Corporate Reputation: Multidisciplinary Richness and Search for a Relevant Definition

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Corporate reputation management is a hot topic both in academic and business world. Rising sophistication of stakeholders and environment, sharp competition, growing demand for corporate transparency and social responsibility determined increase in caring about corporate reputation with new challenge of 21st century: not just caring intuitively of it, but managing it – an issue that was considered for a long time to be unmeasurable and unmanageable – systematically and purposefully.

In academic world corporate reputation is rather a fresh concept with scare comprehensive researches both in theoretical and empirical levels. It should be admitted that, despite universal acknowledgment of the importance of corporate reputation and its great potential to impact corporate strategy success, corporate reputation as a research object still lacks deeper conceptualizing. Due to fragmentary research and lack of multidisciplinary approach, the question what is reputation, and what is not, may appear not so clear and simple as it may seem (Mahon, 2002). Therefore, ascertaining principal definitions in this field is the first step towards starting up further researches of corporate reputation, its measuring and managing.

The paper presents discussion and critical review of the interpretations of the concept of corporate reputation in different disciplines – psychology, sociology, impression management, economy, marketing, public relations, business strategy, human resource management – and highlights its exceptional multidisciplinary richness and bare agreement among researchers on what its real range is.

Obviously, every discussed discipline brings meaningful input to seeking integrative approach to corporate reputation: from explaining its role and potential in the market up to researching the processes of establishment and analyzing a company’s abilities to shape its reputation.

On the base of retrospective analysis of definitions of corporate reputation, some trends in development of the definition are presented and the principal keywords ascertained. With reference to them, corporate reputation is defined as a socially transmissible overall company’s evaluation settled among stakeholders over a long period of time, that represents expectations for the company’s actions and level of trustworthiness, favorability and acknowledgement in comparison with its rivals.

Revealing relational differences between corporate reputation and image is presented as another step in seeking comprehensive definition of corporate reputation for the two constructs are the fuzziest ones. The differences and links between the two constructs are interpreted by researchers far not alike. Yet the following key dimensions separating the constructs might be pointed out: duration of establishment, target, and instruments of creating ones, deepness of perception and abilities to change it. Corporate image is due to one’s sudden associations of a company, whereas reputation is deep, settled over a period of time belief in a company’s abilities to act in one or another way.

Keywords: corporate reputation, corporate image.

Introduction

Reputation itself is not a throughout newborn issue neither in academic world nor practice. The term of reputation has been used in daily life, politics and business, etc. for a long time. Referring to Greenspan (1999) corporate reputation was treated as an asset already in the nineteenth century where it played a great role in laissez-faire economics and was the principal bankers’ bond for deposits. Yet, later (app. since 1956 when the first academic paper on corporate image creating appeared and image making practice got a professional start; and especially in 1990s when modern image creating campaigns using public relations’ instruments accelerated highly) many companies pushed intuitive concern about a firm’s reputation into the second place. For a long time companies’ focus on image creating was exclusive; while reputation was undeservingly left somewhere behind.

Nevertheless, the events of the past decade – reputational crisis of well-known companies (for instance, Arthur Andersen fall in 2002), rising sophistication of stakeholders, intensive and heavy information flows, sharpening competition, dynamic environment, growing demand for corporate transparency and social responsibility, etc. – encouraged renaissance of caring about ones reputation with new challenge of the 21st century: challenge to manage corporate reputation – an issue that was considered for a long time to be unmeasurable and unmanageable – systematically and purposefully.

On reference to Davies et al. (2003), the growing concern in corporate reputation and reputation management is related to ‘more and more sophisticated life’, wherein stakeholders in making routine decisions do not hunt for information over and over, but ‘rely on the reputations of firms in making investment, career decisions, and product choices’ (Dowling, 2001; Aqueveque, 2005). Today reputation plays as substitute for deficient information about a company, its product and practice; and ‘provides a touchstone in a world full of unknowns’ (Genasi, 2002).
Thus, formal rules and laws are no longer enough for assuring efficient exchange of goods and services; here reputation and its outcome – trust play critical role (Greenspan, 1999). Demand for being an exclusive, best, responsible and reliable market player indicates necessity for acknowledging corporate reputation to be an important source of competitive advantage.

