



2023 CORPORATE

Benefit of the Doubt Report





Your Favorite Company 
@TweetsAndPromises

We see a wolf. And we promise we'll do something about it.

Feb 3, 2023



EVER HEARD THE STORY OF THE COMPANY THAT TWEETED WOLF?

They seemed like a reputable brand. They posted the right thing at the right time. They gave promising statements in moments of collective solidarity. But when a crisis occurred, and those promises went unfulfilled, they lost the benefit of the doubt from their stakeholders.

Our 2023 Benefit of the Doubt data shows that stakeholders are tired of hearing this same old story. Tired of seeing their favorite brands get caught in misleading acts of green-washing, rainbow-washing, shrinkflation, shady financial affairs, mass layoffs — the laundry list of empty tweets goes on and on. This isn't just folklore here at RepTrak. With two decades of academic rigor, combined with the world's largest corporate reputation database, we take public sentiment seriously and utilize our metrics to better understand and approach it.

One set of RepTrak's reputational elements is Business Outcomes. These are the actions stakeholders are willing to take when considering, supporting, and engaging with a company. One of those Outcomes is Benefit of the Doubt — measuring willingness to assume the best of a company if they were facing a crisis.

REPTRAK'S METHODOLOGY:

Through a combination of machine learning (ML), AI, and natural language processing (NLP), our reputation intelligence platform combines and analyzes millions of perception and sentiment data points from online surveys, mainstream media, social media, business data, and additional third party sources. Consider it "always-there," unbiased, ongoing, near-real-time reputation intelligence that never ends.

RepTrak's Scores range from 0-100 and measure how people feel, think, and act towards a particular company. Scores are determined by a combination of components to provide a 360° view of reputation — among those components is Benefit of the Doubt and our other Business Outcomes.





The COVID-19 pandemic brought an onslaught of crises to the forefront of consumers' minds; and three years later, our dynamic data suite shows they're not quick to forgive and forget. Global Reputation Scores have been on a steady decline since 2021, and so too have Benefit of the Doubt Scores.

The informed general public has never been more informed, and the public's eyes are looking at your actions all the time. As stakeholder power continues to increase, when (not if) you're faced with a crisis, your track record will inspire response. Happily ever after isn't a guarantee in business, mistakes are bound to happen. But your reputational history means everything to how you recover, and having the Benefit of the Doubt from your stakeholders means you'll be able to move on quickly.

So settle in and listen well, the tale of Benefit of the Doubt we're ready to tell.

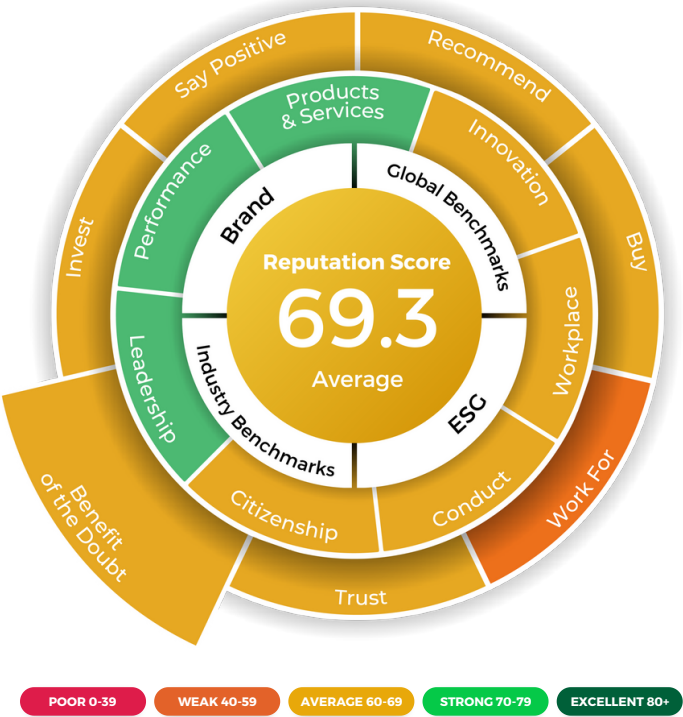


IBBIDI, BOBBIDY... OOF

Trust to do the Right Thing and Business Outcomes

The story of declining scores continues. If you've read some of our [prequels](#), you may have noticed that scores have been declining across reputational elements for some time now. And it hurts us to say that Benefit of the Doubt isn't the exception — with an Average Score of 64.1 in the beginning of 2023 (▼0.5 in Q1 '23 compared to 2022).

