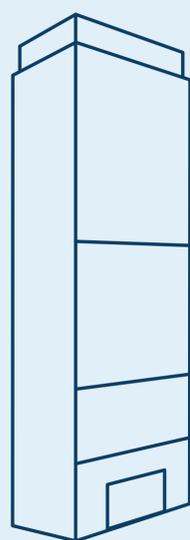


Reputations at risk

A positive brand reputation builds loyalty and increases customer confidence in your company and products. That's why it's more important than ever to understand all of the risks your brand faces and how to prevent them.

Reputation is a top priority¹

Intangibles such as brand reputation have grown from filling 20% of corporate balance sheets to **80%**²



Many companies are **NOT WELL EQUIPPED** to handle the impact of a crisis on their brand reputation.³

43% Somewhat prepared

27% Don't know/not applicable

15% Not prepared

15% Optimized

Reputation loss is costly



48%

of companies that experienced a blow to their reputation saw a significant **loss of revenue** and



31%

of consumers **discontinue their relationship** with a company after a data breach.⁴

52%

experienced **customer relationship issues**.⁵



71%

of U.S. workers **would not apply** to work at a company **with negative press**.⁶

Most damaging brand threats⁵



60%

of companies cite **product quality gaps** as a top reputation threat.⁵

B2B segments and electronics manufacturers rate **gaps in product quality** as the #1 threat to brand reputation, followed by **gaps in product features**.⁵



Retailers cite **negative social media commentary** as the top reputational threat, followed by **lack of confidence in product marketing claims**.⁵

Mitigate the risks

To build a strong reputation, brands should focus on 5 critical trust factors.



Deliver consistent product quality



Promote products accurately



Innovate faster than their competitors



Be highly responsive to customer needs



Garner positive product reviews

Protect your reputation and brand before it's too late. Learn how UL can help you get started. ul.com/perspectives

Sources:

1 Reputation damage is the leading strategic risk cited by companies worldwide. Aon, "2017 Global Risk Management Survey"

2 Forbes, "How Intangible Assets Are Affecting Company Value In The Stock Market", 2017

3 Wall Street Journal, "Managing Reputation Risk", 2017

4 Ponemon Institute, "The Impact of Data Breaches on Reputation & Share Value," 2017

5 As identified by respondents in UL's 2017 Brand Protection Survey of 300 manufacturers and retailers

6 CareerBuilder, "71 Percent of U.S. Workers Would Not Apply to a Company Experiencing Negative Publicity," 2017