Yet, despite acknowledging importance of corporate reputation to a company’s survival and success, corporate reputation as a research object still lacks conceptualizing both in theoretical and empirical levels. Researches of reputation as a theoretical construct accelerated only in 2002 (Neville, Bell, Menguc, 2005); and still, the question what is reputation, and what is not, is not so clear and simple as it may seem (Mahon, 2002; Brown et al., 2006). More than often relational difference between image and reputation is unclear, reputation management is mistaken with public relations, the range of reputation construct is not defined.

Difficulties in defining corporate reputation are determined by existing fragmentary research and lack of multidisciplinary approach. Most often corporate reputation is treated as a universal topic and is being researched in many academic fields (Lin, Li, Huang, 2003); and researchers representing different academic disciplines do not cooperate (Mahon, 2002): there seem to ‘too many interests all trying to define a single set of concepts in their own preferred language’ (Hatch and Schultz, 2000). Finding an agreement what is corporate reputation and ascertaining principal definitions in this field is essential for starting up further researches of corporate reputation.

The paper aims at discussing and presenting critical review of the interpretations of the concept of corporate reputation in different disciplines highlighting its exceptional multidisciplinary richness and bare agreement among researchers on what its real range is.

The following questions presented below are being discussed in the paper: how the concept of corporate reputation is interpreted in different disciplines? how should it be defined? what are relational differences between corporate image and corporate reputation as the two fuzziest concepts?

The following research methods were applied: comparative analysis of scientific literature, critical analysis, systematization.

Interpretations of the concept of corporate reputation in different disciplines

Corporate reputation is a concept with exceptional multidisciplinary richness. Fragmentary research of reputation (individual or organizational one) can be found in psychology, sociology, economics, marketing and other disciplines.

In sociology reputation (both individual and organizational) is treated as social phenomenon and characteristics of modern society, as well as mechanism of social control. Referring to Fombrum and Van Riel (1998), ‘organizational sociologists point out that reputational rankings are social constructions that come into being through the relationship that a firm has with its stakeholders in a shared institutional environment’. Hence the rankings appear as a result of multiple evaluation of a firm relative to existing social norms in the environment and expectations. Therefore, in sociological view corporate reputations are ‘indicators of legitimacy: they are aggregate assessments of firms’ performance relative to expectations and norms in an institutional field.’ (Fombrum and Van Riel, 1998).

On reference to Whitmeyer (2000) and other sociologists, Ferris et al. (2003) point out that in sociology reputation is also treated as a source of deficient information; and facilitates such economic activities as employment and consumption.

In the discipline of psychology reputation is most often analyzed in individual level. It is being treated as a mechanism for evaluating risk of interaction (Dalton and Croft, 2003). According to the authors, such risk evaluating is important for any social exchange. Obviously, this issue might be transferred into organizational level easily; and corporate reputation can be treated as a mechanism for stakeholders to evaluate risk of interacting with the company. That is to say, corporate reputation gives ability to anticipate future behavior of the company to (recent or potential) customer, supplier, employee, business partner, etc. Positive corporate reputation signals of high level of company’s trustworthiness and low level of risk, and therefore can play a role of catalyst in making a decision to buy, decision to invest, to make a contract or to be employed.

In the discipline of economy corporate reputation is researched by game theorists and signaling theorists. The game theorists treat corporate reputation as a company’s traits that signal of one’s possible behavior and actions towards stakeholders. Thus, economists consider corporate reputation as a signal about a company’s presumable actions in the market (Davies et al., 2003) and its possible strategic behavior in the marketplace (Fombrum and Van Riel, 1998).

On reference to Ching et al. (1992), Lahno (1995), Whitmeyer (2000), etc., Ferris et al. (2003) present explanation of how corporate reputation is treated from the game-theory perspectives: reputation presents summary of a player’s actions demonstrated in the past game stages. The categorized player’s behavior shows possibility of how the player will play in future. And this, in its turn, determines the ways stakeholders choose for interaction with the player in future (Ferris et al., 2003). That is to say, corporate reputations ‘establish links between past behavior and expectations of future behaviour’ (Mailath and Samuelson, 2006).