Benefit of the Doubt has the third lowest score amongst our seven Business Outcomes and is tied with Trust to do the Right Thing for the largest change. This parallel isn't so surprising since Trust and Benefit of the Doubt are two sides of the



BUSINESS OUTCOME SCORES

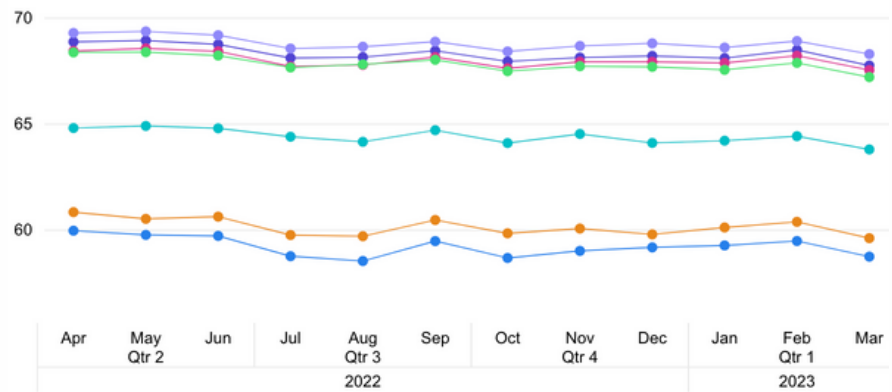
OUTCOME	SCORE	CHANGE
Say Positive	68.6	▼0.4
Buy	68.1	▼0.4
Recommend Products	67.9	▼0.3
Trust to do the Right Thing	67.5	▼0.5
Benefit of Doubt	64.1	▼0.5
Invest	60.0	▼0.4
Work For	59.2	▼0.3

Source: RepTrak CRT Data, Q1 2023 compared to 2022



BUSINESS OUTCOME SCORES OVER TIME

- Say Positive
- Buy
- Recommend Products
- Trust to do the Right Thing
- Benefit of the Doubt
- Invest
- Work For

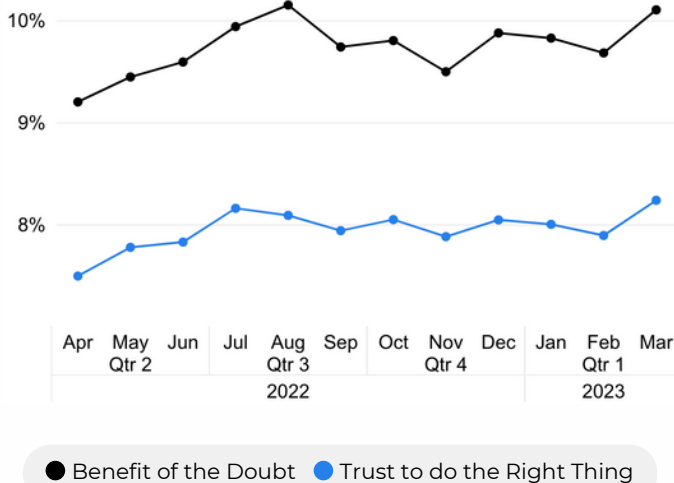


Source: RepTrak CRT Data, April 2022 - March 2023

same “license to operate” coin. “License to operate” metrics go beyond regulatory or legal requirements companies need to become “operational.” Rather, these are reputational areas that refer to the social and public acceptance stakeholders give a business.

