

## Brand and reputational resilience

Prepare for crisis while creating enduring value



REPUTATIONAL RESILIENCE



### Current landscape

Reputation and brand are two sides of the same coin. An organization's brand—which focuses on the promise an organization makes to its customers about its products and services—is aspirational. It's how an organization wants to be perceived. An organization's reputation—the thoughts and feelings about it held by its broad set of stakeholders—is how the organization is actually perceived.

While many organizations are good at building their brands, they fail to apply the same level of discipline to managing their reputations. This may be due to several factors. Managing reputational risk often doesn't fit neatly into a single function, which can create unclear ownership and accountability. There may be insufficient understanding of the sources of reputational risk, how to manage those risks, or what the full impact of a reputational crisis could be. In addition, there may be cultural resistance to the behavioural changes needed to manage reputational risk more effectively.

There are opportunities in good reputation management. It can give an edge to organizations looking to get ahead in this competitive and dynamic marketplace. In their day-to-day activities, as well as in times of trouble. Those that create a organization-wide approach to reputation management—who adopt new risk-sensing tools and capabilities—will increase their reputational resilience and harness it to drive their corporate strategies forward.

### Key brand and reputational resilience principles

#### Key principles

Brands exist in the minds of consumers which makes it that much harder to control

Changes to business operations may lead to brand-damaging events

A promise is a promise—don't show up a day late and a dollar short

Get out in front and control the narrative

Establishing trust takes time and can protect your brand

#### Implications for brand

The customer experience is the emotion felt by people when interacting with the brand during solicitation, buying, and service processes

It is crucial for organizations to understand the factors that can affect the market perception of a brand and to plan for resilience in the face of adversity

Inability to deliver on customer/client expectations negatively impacts your brand and your ability to keep promises stems from operational resilience. Quality is just as important as the product or service itself

In today's world, brand and reputational resilience correlates to being responsive to the outside world and taking responsibility in times of crisis

In an era of uncertainty, we gravitate to organizations we can depend on, trust, and believe in. Those organizations will stay ahead of the next obstacle, in step with the next opportunity, and will reap the benefits that come with a resilient reputation

What embedding brand resiliency looks like					
Initiative	 Reflecting and learning	 Purpose readiness	 Resilience diagnosis	 Brand risk sensing	 Strong BCM and CM plans
	Action	<ul style="list-style-type: none"> <li>In times of crisis, pause and reflect on how your business has reacted and how it may have reacted better</li> <li>Crisis can also be a time of great opportunity, consider how your business can enable this for the future</li> </ul>	<ul style="list-style-type: none"> <li>Ensure leadership is aligned to a unified purpose. This comes from the top and is disseminated to every branch of the business</li> <li>Use a strong purpose to develop materials that build off an inspirational message</li> </ul>	<ul style="list-style-type: none"> <li>Conduct a state assessment of your brand(s) in the current socioeconomic and sociopolitical landscape</li> <li>Understand where your deficiencies are and how to approach remediating them</li> </ul>	<ul style="list-style-type: none"> <li>Engage in continuous monitoring to become aware of risks as they emerge</li> <li>Develop infrastructure to support monitoring and reporting activities</li> <li>Engage in preventative measures to react when emerging risks pose serious threats to brand/reputation</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>Better informed strategic initiatives with more current insight and direction</li> <li>Pragmatic objectives and refreshed perspective</li> </ul>	<ul style="list-style-type: none"> <li>A refreshed understanding on business purpose to drive motivation and unity in workforce</li> <li>Clear guidelines on brand and reputation objectives</li> </ul>	<ul style="list-style-type: none"> <li>A snapshot of your brand perception against societal issues of the current time period</li> <li>A pulse on brand health and a business reputation</li> </ul>	<ul style="list-style-type: none"> <li>Active capability to monitor for relevant brand information available online</li> <li>Quick awareness of brand/reputational risks</li> </ul>	<ul style="list-style-type: none"> <li>Completing reliable and considered plans to mitigate risk to brand and reputation in the case of a crisis or incident that may impact business continuity</li> </ul>



*Crisis can be a time of great opportunity.  
Consider how your organization can prepare for the future*

**Focus areas for brand and reputational resilience**

Brands looking to effectively manage reputational resilience need to be proactive and holistic. The reality is that, historically, risk has often been managed in silos within specific verticals and functions.

**Stand for something great**

Foster trust by building up goodwill and a track record of ethical and responsible actions. Use effective crisis leadership and communications that resonate well with all stakeholders and stand up through the scrutiny and duress.

**Consider a new starting point for organizational resilience**

Reorient your organization as an organization for the people, harnessing the power and resilience of stakeholders by fighting for the change people wish to see in the world.

**Get out in front**

Reputational resilience is becoming more about being responsive to the outside world, external perceptions, and scrutinizing irresponsible behaviours. Smart, resilient organizations adopt an ‘outside-in’ radar, actively looking out for change, engaging with it to evolve with public attitudes.

**Purpose as a catalyst**

A clear process to create conviction and resilience requires declaring an idealistic and unifying purpose. Embed this into all stakeholder relationships. Other purpose driven actions include auditing stakeholder interactions, horizon planning, creative activations, marketing and communications, and measuring the value of purpose and momentum.

**Bet on resilience**

The disruption that surrounded COVID-19 served as a wake-up call for many executives. Don’t waste the lessons. Organizations should consider using this event as a catalyst to take a more holistic and proactive approach to managing risk. One that prioritizes resilience and creates purpose within the organization.

**Is your organization resilient?**



**Resilience by design**

Prepare people to tackle whatever the future throws at them. Instilling belief in a higher, more human purpose will help your people gain more conviction and motivation.



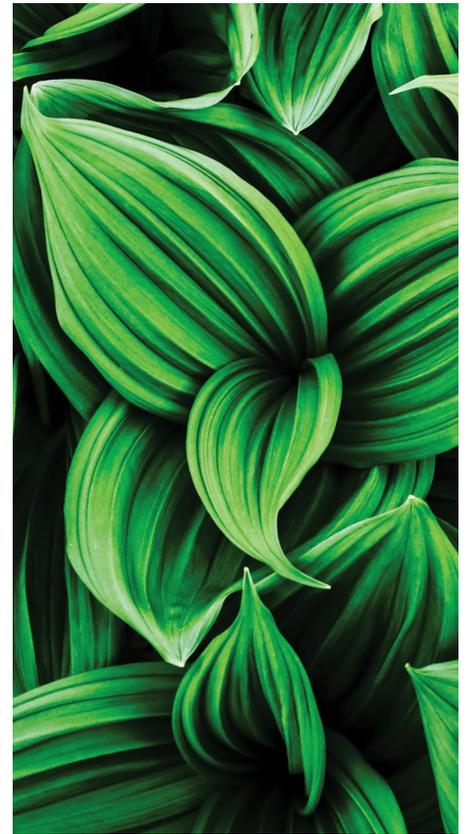
**Resilience through change**

Actively and imaginatively prepare for uncertainty. Equipping and informing stakeholders accordingly inspires a trust in leadership that allows people to adjust more willingly, proactively, and efficiently.



**Resilience through adversity**

The general public now demands more corporate accountability. Organizations that create meaningful change are better designed to succeed in this new era.



*An organization’s reputation—the thoughts and feelings about it held by its broad set of stakeholders—is how the organization is actually perceived*

**Contact**

**Mike Robitaille**

Partner, Risk Advisory  
[mrobitaille@deloitte.ca](mailto:mrobitaille@deloitte.ca)

**Bob Goulart**

Director, Risk Advisory  
[bgoulart@deloitte.com](mailto:bgoulart@deloitte.com)