Signaling theorists focus on the informational content of reputation. They treat reputations as information signals that ‘increase an observer’s confidence in the firm’s products and services’ (Fombrum and Val Riel, 1998).

It is obvious that researchers in the disciplines of sociology and economics do acknowledge importance of corporate reputation, yet do not raise a question of managing it. The latter issue is an object of management. In the field of management, definitions of corporate reputation do also vary according to researchers’ interests and framework of discipline they are working in.
Corporate reputation research in marketing disciplines – marketing strategy, relations marketing, etc. – can be characterized by pronounced focus on one group of stakeholders – consumers (see Table 1). Corporate reputation is often treated as a force that has potential to attract customers and encourages their loyalty, as well as a factor that may influence selling-buying processes. Marketing scholars research how much consumers are affected by corporate reputation in various markets (oil and gas, banks and financial institutions, retail, pharmaceutical, etc.) and different situations (Walshe, 2005).

### Table 1

<table>
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<tr>
<th>Focus</th>
<th>Interpretations</th>
<th>Source</th>
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<tbody>
<tr>
<td><strong>Customer and selling-buying process focus</strong></td>
<td>• Corporate reputation enables to attract customers repeatedly.</td>
<td>Davies et al., 2003</td>
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<td></td>
<td>• Positive reputation encourages customers trust in a seller and increases commitment of consumer (Bennett ir Gabriel, 2001).</td>
<td>Ferris et al., 2003</td>
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<td></td>
<td>• Producer with a better reputation has more abilities to sell his products by himself.</td>
<td>Weiss et al., 1999</td>
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<td>• Negative seller’s reputation forces a company to search for a new distributor.</td>
<td>Lin, Li, Huang, 2003</td>
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<td>• Good seller’s reputation has a positive impact on customer’s confidence in the seller and customer’s long-term orientation towards the seller (Ganesan, 1994).</td>
<td>Lin, Li, Huang, 2003</td>
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<td></td>
<td>• Brand’s image has a more specific influence on the customers’ perceptions of the quality while corporate reputation has a broader influence on perceptions of customer value and customer loyalty.</td>
<td>Cretu and Brodie, 2007</td>
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<td></td>
<td>• Customer-based reputation reduces perceived risk of customers and encourages greater loyalty.</td>
<td>Walsh and Beatty, 2007</td>
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<td></td>
<td>• Reputation serves as a partial mediator of two links: customer satisfaction and loyalty, as well as satisfaction and recommendation. Customer loyalty and the likelihood of customer recommendation can be enhanced by increasing reputation (insights conclusions on the empirical investigations performed by the authors).</td>
<td>Bontis et al., 2007</td>
</tr>
<tr>
<td><strong>Brand focus</strong></td>
<td>• Brand image and corporate reputation are distinctly different constructs.</td>
<td>Cretu and Brodie, 2007</td>
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<td></td>
<td>• Brand represents corporate reputation (Moorthy, 1985).</td>
<td>Ferris et al., 2003</td>
</tr>
<tr>
<td></td>
<td>• Reputation consists of brands, trademarks, and customers loyalty (Aaker, 1991; Milewicz ir Herbig, 1994).</td>
<td>Ferris et al., 2003</td>
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<td></td>
<td>• Corporate reputation depends much on brand that carries corporate image.</td>
<td>Lin, Li, Huang, 2003</td>
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<td></td>
<td>• In a firm’s brand portfolio there should be deleted brands that have an adverse impact on the firm’s reputation; investments should be made on brands that have potential to make a positive impact on the firm’s growth, profitability, and reputation.</td>
<td>Varadarajan et al., 2006</td>
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</table>

Marketing researchers do also represent some interpretation of relationship between brand and reputation. On reference to marketing scholars, brand and corporate reputation are distinct constricts, and “failing to make that distinction can lead to costly mistakes” (Ettenson and Knowles, 2008). On reference to Ettenson and Knowles (2008), brand is “customercentric” and is about relevancy and differentiation; and corporate reputation is “companycentric” and is about legitimacy.

