

>> **Integrity, reputation
and brand journalism**

Madrid >> 02 >> 2015

Companies have a serious reputation problem with their integrity. Citizens (who are also clients, employees, suppliers and shareholders) have been constantly protesting against the ethical behaviour of companies in the past few years. This is clear from the last Online Comments Report (BEO by its Spanish acronym)¹, studies conducted by the Corporate Excellence - Centre for Reputation Leadership and LLORENTE & CUENCA.

In the fourth edition of the study, which will be published soon, the aspect related to the use of power and business ethic (called "Government" by the Reputation Institute) will have once again the lowest overall rating among 15 business sectors that have been analysed. It is a story that repeated itself in 2014, 2013 and, in 2011, only the aspect "Work" received a lower score.

Taking into consideration these data, it is quite remarkable to see the lack of resources that companies devote to solve the problem; it gets even more surprising if we compare it with the resources devoted to other aspects, such as the "Supply" and "Finance" ones.

One possible explanation could be the difficulty of the challenge. It is beyond doubt that it is more difficult to answer the normative expectations of the citizens, of a moral nature, than to answer the pragmatic ones.

Answering the pragmatic expectations is not an easy task: it requires investment in *image* and *credibility*, in order to meet the benefits expected by the stakeholders. For instance, creating quality products at a reasonable price that consumers will appreciate with an appealing commercial communication. Another example could be the management of profitable investment plans that meet the needs of the investors with a convincing financial communication.

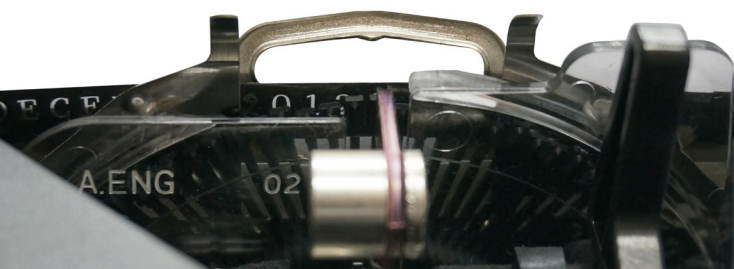
However, **answering the normative expectations** is even more complex. As Alloza, Carrera and Carrera explain in *Reputación Corporativa*², winning the confidence of citizens implies: exercising an ethical leadership in the companies, lining up the corporate mission with the predominant social values, and using all means necessary to fulfill the mission and obtain outstanding results.

In spite of the difficulty of the task, there are companies that follow these principles, to a greater or lesser extent, **and invest in the legitimacy of the brand**, not only in its *differentiation*. There are companies that do the right thing with regards to their workers, suppliers, authorities, investors and clients, but are unable to turn these *experiences* into *expressions* that are shared by the public opinion.

We are convinced that it could and must be done, but that implies making **substantial changes in the communication structure**, both in the resources allocation and in the organisation of functions, and it also implies organising procedures and tools.

In this process of change, we would like to propose the Brand Journalism Framework as an ethical and esthetical communication guide³ that, if followed, means (at least) a greater allocation of resources to the owned media, the

Transparency



¹ 2012 Online Comments Report (Available in Spanish) (<http://www.dmasillorenteycuenca.com/2012/05/i-estudio-beo-la-crisis-tambien-pasa-factura-a-la-reputacion-online-de-las-empresas/>); 2013 II Online Comments Report (Available in Spanish) (<http://www.dmasillorenteycuenca.com/2013/09/el-balance-de-expresiones-online-la-clave-para-gestionar-la-reputacion-corporativa/>); 2014 III Online Comments Report (Available in Spanish) (<http://www.dmasillorenteycuenca.com/2014/03/iii-estudio-beo-siete-tendencias-de-la-reputacion-en-internet/>)

² LID Editorial, 2013

³ "Brand Journalism and Corporate Reputation", by Mario Tascón and Iván Pino (http://www.dmasillorenteycuenca.com/publico/140317_dmasi_Special%20report_Brand%20Journalism.pdf)

incorporation of creative features (*transmedia*), the organisation of editorial and relational management processes (*multistakeholder*) and the use of advanced measurement tools (*Attitude*).

