



# The Reputation Index

Hill+Knowlton Strategies' Middle East survey  
of senior management opinions on the  
importance of corporate reputation

**RESEARCH CONDUCTED IN COLLABORATION WITH YOUNG & RUBICAM**

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STRATEGIES

How much value do senior managers really place on their company's reputation?

And what role does reputation have in today's business world?

“Lose money and I will forgive you, but lose even a shred of reputation and I will be ruthless”

These words uttered by the Sage of Omaha, Warren Buffet, put in to perspective the value that one of the world’s greatest investors places in reputation.

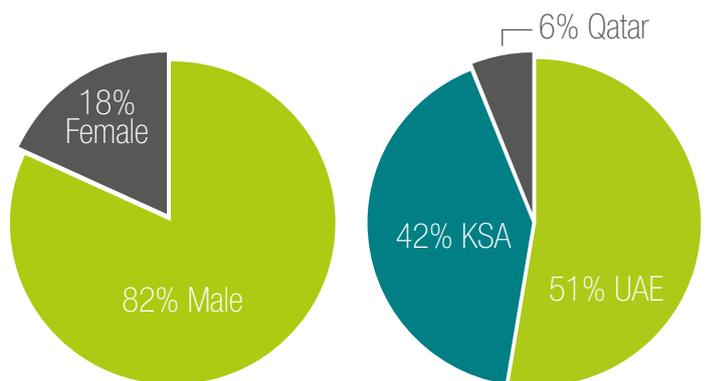
And this powerful statement on the critical importance and value of a strong reputation is seemingly supported by senior management across the Gulf.

Welcome to “The Reputation Index,” a report produced by Hill+Knowlton Strategies (H+K) in the Middle East, in conjunction with YouGov, the global opinion research firm. This report examines the importance that senior executives across the United Arab Emirates, Saudi Arabia and Qatar place on their corporate reputation and the links between corporate reputation and business bottom line.

It also looks at the ways companies assess their reputation, which factors drive corporate reputation, who in a company has the most influence on reputation, and the value of a strong reputation when facing a crisis. The findings will help to transform corporate reputation into even greater corporate advantage.

The survey pool comprised **422 C-Suite senior managers** (345 males and 77 females).

**Just over half of those interviewed were UAE based,** 42% were in KSA and 6% were in Qatar.



**RESPONDENTS:** Demographic and location

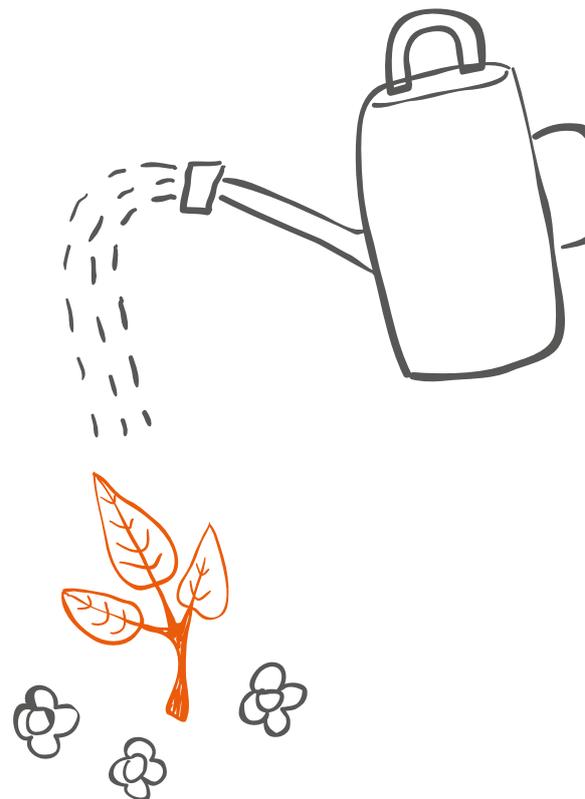
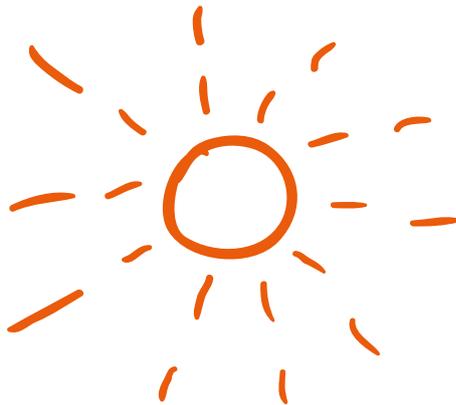
# “Every brand, product, service and company has a reputation. Are you doing enough to manage yours?”