Companies that have stronger Scores in “license to operate” areas are more likely to be resilient in a time of crisis — effectively building a type of credibility that protects against ambassadors turning into detractors. Ambassadors and detractors describe consumer attitudes and behaviors towards a particular brand, product, or company.

DETRACTORS OVER TIME

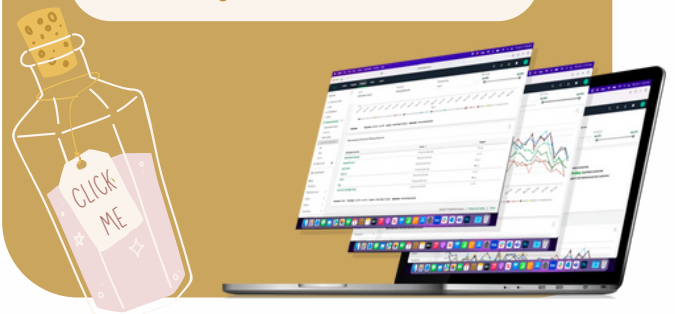


Source: RepTrak CRT Data, April 2022 - March 2023

YOU REPUTATION STORY IS JUST GETTING STARTED...

With Business Outcomes Premium Analysis you can discover the most important factors that are influencing stakeholder behavior on a day-to-day basis. If you were just involved in a crisis, this upgrade can help your teams develop an effective communications plan, and build a reputation recovery strategy that resonates with your stakeholders. And it's not just for Risk Management and PR departments. Our expert Advisory team will help you target the right KPIs across your company to see which Outcomes need a little TLC.

SEE WHERE IT CAN GO,
REQUEST A DEMO.





Ambassadors will:

- Use word-of-mouth to say positive things about your brand
- Actively promote your brand
- Regularly engage with your brand

Detractors will:

- Be vocal with negative opinions about your brand
- Write negative reviews on social media
- Actively discourage people from doing business with you

In the past year, we saw a one-percent increase in Detractors corresponding to Benefit of the Doubt and Trust to do the Right Thing. With both these "license to operate" Outcome Scores down in 2023, the signs of rising Detractors should be a warning.

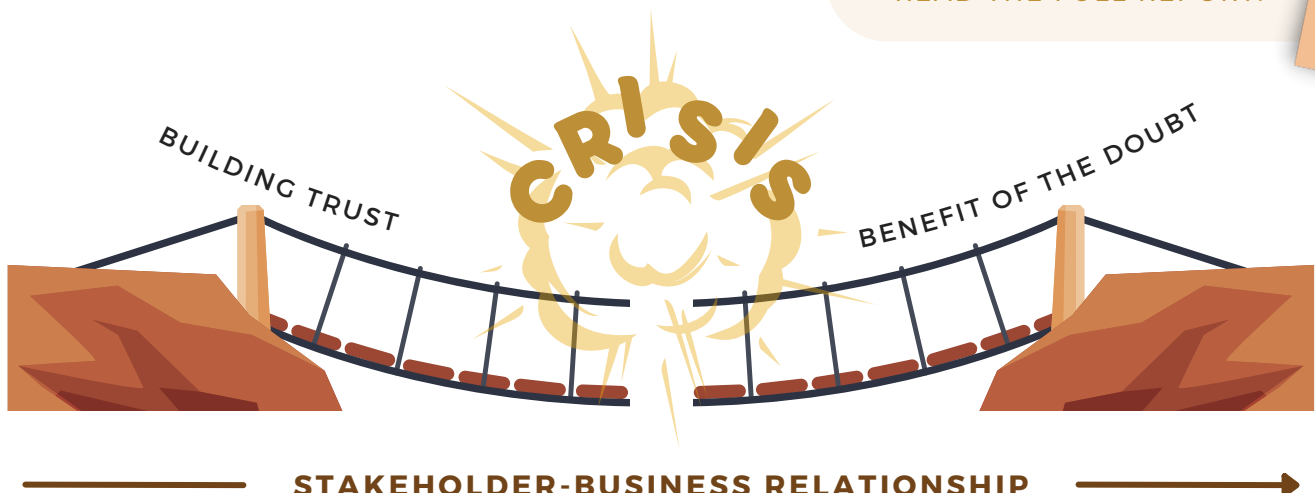
In our [2023 Corporate Trust Report](#), we told you that Trust serves as the bedrock for our relationships, including those with our favorite brands. It's an inherently emotional response from stakeholders to what you are (or aren't) putting out there. But what happens when trust is broken? That's where Benefit of the Doubt comes in, it's a different point in the stakeholder-business relationship.