Referring to Lin, Li and Huang (2003), good reputation has a positive impact on both short-term and long-term marketing success. According to the authors, substantiation of corporate reputation’s importance in all the transactions – B2B, B2C, C2C – is enough both in theoretical and empirical levels.

Summarizing interpretations of corporate reputation in marketing disciplines, it should be noted that marketing researchers do not treat reputation as a result of marketing actions. The challenge of managing corporate reputation is not discussed; shaping one’s corporate reputation is not treated as a target of marketing. Marketing researchers do not even discuss the possibility of creating ones reputation by using marketing instruments exclusively. There corporate reputation is treated as one – more or less important – of the forces in the company’s environment.

In the discipline of impression management reputation is mostly researched in individual level. Yet, it is obvious that some definitions used in this discipline and results of the researches in this field might be easily transferred into the researching reputation in the organizational level and abilities to manage it. Some of these worth to transfer issues might be the terms ‘negative bias’ used by Yaniv and Kleingerger’s (2000), describing how negative information may influence impression, or the term ‘trust asymmetry’ used by Slovic (1993), defining how negative events make more negative influence on trust than positive ones increase trust (Lin, Li, Huang, 2003). The statements presented above, as well as another researcher’s in this field Fisk’s (1980) statements about how negative appreciations have greater impact on impression than positive ones, transferred into organizational level (Lin, Li, Huang, 2003), validate the insights that corporate reputation is easy to lose and hard to recover.

On reference to Bromley (1993) and Greenberg (1990), Ferris et al. (2003) present another important issue to researchers and practitioners taking the challenge to find the best way to manage corporate reputation. They note that a company’s ability to use impression management strategies in creating and manipulating its reputation are limited for stakeholders do also assess the company’s endeavors to shape its reputation.
Moreover, discussing the potential of involving impression management instruments into the processes of shaping reputation there should be considered one more fact: the insights presented above represent the period wherein the differences between image and reputation were not conceptualized clearly and the constructs most often were used interchangeably as synonymous. In the level of today’s knowledge, it would be more correct to treat impression management as a corporate image creating instrument.

In the discipline of business strategy the construct of corporate reputation is interpreted more comprehensively. To strategists, corporate reputation is an intangible asset and mobility barriers in the market (Fombrum and Van Riel, 1998). Three different (yet interrelated) focuses referring to corporate reputation’s interpretations might be identified (see Table 2).

### Table 2

<table>
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<tr>
<th>Focus on stakeholders</th>
<th>Interpretations</th>
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<tr>
<td>• Corporate reputation represents stakeholders’ belief in what a company is, what it does, and how it behaves, settled over a period of time.</td>
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<td>• A company’s abilities to manipulate its reputation are limited, for stakeholders interpret a company’s actions endeavoring to shape reputation (Standifird, 2001).</td>
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<tr>
<td>• There is no evidence what influence a company’s actions, symbols, communication, as well as external issues make to corporate reputation.</td>
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<tr>
<td>• Multi-stakeholder perspective: a corporation does not have a single reputation, it has many.</td>
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<td>Source</td>
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<td>Mahon, 2002; Ferris et al., 2003; Bontis et al., 2007</td>
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Researchers of the first group focus on revealing the value of corporate reputation and presenting competitive benefits that positive reputation among stakeholders may bring to the company. The results of researches focusing on the value of corporate reputation (still theoretical insights upward empirical evidence) validate the demand for acknowledging corporate reputation to be a valuable intangible asset. And this naturally leads to the second group of researches focusing on a company’s reputation potential to impact its competitiveness.
The insights of how corporate reputation might promote seeking competitive advantage – especially in the reputation-intensive markets of professional services, online services, banks and other markets ‘where product quality is important but can only be identified through long-term experience’ (Varey, 2001) – lead to acknowledging corporate reputation to be another source of competitive advantage determining a company’s potential to attract and operate material and non-material resources for seeking corporate strategy success. The highlighted benefits of positive reputation and its potential to impact competitiveness can logically be treated as a demand for managing corporate reputation systematically and purposefully, as well as to generating reputation capital. Therefore, reputation strategy should be conceded as an inevitable part of the corporate strategy (Yang WL and Li JX, 2007), and it should target at transforming corporate reputation into reputational capital.