Your reputation is what people think about you and your products and services, and reputation impacts every element of business from recruitment to re-financing.

Your reputation may not be what you think it is or, indeed, what you want it to be. Reputation has to be earned by creating a deeper understanding of what you do and winning consumer trust. It then needs to be managed, maintained and assessed – carefully and continually.

If your audiences trust you they are far more likely to want to buy your products and services, work with you, invest in you and forgive you if things go wrong. In short, a strong reputation contributes to genuine and lasting business value, and bottom line growth.

**Nurturing your brand's good name is both an art and a science.** In an uncertain world of greater risk, where companies, brands, organisations and governments have to increasingly demonstrate greater governance and transparency in the court of public opinion, reputation is a prized asset.



# The importance of reputation shouldn't be underestimated



The research confirms the importance that senior managers across the Gulf place on reputation.

Corporate reputation is seen as a critically important business asset. Nearly **four out of five senior executives - 78%** - considered their company's corporate reputation as "extremely important" with the figure rising to a remarkable **95%** when those who ranked it as "important" were also included.

And for the individual markets:

- **94%** of senior managers in the UAE said their reputation was "important" and over **three quarters** of those regarded it as "extremely important."

- **96%** of senior managers in KSA said their reputation was "important" and **81%** of those said it was "extremely important."

- **96%** of senior managers in Qatar also regarded their reputation as "important" with almost **80%** of those saying it was "extremely important."

And when asked about the connection between corporate reputation and actual business bottom line, there was again strong consensus among those surveyed that the two are without doubt linked.

**Across the three markets, 82% "agreed" that their company's reputation was indeed linked to their bottom line and hence overall business success.**

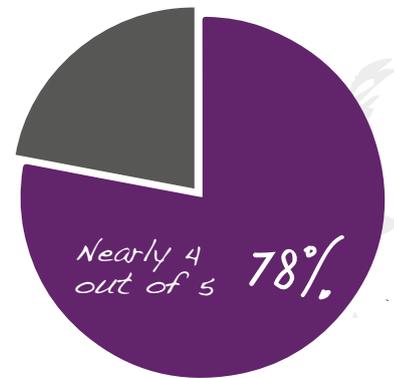
And for the individual markets:

- In the UAE, **83%** of those surveyed "agreed" that reputation is linked to bottom line. And of those over half "strongly agreed" with the connection between the two.

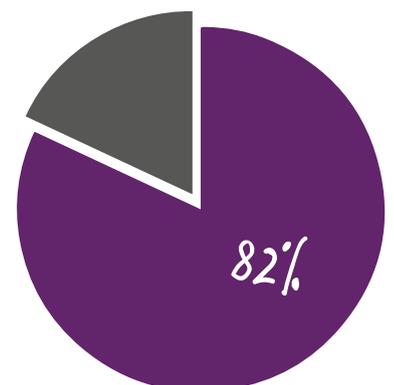
- In Saudi, **79%** "agreed" there is link between reputation and bottom line and of those nearly **two thirds** said they "strongly agreed" with this connection.

- And for Qatar the respective numbers were **88%** in "agreement" and of those, **60%** in "strong agreement."