BENEFIT OF
THE DOUBT
&
TRUST TO DO THE
RIGHT THING

*Have a .75 strong and
positive statistical
correlation*

Source: RepTrak CRT Data,
April 2022 - March 2023

EARN STAKEHOLDER TRUST,
READ THE FULL REPORT.





Enter Benefit of the Doubt Scores

So now that we know when Benefit of the Doubt comes into play, let's take a closer look at why this Score is down in 2023. Since 2020, it's felt like there's been one global crisis after another — one pandemic (with the scare of a second thanks to Monkeypox), Civil Rights movements fighting for racial equality and bodily autonomy, the Russian invasion of Ukraine, environmental disasters, economic recession, and violations of employee rights (to name a few).

And neither businesses nor stakeholders have come out of one of these events totally unscathed. Our annual [Global RepTrak® 100](#) study cautioned that 2022's results were a warning shot to make good on those pandemic-era promises you made. Twenty twenty-three's results are the reckoning, and stakeholders noticed you didn't follow through when the next crisis arose.

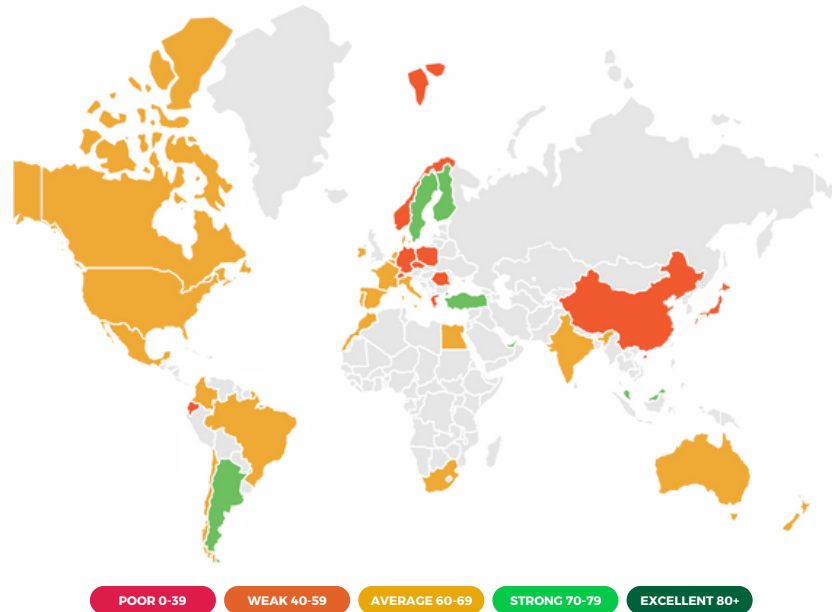


[READ THE FULL 2023 REPORT](#)

Keep in mind that crises happen to varying degrees, and not every event will be felt equally across your stakeholder groups (oh, we have data on that too... check out our [Additional Stakeholders Upgrade](#)). While they can be unforeseen global disasters that happen around you, they also take place inside your business or industry. Big or small, internal or external, they inevitably impact the perception of your company — and it will be your response that matters in preserving or repairing your reputation.

Shrinkflation is an increasingly common example of a global phenomenon where the price of a product remains the same but the

BENEFIT OF THE DOUBT SCORES BY COUNTRY



Source: RepTrak CRT Data, Q1 2023 compared to 2022

While Benefit of the Doubt is on a global decline as a result of shared crises, different countries will always face stakeholder repercussions from their respective events — impacting this Score across different markets. If you conduct business around the globe (or are looking to break into a new market), take a look at our [Multi-Country Reputation Upgrade](#).