Researches focusing on stakeholders illustrate that managing reputation is not such an easy thing to plan and do. This is determined by two reasons: lack of evidence how a company’s actions influence stakeholders’ perception (Mahon, 2002) and stakeholders’ critical interpretation of a company’s endeavors to manipulate its reputation (Ferris et al., 2003).

On the base of integrating these three approaches, it can be concluded that in discipline of business strategy corporate reputation is presented as unique, hard to imitate and copy intangible asset that has a great potential to impact a company’s abilities to attract and operate tangible and intangible resources, as well as compete in the market place. The high importance of corporate reputation forces treating it as a valuable corporate asset, managing it systematically, and employing purposefully in seeking sustainable competitive advantage.

In the field of public relations, corporate reputation management is often treated as a practice and object of public relations. This approach is highly popular both in academic field and especially business world (Doorley and Garcia, 2007; Haywood, 2005). Yet, it should be admitted that such an approach narrows up the definition of corporate reputation and concept of reputation management. Public relations strategies based on communication to stakeholders are, of course, important in creating ones corporate image and shaping reputation, but not enough in treating reputation and its management holistically. It might be concluded that public relations are just one of instruments in managing corporate reputation. Traditional public relations should be treated as a short-term and tactical issue, as reputation management is a strategic and long-term issue (Dalton, 2005; Varey, 2001).

Moreover, traditional public relations might be partially equalized to impression management (Varey; 2001), seek for positive image, and ‘focus on transactional stakeholders’ (Dalton, 2005). If traditional public relations’ objective is to create the image as good as it is possible, corporate reputation management focuses on keeping the promises given to all the stakeholders and carried out in its image and brand. Summarizing, public relations’ campaigns can present a company in a positive light but they cannot make it better than it really is. Therefore, public relations approach to reputation management narrows the concept of corporate reputation up to the easily shaped result of organizational communication. In such a way the other factors influencing corporate reputation – external environment, a company’s behavior, symbols, performance results, social responsibility, quality of goods and services, etc. – are ignored.

In the field of human resource management there also some insights related to corporate reputation might be found. Employees are considered to be the ambassadors of corporate reputation (Gotsi and Wilson, 2001). Referring to the researchers in this field, in building and managing corporate reputation undeservingly too little attention is paid to employees’ role and potential: most organizations are focusing on external stakeholders’ – mostly on customers’ – perception about an organization (Genasi, 2002; Gotsi and Wilson, 2001; Alsop, 2004) ignoring employees to be one of the biggest and important stakeholder groups. In formal and informal ways employees represent the company and its values among other stakeholders and support positive relations with them. Feeling empowered and positive about their organization, employees can be strong advocates of the company in everyday life. For instance, the Trust Barometer presented by Edelman R. (2004) shows that the most credible information source is “colleagues at the company” (40 %). Feeling dissatisfied, defraud, unappreciated or disapproving company’s politics and actions, employees can become the most severe and powerful critics of the company. Moreover, the holistic approach to corporate reputation leads to acknowledging the necessity for integrating human resource management into the processes of managing a company’s reputation.

Human resource specialists in cooperation with executive managers have much to do in the fields of developing corporate identity and culture (as fundamentals for building ones reputation) and making a company positive, transparent, motivating and agreeable for employees (not just making employees talk positively about their company). Yet, it should be admitted that there barely can be found any theoretical insights and empirical evidence of how human resource management’s decisions and actions influence corporate reputation.

On reference to Mahon (2002), some researchers of the last decade present corporate reputation as a discrete discipline.