In addition to structural changes, applying this **framework implies significant formal changes**. Otherwise, it would be difficult to obtain the favourable interaction of the stakeholders:

- **Public interest:** If the company wants to be valued by its commitment and integrity, it will have to think more about the general interest when it comes to prioritising its actions and communications, addressing “material” issues for today’s society. The company will have to successfully choose its “first page”, cover or headline on a regular basis.
- **Editorial line:** However, the company cannot have a credible commitment with sporadic and anecdotic projects; it will first need to show the values that inspire its “editorial line” (apart from its particular interests, already taken into account by the audience). After that, it will need to test their integrity with constant and relevant behaviours, which constitute its “editorial calendar”.
- **Co-prominence:** In order to communicate its actions in a credible manner via its own media, the company will have to make its staff (employees and managers) appear

“Winning the confidence of citizens implies exercising an ethical leadership in the companies”

in the said media. However, they should always appear as allies of the main character (the stakeholder); avoiding the marketing temptation of leading the story.

- **Transparency:** In that sense, critical elements that can be more or less harmful must not be avoided in two cases: when telling the story, and, especially, during the interactions that would occur as a result of the publication of the story in the media and social networks. The company will need to be ready and able to discuss with the

public opinion in a transparent manner.

If the company is willing to undertake these changes in its communication, and carries out a management strategy based on principles such as sustainability and corporate responsibility, it is very likely that its *legitimacy* with respect to the stakeholders will increase; they will value positively its *integrity* and *commitment*.

Some examples of this framework (which is still at an early stage) can be found in works such as “Superando Barreras” (overcoming barriers)⁴ of CaixaBank, “Special Post-Surgery Bras”⁵ from Salud de la Mujer Dexeus and Woman’s Secret or the “GIRA project”⁶ of Coca-Cola Spain or “Lo que de verdad importa” (what really matters) initiative⁷. It is clear beyond doubt that we will learn more and better examples in the near future.

⁴ Overcoming barriers <http://multimedia.lacaixa.es/lacaixa/ondemand/portal/accessibility/overcoming-barriers/#/page/home>

⁵ Special Post-Surgery Bras: https://www.youtube.com/watch?v=brbMm_7-G_o

⁶ GIRA project (Available in Spanish): <http://www.cocacola.es/compromiso/social/proyecto-gira#.VMUVWC6G9Uk>

⁷ What really matters: <http://nuestrahistoria.loquedeverdadimporta.org/>



>> **Iván Pino** is Online Communication director in LLORENTE & CUENCA Spain. Journalist, reputation consultant, specialized in digital communication and corporate social responsibility. He has fifteen years of experience. He was Press Officer of the Ferrol-San Cibrao Port Authority and image manager at Octo Europa agency. He also was co-author of "Claves del nuevo Marketing, Cómo sacarle partido a la Web 2.0" (Keys of the new Marketing, How to take advantage of Web 2.0) (2009, GESTIÓN 2000) and author of the e-book "Tu plan de Comunicación en Internet. Paso a paso" (Your Communication Plan on the Internet. Step by step) (2008).



>> **Georgina Rosell** is director of CSR and Corporate Foundations in LLORENTE & CUENCA Spain. BA in Political Science from the Autonomous University of Barcelona, specialized in International Relations from the Katholieke Universiteit Leuven (Belgium, Brussels), Master in Corporate Social Responsibility by CIES (University of Barcelona) and Graduate in Business Management and Communication Management by the Instituto de Empresa. Gina has a history of over 15 years in the sector. She has worked as Director of USP Fundación Alex and CSR of USP Hospitales and throughout her career she has advised on Strategic Marketing and Communication Planning, Corporate Social Responsibility programs, Fundraising Actions and Social Action Projects for clients such as La Caixa, Unilever, Amgen, Colonial, Nike, Oxfam or Red Cross among others.

AMO is the leading global network of strategic and financial communications consultancies, with over 940 professional consultants and offices in more than 20 countries.

The network brings together local market leaders with unrivalled knowledge of financial markets and cross-border transactions in the key financial centers of Europe, Asia and the Americas.

Providing sophisticated communications counsel for M&A and capital market transactions, media relations, investor relations and corporate crises, our member firms have established relationships with many S&P 500, FTSE 100, DAX 30, SMI, CAC 40 and IBEX 35 companies.

www.amo-global.com



d+i is the LLORENTE & CUENCA Ideas, Analysis and Trends Centre.

Because we have a new macroeconomic and social script. And communication is not lagging behind. It is progressing.

d+i is a global combination of relations and exchange of knowledge that identifies, focuses and transmits new communication patterns from an independent position.

d+i is a constant flow of ideas moving ahead of new trends in information and business management.

d+i LLORENTE & CUENCA exists because reality is not black or white.

www.dmasillorenteycuenca.com