JACK & SHRINKFLATION

Jack used to get a lot more magic beans in exchange for his cow. But thanks to shrinkflation, the same trade isn't getting him what it used to.





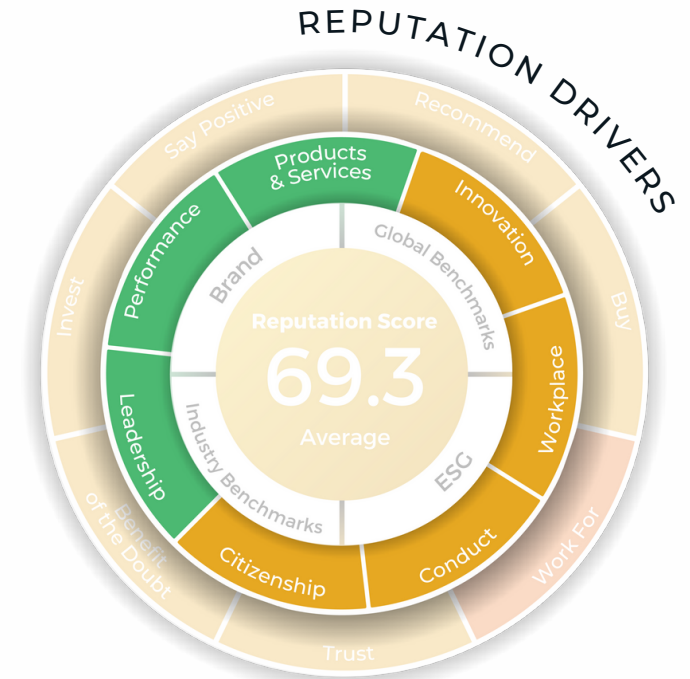
size of the product shrinks — or the rewards consumers earn don't get them what they used to. Inflation is everywhere, and (while not enjoyable) rising prices are noticeable and expected under these economic conditions. But our data shows that consumers are reacting differently to new inflationary measures brands are taking. When they see companies employing shrinkflation, the reputational repercussions are more severe because trust in your organization has been broken — and now is associated with a larger crisis.

Historic RepTrak data tells us that Products & Services is the most important Driver (one of our reputational elements that measures why people *think* a certain way about you) in gaining a strong reputation. We see that the most important factor in influencing Benefit of the Doubt over the past year has been offering “products and services that are a good value for the money,” and coming in at #2 is “behaves ethically.”

While you might not be under fire right now for something “as small as” adding one fewer magic bean to a bag, behaving ethically via your products is a big component to building that reputational credibility — before you're involved or associated with a larger crisis.

RepTrak Sales Director, Bruno Paixao warns, “Stakeholders’ expectations are rising with the number of crises being brought to their attention.” “They’re asking more from companies, and that’s going to take time. Walking the walk before a crisis is going to get you far in building a trusting relationship with your consumers, and it will also form a type of reputational protection for when you are most vulnerable.”

(cont.)



MOST IMPORTANT FACTORS IN INFLUENCING BENEFIT OF THE DOUBT

- 1 OFFERS PRODUCTS AND SERVICES THAT ARE A GOOD VALUE FOR THE MONEY
- 2 BEHAVES ETHICALLY
- 3 IS OPEN AND TRANSPARENT ABOUT THE WAY THE COMPANY OPERATES
- 4 IS FAIR IN THE WAY IT DOES BUSINESS
- 5 HAS A POSITIVE INFLUENCE ON SOCIETY
- 6 OFFERS HIGH QUALITY PRODUCTS AND SERVICES
- 7 MEETS CUSTOMER NEEDS
- 8 ACTS RESPONSIBLY TO PROTECT THE ENVIRONMENT
- 9 STANDS BEHIND ITS PRODUCTS AND SERVICES
- 10 SUPPORTS GOOD CAUSES



Source: RepTrak CRT Data, April 2022 - March 2023



"Walking the walk before a crisis is going to get you far in building a trusting relationship with your consumers."

