leadership communications are especially important in emerging markets. Nearly two-thirds of Chinese consumers (64%) and nearly three-quarters of Brazilian consumers (72%) rely on executive communications when learning more about a company. "In an increasingly seamless world, more consumers are exposed and attuned to corporate actions than ever before," said Micho Spring, Weber Shandwick's global corporate practice chair. "CEOs can't assume that what they say and their teams do are going unnoticed by the public. Corporate communications from the top must set the tone and shape the brand."

Respect for corporate leaders - CEOs and other corporate leaders - has taken an especially large hit in developed markets – 72% of U.S. and 71% of U.K. consumers have lost respect in the past few years, according to the survey. In emerging markets, Chinese consumers are evenly split on their changing opinions of corporate leadership (35% lost respect vs. 38% who increased respect). Brazilian consumers are more likely to have increased their respect for top executives than decreased their respect (33% vs. 21%, respectively).

As seen in this research, CEO and company reputation are inextricably linked - corporate reputation is not isolated from the public views of a company's top leadership. Together, company and CEO reputation make a solid contribution to a firm's market value.

For more detailed information, visit the executive summary of [*The Company Behind the Brand—CEO Spotlight*](#).

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