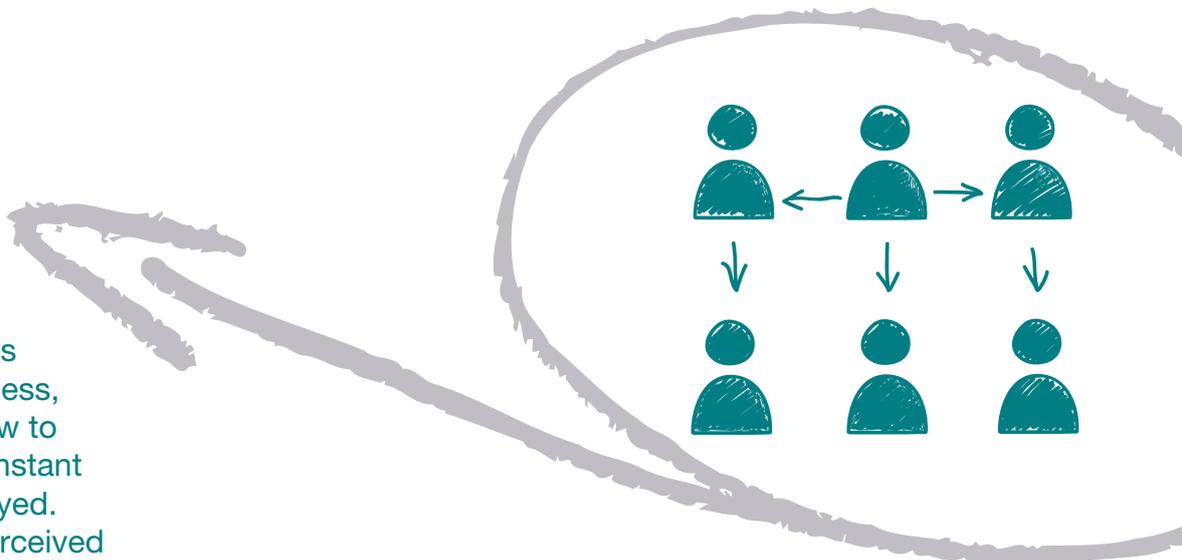
SENIOR EXECUTIVES CONSIDERING REPUTATION AS 'EXTREMELY IMPORTANT'



RESPONDENTS IN AGREEMENT THAT REPUTATION IS LINKED TO THE BOTTOM LINE



# Assessing reputation and the power of the people/ the customer



“We know reputation is important to our business, but we don’t know how to measure it,” was a constant mantra of those surveyed. Reputation is often perceived as difficult to measure because it is intangible.

In reality reputation is a measure of trust: how much trust do your customers, vendors, financial institutions, suppliers or, indeed, the public place in you, your company, your brands and your people?

Trust is built not only by delivering world class products and services, but also through acting in the right way and saying the right things that have empathy and resonance with your audiences. If audiences understand you better, they are far more likely to trust you more.

It follows that reputational strength can, in fact, be easily measured through undertaking the right research to assess how well your varying audiences and stakeholders understand you and trust you.

Respondents were asked to comment on how they assess and measure their own corporate reputation and a clear trend appeared across all three markets, with customers at the fore front of this.

Across the entire survey pool, “customer feedback mechanisms” and “customer face-to-face meetings” were by far the most utilised methods of assessing reputation, highlighting “the power of the people/the customer.” **52% of those surveyed across the region used “customer feedback mechanisms” and 42% used “customer face-to-face meetings.”**

In the UAE, internal employee engagement and feedback was also seen as important, with close to **30%** using that option for assessing reputation.

Notably - and interestingly - the options with lowest use by respondents in measuring the strength of their reputation were the review of published rankings, analysis of media coverage and tracking of ratings and commentary.

Organisations today have to - and are - talking with the public and considering the public’s point of view at the most strategic level of decision making - more than ever before.