You can't stop the world from turning, and you can't control events that you can't imagine are coming. However, you are in control of what you say and do before and after they occur. Whether people are likely to give you the benefit of the doubt or not has a lot to do with your track record long before a crisis even takes place.



HOLDING OUT FOR A HERO

Leadership Scores

Speaking of those Reputation Drivers... Compared to our Business Outcomes, globally, Drivers are more encouraging in 2023. But don't get too comfortable with a few Strong Scores. Our data for each Driver goes deep, and we see more improvements to be made.

The public isn't just watching how your business operates, they want to know *who* is behind the decisions being made. In the digital age, it's almost expected to see a leader have a uniquely individual, but branded, presence with the public —

2023 Q1 GLOBAL TOP PRIORITY DISTRIBUTION



In addition to our ongoing, consistent metrics, we also include current events and concerns as they arise to give the most complete picture of evolving stakeholder needs. Our 2023 [Q1 Global Current Events Data](#) exhibits widespread inflation frustration, with maintaining the price of products surpassing layoff concerns.

DRIVER SCORES

DRIVER	SCORE	CHANGE
Performance	72.9	0.0
Products & Services	72.0	▼0.2
Leadership	70.2	▼0.1
Innovation	67.8	▼0.3
Workplace	67.2	▲0.1
Conduct	67.1	▼0.1
Citizenship	66.4	▼0.2

Source: RepTrak CRT Data, Q1 2023 compared to 2022





whether that be via social media, book releases, speaking engagements, or interviews with the press.

Our Driver Factors indicate that consumers care about the following traits in their leaders: they're well organized, strong and appealing, excellent managers, and have clear visions for the future. And when something goes wrong, they're looking to leadership for swift answers.

45%

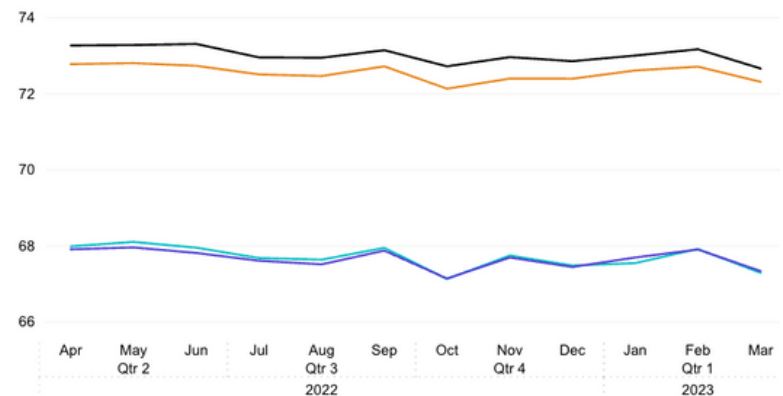
Our 2023 Q1 Current Events Study shows that 45% of global consumers strongly agree that a CEO reflects a company's conduct and values.

Source: RepTrak 2023 Q1 Current Events Study

Leadership has a strong and positive correlation to Benefit of the Doubt, and for good reason. In February of 2023, we looked at one leader who was making big reputational waves for two of his most notable companies. [Our data found](#) that when Elon Musk took over Twitter, their Reputation Score declined — and so did Tesla's. Regardless of the difference in product, Twitter and Tesla faced similar reputational repercussions as a result of their same leader.

Musk took over Twitter in October of 2022. From October to March of '23, Twitter's Benefit of the Doubt Scores dropped in the United States from a Poor 39.9 to a poorer 36.9 (a 3-point decrease in 5 months). It wasn't long after he stepped into the role of CEO at Twitter that Musk's new ideas for both employees and users led to several crises at the company: immediate mass layoffs, a return to office mandate, and the capability to impersonate verified personalities with a simple \$8 per month. What our Benefit of the Doubt data tells us is that Elon didn't just cause crises, he was one.

