Chapter 26
Reputation Management:
Creating Identity and Building Corporate Image

Aslıhan Mihrimah Unutur
Istanbul Commerce University, Turkey

ABSTRACT

The scope of this chapter is to provide insight into how reputation can be managed through brand management, corporate communication practices, and new media strategies. Corporate communication practices carried out through public relations applications has become an increasingly important function in business organizations. Yet, little has been published on the role and function of communication executives. This chapter reveals the impact of corporate communications upon the formulation of corporate strategy.

INTRODUCTION

With the change of the perception of the product since 1990, there have been changes in the perceptions of companies and brands have changed, as well. As consumers have had enough of buying, they are now looking for different things in the products they buy. There is growing interest for brand quality, recognition, corporate reputation, social responsibility and social media. In this way, corporate reputation management has entered into our lives and reputation index has been created. These indexes are influential on the consumers. As reputation consists of perceptions and associations, it is necessary to display multi-side and consistent actions to build reputation. In order to build reputation, all organizational actions and discourse regarding financial performance, market leadership, management, quality, reliability, customer orientation, ethics, social responsibility, emotional appeal, corporate recognition and reputation must be compatible with each other. Corporate reputation consists of the sum of all views and thoughts of consumers and stakeholders regarding the company. To build corporate reputation; definitions and practices such as brand management, internal and external stakeholder communication established through corporate communication, brand image, brand identity and corporate culture need to be integrated. In addition to that, as we are under the influence of new media, it is necessary to adapt

the social media work to the company and brand. Social media communication to be established with the customers considering corporate reputation gives the opportunity to provide first-hand, accurate information. Furthermore; it can be considered a new way to build customer loyalty.

Corporate reputation is a perceptual representation which is different in every company, and which adds value to such company. It is the perceptions of all stakeholders and social partners regarding reliability, respectability, financial power, quality, social responsibility and corporate recognition. According to the Turkish Language Institution, reputation management means being respectable, reliable and prestigious. The concept of reputation can also be defined as the perceptual description of the future activities of the company on the basis of its past actions, which define the general appeal of the company in comparison with its competitors (Ural, 2006, p.172). The most important asset of people and companies is their reputation. Those who gain reputation in the society will have the opportunity to guide the society, to earn more jobs and to mobilize wider resources. Building a good reputation requires that the actions are in parallel with the discourse and the reasons are actively communicated (Argüden, 2003, p.9). In short, reputation is the product of the interaction between the values of the company and the values of the society (Sherman, 1999, p.11). Companies with sound reputation will fulfill the economic functions of the company, meet the demands of consumers and bring prestige to the company. In addition, the company's conformance to the morals of the society and procurement of aid and support for the socio-cultural environment will help the company be accepted by the people. This is extremely important for the sustainability of companies (Erbaşlar, 2007, p.2). Reputation is the reflection of the customer's perception formed through the combination of the results of a company's past activities and future plans. So, it is the sum of the positive-negative feelings, impressions and ideas of the people toward the company. Social stakeholders now demand the company not only to express but also to reflect itself. That's why they care about the social responsibility activities, social media reflections and service quality of the company. People can develop their reputation in time. Similarly, companies have started to manage their reputation and to shape it in parallel with the innovations. It is possible to divide corporate reputation into three. These are namely; Existing Identity, Desired Identity and Corporate Identity (Melewar and Karaosmanoglu, 2006).

1. Existing Identity: The identity a company has at the time being.
2. Desired Identity: The company's reaching its desired identity through several symbols such as logo, slogans, advertising etc.
3. Corporate Identity/Image: Addresses the company's internal stakeholders and is based on their perception of the company. Corporate image is related with the external stakeholders. It is about how the customers perceive the company.

These three identities can be argued to form the triangle that makes up the reputation. If any of these three components is damaged, reputation will be shaken. That's why these three identities must be in balance all the time. As corporate reputation is about associations and comes out as the whole of the perceptual judgments, it is shaped not by the company but by the stakeholders. Internal and external stakeholders have an important role among these stakeholders. Reputation should be based on sustainability, in this way, stability can be achieved through internal and external joint communication strategies. According to Turkey's Reputation Index; reputation is the most important measure of brand value.

Related Content

Louis Vuitton: Using Digital Presence for Brand Repositioning and CRM
Vandana Ahuja (2014). *Handbook of Research on Effective Marketing in Contemporary Globalism (pp. 315-324).*
www.irma-international.org/chapter/louis-vuitton/111506

The Effect of Consumers' Individual Factors and Perceptions on Private Label Purchase Behavior
eniz Özhan, Duygu Talih Akkayaand Ozge Habiboglu (2020). *Improving Marketing Strategies for Private Label Products (pp. 277-305).*
www.irma-international.org/chapter/the-effect-of-consumers-individual-factors-and-perceptions-on-private-label-purchase-behavior/236014

Apps in Hospitality and Tourism: Conceptualization of Branded Apps in Building Traveler Satisfaction and Loyalty
Sajad Rezaeiand Milad Kalantari Shahijan (2020). *Global Branding: Breakthroughs in Research and Practice (pp. 157-177).*
www.irma-international.org/chapter/apps-in-hospitality-and-tourism/231783

You Name It: Comparing Holistic and Analytical Rating Methods of Eliciting Preferences in Naming an Online Program Using Ranks as a Concurrent Validity Criterion
Michael J. Roszkowskiand Scott Spreat (2012). *International Journal of Technology and Educational Marketing (pp. 59-79).*
www.irma-international.org/article/you-name-comparing-holistic-analytical/65727

Skepticism Toward Online Advertising: Causes, Consequences, and Remedial Moderators
Raja Ahmed Jamil, Abdul Qayyumand Mohammad Saeed Lodhi (2022). *International Journal of Online Marketing (pp. 1-21).*
www.irma-international.org/article/skepticism-toward-online-advertising/288426