On the base of interpretations of corporate reputation in different disciplines presented above the following insights may be submitted:

- Corporate reputation is an issue of exclusive multidisciplinary richness.
- Despite the fragmentary research, every discussed discipline brings meaningful input to seeking integrative approach to corporate reputation: from explaining corporate reputation establishment and its role, and potential in the market up to analyzing a company’s abilities to shape its reputation.
- Scholars of every discipline acknowledge benefits of positive reputation, yet there still lacks agreement what discipline should include issues of measuring and managing corporate reputation. Seeking comprehensive and holistic approach to corporate reputation, corporate reputation management should be treated as a separate discipline.
In search for a comprehensive definition of corporate reputation

The Lithuanian Dictionary of International Words defines reputation as public opinion about one characteristics. The proposed definition is pretty laconic, yet not sufficient for a comprehensive research in management field. Referring to Hatch and Schultz (2000), simplification in terminology is ‘too high a price to pay’; this might lead to incorrect narrowing of the concept distorting its nature and potential. Therefore finding common agreement on what corporate reputation really is should be the first step towards seeking the answer how to measure and manage reputation – the issue that has been considered as unmeasurable and unmanageable phenomenon for a long time.

Bennet and Kottasz (2000) present how misconceivably in academic field corporate reputation is defined by a number of researchers. The multiplicity of collected definitions clearly illustrate the term of the ‘Tower of Babel’ used by some authors (Hatch and Schultz, 2000; Expressive Organization) for presenting ‘frustration researchers feel whenever the problem of defining the terms and relational differences’ between them (identity, image, reputation) is confronted. Despite the fact that common agreement on how to define corporate reputation is not yet found, retrospective analysis done on the base of definitions collected by Bennet and Kottasz (2000) allow to present some insights into the development of the definition of corporate reputation. The definitions of corporate reputation grouped from the oldest ones up the modern ones clearly illustrate some trends. If in a definition of a company’s reputation presented by Levitt in 1965 the keystone is a customer’s perception about the company, so almost in all the definitions since 1996 the keyword ‘customers’ was changed to ‘people,’ ‘society’, ‘stakeholders’. Yet, it should be admitted that some scholars still relate corporate reputation to external stakeholders exclusively. For instance, Brown et al. (2006) defines corporate reputation as the set of corporate associations that individuals outside attribute to the firm. And Maclnniss (1999) define reputation as general favorability towards the company. This viewpoint is also supported in part by Sage (2002) who, referring to Merriam Webster Dictionary, also defines reputation as the level of esteem and favorability in society. Fombrum and Van Riel (1997) emphasize a company’s trustworthiness and reliability: corporate reputation is considered to be a subjective aggregate evaluation of a company’s trustworthiness and reliability based on its past actions. While researching reputation (with a focus on individual level), Nan L. (2001) relates reputation to established authority. Referring to the author, reputation presents the level of acknowledgment in social networks. Despite the diversity in defining corporate reputation, it should be admitted that one of the most comprehensive definition used as a backbone by other researchers is the one presented by Fombrum (1996). The author defines corporate reputation as perceptual representation of a company’s past actions and future prospects that describe the firm’s overall appeal to all its key constituents when compared to other leading rivals. As a consequence of the above statements and highlighted keywords, corporate reputation can be defined as socially transmissible company’s (its characteristics’, practice’s, behavior’s and results’, etc.) evaluation settled over a period of time among stakeholders, that represents expectations for the company’s actions, and level of trustworthiness, favorability and acknowledgement comparing to rivals.

Another step in seeking a comprehensive definition of corporate reputation should be revealing fuzzy relational differences between the constructs of corporate reputation and corporate image.

Highlighting relational differences between corporate image and reputation

For quite a long time, in the academic literature the notions of corporate reputation and image were often used interchangeably as synonymous. Today, most of the researchers working in the field of reputation management...
face the problem of separating the two constructs and discussing the relational differences between them (Gotsi and Wilson, 2001; Bennet and Kottasz, 2002; Dowling G., 2002; Jackson, 2004; Cornelissen, 2004; Neville, Bell, Menguc, 2005; Brown et al., 2006, etc.). Nevertheless, it should be admitted that the common language on conceptualizing relationship between image and reputation is not yet found. The differences and links between the constructs of corporate reputation and image are interpreted far not alike, for sometimes even in the contrary way.

Bennet and Kottasz (2002) present historical dimension (or duration of establishment) as the main characteristic separating the two constructs. In other words, corporate image can be created in a pretty shorter period of time than corporate reputation may be shaped. Reputation generates in quite a long period of time, therefore it cannot be changed and shaped as fast as image can be. Such an approach is also supported by Jackson (2004) and Cornelissen (2004) who present duration of establishment as one of the main characteristics differentiating corporate image (short-term duration) and reputation (long-term duration).