LEADERSHIP FACTOR SCORES OVER TIME



● Well organized ● Clear visions for the future
● Strong and appealing leader ● Excellent managers

Source: RepTrak CRT Data, April 2022 - March 2023

BENEFIT OF THE DOUBT LEADERSHIP

Have a .65 strong and positive statistical correlation

REPUTATION LEADERSHIP

Have a .72 strong and positive statistical correlation

Source: RepTrak CRT Data, April 2022 - March 2023

READ "THE ELON EFFECT" BLOG POST





In May of 2023, Musk appointed Linda Yaccarino the new C.E.O. of Twitter — but that doesn't mean he's completely stepping away. Aside from still owning the company, he shared that he'll transition to focus on Twitter's product and technology. Though no longer C.E.O., his ownership and continued affiliation will likely hold weight in the public's *perception* of the company's leadership. We'll be monitoring to see how Scores change under a new C.E.O, but communication from the new leader will be key in building back a relationship damaged by Musk's decisions.

Leaders have a dual responsibility to inevitably answer shareholders while communicating effectively with stakeholders. Remember that internal employees and future hires *are* part of your stakeholders, and what's happening inside the company will eventually reach the public. Those Driver Factors (organized, strong and appealing, clear visions for the future) are often on full display when a crisis occurs — and if they're not, they should be. Having strong Leadership Scores is crucial to building Benefit of the Doubt in the aftermath, but working on that reputational safety net beforehand will help break your fall.

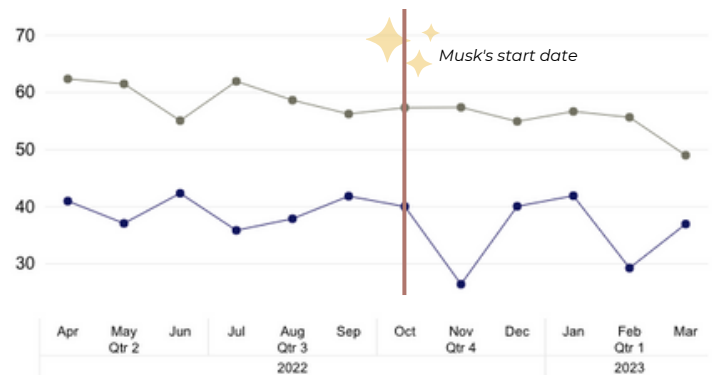


NOT QUITE THE MIDAS TOUCH

Industry Scores

Like we said, most global crises aren't your fault, but you will be held accountable for your response as an organization when one hits. The same can be said on a smaller scale for crises specific to an industry. RepTrak's Industry insights show that not a single industry started 2023 with a Strong Score in Benefit of the Doubt. All of them are in the Average range, with the exception of Banks

U.S. TWITTER AND TESLA BENEFIT OF THE DOUBT SCORES OVER TIME



● Tesla ● Twitter

Source: RepTrak CRT Data, April 2022 - March 2023

U.S. data is used here over global data to maintain consistency across two different companies that we measure in different countries. The shared market between the two is the United States.

BY REPTRAK DECREE

Historic RepTrak data confirms that companies with outspoken CEOs across social justice, environmental, and political issues have higher average Reputation Scores.



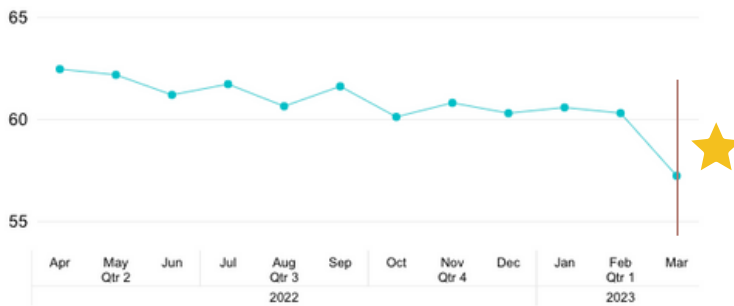
and Telecommunication Services in the Weak range. Banks showed the second largest decline in Scores with a full 1-point decrease (behind Software and Services's 1.1-point decrease). In the United States, we see a much more dramatic decline in Scores, notably from February to March of 2023 [following the crash of several U.S. banks.](#) (cont.)