# The factors that drive and influence a reputation



When asked which factor - other than financial performance - steered reputation, one factor (out of a list of 12) stood out clearly in all three markets: “quality of management.”

Over a third of the senior managers surveyed across the region responded with this answer when asked which factor is most important in driving corporate reputation.

Lesser (but other still important) factors flagged were related to corporate transparency and ability to deliver on expectations.

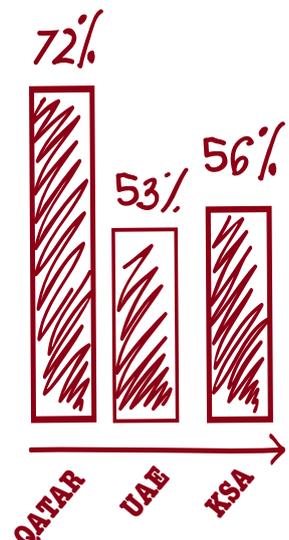
The influence of leadership and management on reputation was confirmed further still when respondents were asked to actually rank how much influence senior management have on reputation (this was in terms of the CEO/MD level). **Over half of all those questioned said that the leadership of a company was “extremely influential” on its reputation. In the UAE specifically it was 53%, in KSA it was 56% and in Qatar it was higher at 72%.**

Employees and customers were then listed as having the next levels of influence on reputation - with the exception of Qatar where workplace culture and media commentary were seen as the next most significant.

In the UAE and KSA media commentary was seen as having lesser influence in determining reputation.

The quality of management and leadership came up yet again when respondents were asked about what they look for when partnering with other companies. In the UAE and KSA quality of management lead the way here, followed by financial performance and endorsement from other clients and customers. The ranking in Qatar differed slightly with financial performance first and then management quality.

RESPONDENTS IN AGREEMENT THAT COMPANY LEADERSHIP INFLUENCES REPUTATION



# The impact of a good reputation in times of crisis

A good reputation can help in a crisis and the research certainly backs this statement.

**84%** of the senior managers surveyed "agreed" with the statement that a strong reputation can help a company recover quickly in a crisis and of this group, **55%** were in "strong agreement" with this viewpoint. In the specific markets, KSA saw the highest levels of agreement at **89%**.

In terms of how a strong reputation can minimise the impact of a crisis, again there was firm consensus that this was true. **76%** of all respondents "agreed" that this was the case, with almost half of this group in "strong agreement" on this. **Qatar saw the highest levels of agreement at 84%** - in the UAE and KSA it was **74%** and **77%** respectively.

And in response to the statement that companies with a weak reputation are most likely to suffer in a crisis, **69%** overall were in "agreement" on this.