Moreover, referring to Jackson (2004), corporate image and reputation have different targets: image targets consumers exclusively, as reputation targets all the key constituencies – consumers, employees, investors, business partners, communities, etc. Accordingly to targeting different stakeholders, particular decisions and actions are chosen for creating and managing corporate image and reputation. Corporate image is tightly related to brands and marketing, impression management and public relations decisions and actions; as reputation of the company is associated with its character and credibility, and none of the departments may be segregated. With reference to these statements, corporate image should be considered as marketing and public relations’ product created in the company and targeted to consumers.

Summarizing statements presented above two more dimensions might be settled out for revealing the relational difference between corporate image; and these are: target and the type of instruments a company uses for creating the discussed issues.

The target dimension separating the concepts of corporate image and reputation is upheld by Neville, Bell and Menguc (2005) as well. Yet, the latter researchers interpret the target differences slightly in other way. A company’s image is defined as a projection of the company’s expression – it may be planned or not – to all external stakeholders (not only customers). On the presumption that a company use marketing instruments for ‘expressing itself to external stakeholders’ corporate image might be treated as an object of marketing.

In a similar way Cornelissen (2004) also describes distinction between the two constructs. Referring to him, corporate image is related to an individual’s sudden impression after getting a signal or message coming from the company; as reputation represents evaluations aggregated over a period of time. That is to say, a company’s image is a set of sudden meanings that comes out in an individual’s mind as a response to a signal from the company or about it. A company’s reputation runs deeper. Corporate reputation has relative consistency and inertia (Joep, 2004), and may not be shaped fast and easy. It establishes over time as a result of organizational actions, behavior, and communication.

Moreover, researchers emphasize a company’s limited abilities to impact reputation settled over a long period of time. Referring to Dalton (2005), a company’s image can be created, as corporate reputation should be earned.

Pretty neat interpretation of distinction between the concepts of corporate image and corporate reputation is presented by Weiss and Maclniss (1999). The authors associate a company’s image with a brand; as the reputation is related to esteem and favorability towards the company. In this interpretation, some defiance of holistic approach towards a corporate reputation is obvious as the focus on consumers is exclusive, while other stakeholders – business partners, investors, employees, and local community, etc. are leftover. Yet, this approach might be extenuating; for the authors analyze distinction between the two constructs only from the point of marketing view.

The insights on how a company might have a positive reputation but not acceptable image (or vice versa) at the same time (see Table 3) presents one more argument that the constructs of image and reputation cannot be equalized and treated as interchangeable issues.

<table>
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<tr>
<th>Distinction between a company’s image and reputation [based on Weiss et al., 1999]</th>
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<tr>
<td>Source</td>
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<tr>
<td>Represents</td>
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<td>Positioning</td>
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<td>Change</td>
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<td>Acceptance in the segments</td>
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<td>Illustration</td>
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The same notices are presented by Bennet and Kottasz (2000), who claim that positive reputation might go hand in hand with inadequate (old-fashioned, etc.) image. And strong image created by powerful public relations, advertisement and communication programs do not necessarily mean positive reputation. That is to say, image-creating campaigns, communicational programs can present a company in a positive light but they cannot make it better than it really is, and keep the obligations to the company’s stakeholders.

While presenting a company’s image-reputation pyramid Dowling (2002) relates the construct of corporate image to such issues as recognizing the company, recalling it, knowing what the company does. Referring to this statement, corporate image can create ones intention to buy and give a try for a company’s goods and services. Yet, appreciation and recognizing a company to be the best producer of goods and services to a customer, best place to work for an employee, best business partner, etc. is represented not by image, but by corporate reputation.

One more emphasis enabling to conceptualize distinction between corporate image and reputation is presented in the works of Neville, Bell and Menguc (2005). It is corporate reputation’s concurrency with stakeholders’ values and expectations. According to the authors, corporate reputation includes nothing else but holistic stakeholders’ evaluation of a company and its processes and results on the base of their expectations. That is to say, that negative reputation means some deviation from the performance, behavioral, ethical, etc. standards settled over the period of time in the market.