RESPONDENTS IN AGREEMENT THAT STRONG REPUTATIONS CAN AID CRISIS RECOVERY

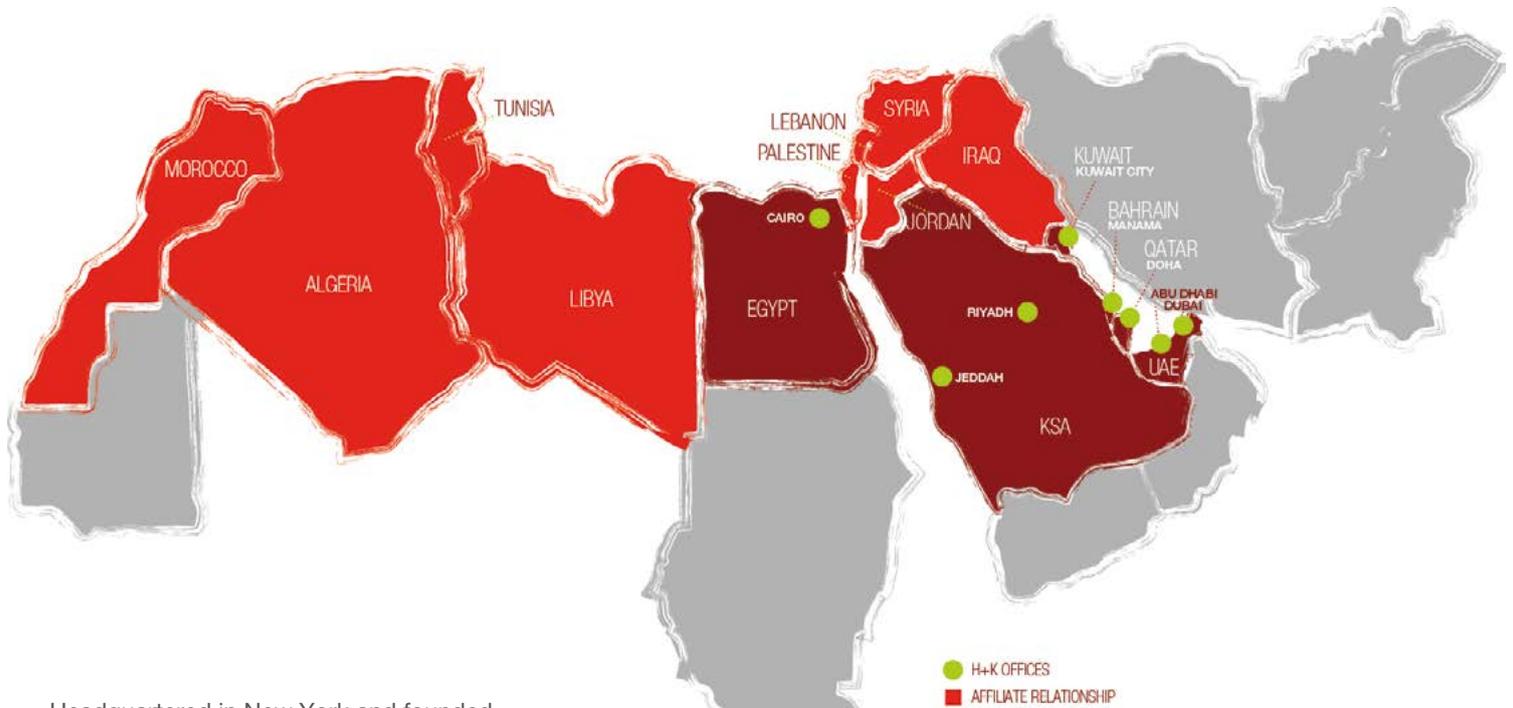


RESPONDENTS IN AGREEMENT THAT A STRONG REPUTATION CAN MINIMISE THE IMPACT OF A CRISIS



**H+K celebrates  
30 years in  
the Middle East  
this year**

# About Hill+Knowlton Strategies



Headquartered in New York and founded more than 80 years ago, H+K is today a truly global communications consultancy with 88 offices across 49 countries.

H+K was the first international communications consultancy to establish operations in the Middle East. It established its first office in the region in Bahrain in February 1985 - 30 years ago this year.

And over the last 30 years in the region H+K has significantly grown and developed its team. Today it employs more than 120 consultants based in fully owned, established and vibrant offices in eight cities across the region - in Dubai, Abu Dhabi, Riyadh, Jeddah, Doha, Manama, Kuwait City and Cairo. It also has affiliates and capability in Iraq, Lebanon, Jordan, Palestine, Syria, Libya, Morocco, Algeria and Tunisia.

A pioneering communications consultancy in the Middle East – and proud to be – this approach has seen the consultancy play a fundamental role in shaping and evolving the communications industry across the region.

H+K is today the leading full service communications consultancy in the Middle East, unrivalled in its breadth and depth across the region. And the consultancy represents some of the most prominent and influential local, regional and international brands in this amazingly diverse and dynamic part of the world.

The research fieldwork was undertaken in Q4 of 2014. For more information on H+K's report, please contact:

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