Conclusions

1. Corporate reputation is a construct of exclusive multidisciplinary richness. Fragmentary researches of reputation, as well as lack of cooperation among scholars of different disciplines determine difficulties in seeking comprehensive definition of corporate reputation. Defining corporate reputation and interpreting it in the framework of one discipline narrows up the construct leaving some significant issues somewhere behind; and this in turn impedes further researches. Requirements for treating corporate reputation and its management holistically naturally lead to acknowledging possible input of the different disciplines of sociology, psychology, economy, marketing, human resource management, impression management, business strategy, public relations, etc. to seeking integrative approach to corporate reputation: from explaining corporate reputation’s role and potential in the market and society up to researching the processes of establishment and analyzing a company’s abilities to shape its reputation.

2. Despite varying definitions of corporate reputation, some trends in its development might be noticed. Corporate reputation can be defined as a socially transmissible evaluation of the company (its characteristics, practice, behavior and results, etc.) over a period of time settled among stakeholders; and it represents expectations for the company’s actions, and level of trustworthiness, favorability and acknowledgement in comparison with its rivals.

3. Defining the construct of corporate reputation goes hand in hand with revealing the relational differences between a company’s reputation and image for the two constructs have been used as synonymous for quite a long time. Even today the differences and links between the constructs of corporate reputation and image are interpreted far not alike. Yet the following key dimensions separating the two constructs might be pointed out: duration of establishment, target, and instruments of creating ones, depthness of perception and abilities to change. Corporate image is due to ones mental associations of a company aroused after getting a signal from the company or about a company, whereas corporate reputation is deep, settled over a period of time belief in a company’s abilities to act in one or another way.

References


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Įmonės reputacija: išskirtinis koncepto multidisipliniškumas ir tinkamo apibrėžimo paieška

Santrauka

Įmonės reputacija nėra naujas dalykas nei kasdieniai, nei verslo ar mokslas pasaulyje. Visgi dar ir šiandien, kai visuotinai pripažįstama padidėjusi įmonės reputacijos svarba verslo sėkmėi, reputacija susijusi tik intuityviai, neretai traktuojant ją kaip neįmatuojamą ir nevaldomą reiškinį už įmonės ribų. Neretai reputacija siejama tik su brandu, tačiau yra tarp įmonės išvaduojimo ir reputacijos noru, prasme svokiamama tik intuityviai, reputacijos valdymas painiojamas su viešaisiais ryšiais ir t. t.

Reputacijos kaip teorinio konstrukto žymėtinių žodžių, tokių kaip tarpininkas ir tarpininkais, galioja apie 2002 m. (Neville ir kt., 2005). Sunkumus apibrėžta įmonės reputacija, išskirtinai koncepto multidisipliniškumas ir tinkamo apibrėžimo paieška.
stoka: reputacija kaip „universalia tema tyrinėjama daugelyje akademinių sričių“ (Zhang Li, Duhai Li, Wayne Huang, 2003), o „skirtingas disciplinas atstovaujantis tyrinėtojui nebendrąja“ (Mahon J., 2002). Be to, reputacija savarankiškai tyrinėta ne tik skirtingų disciplinų, bet ir mokslo kryptų atstovai, kiekvienas sudedamas akcentų pagal savo mokslos interesus. Todėl, aktyviosios interpretacijos – galima teigti, kad reputacijos interpretacijos terminas – tai reiškia tikslo, atsirandusio tarp specifinės disciplinos ir kitų, tiek Pagrindinio vizijos, tiek naujų patikimumo vertinimų. Konkretių disciplinų interpretacijos, ypač socialinių sritių interpretacijos, yra daugelis, o kiekvienainterpretacija teisinga tik tam tikru svyru, skirtu pasauliu. Tenka tik susijungti su kitomis disciplinėmis, nes reputacija trunka ilgą laiką, o mokslo struktūra per daugelį kartų keičiasi. Šis aspektas yra deringesniuoja nauja mokslo šaltinis reputacijos interpretacijos procesui.

**Psychologija:**