This was the largest bank failure since 2008.

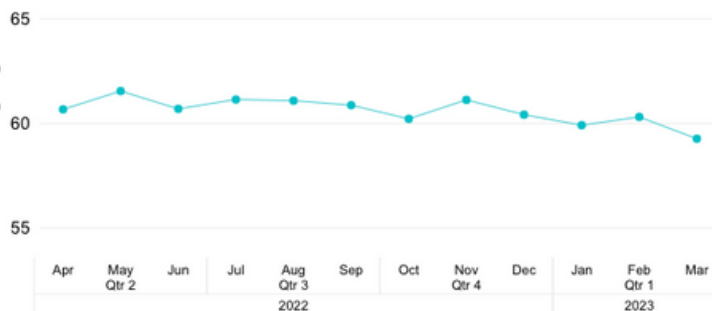
To prevent a global fallout, banks from around the world combined efforts with the U.S. Federal Reserve to provide swift liquidity to help stabilize the market.

U.S. BENEFIT OF THE DOUBT SCORE BY INDUSTRY: BANKS



Source: RepTrak CRT Data, April 2022 - March 2023

GLOBAL BENEFIT OF THE DOUBT SCORE BY INDUSTRY: BANKS



Source: RepTrak CRT Data, April 2022 - March 2023

Since the crash occurred at the beginning of March, we'll look forward to the Q2 industry data to see who had the benefit of the doubt after this industry crisis.

RepTrak Sales Director, Doug O'Brien, explains that "when a crisis occurs in one particular company, doubt can spread like wildfire across an industry." Meaning that you've effectively lost the benefit of the doubt from stakeholders. Doubt, in this case, is the lack of stakeholder conviction in your company. "Doubt enables consumers to pass that crisis along to any company

BENEFIT OF THE DOUBT SCORES BY INDUSTRY

INDUSTRY	SCORE	CHANGE
Health Care Equipment & Services	69.4	▲0.6
Real Estate	67.3	△0.2
Capital Goods	66.8	▼0.5
Consumer Durables & Apparel	66.7	▽0.2
Retailing	66.4	▽0.1
Software & Services	66.1	▼1.1
Automobiles & Components	66.1	▼0.8
Food, Beverage, & Tobacco	66.0	▼0.5
Household & Personal Products	65.9	▽0.7
Pharmaceuticals, Biotechnology, & Life Sciences	65.9	▲0.6
Commercial & Professional Services	65.8	▼0.8
Materials	65.3	▽0.1
Diversified Financials	65.2	▽0.1
Food & Staples Retailing	65.1	▼0.5
Technology Hardware & Equipment	64.4	▼0.9
Utilities	63.2	▲0.4
Insurance	63.0	▼0.3
Consumer Services	62.8	▼0.6
Energy	62.6	▲1.1
Transportation	61.6	▼0.4
Media & Entertainment	61.4	▲0.6
Banks	59.8	▼1.0
Telecommunication Services	58.2	▼0.6

Source: RepTrak CRT Data, Q1 2023 compared to 2022





aligned with that industry — it's guilt by association." When one of your competitors is going through a crisis, O'Brien says, "to prevent the appearance of broken promises across the industry, you have to show your stakeholders the actions you're taking to differentiate yourself from them. A tweet expressing collective solidarity isn't going to cut it."

A reminder that in the reputation game, perception is reality. And if you're not telling your stakeholders otherwise, they're going to see you as part of the larger collective problem.



"When a crisis occurs in one particular company, doubt can spread like wildfire across an industry."



HE FUTURE DOESN'T HAVE TO BE SO GRIMM



Contemplating the unpredictable in business can be scary, and having a reputational map is crucial to making it out of the woods. A guiding light should be building a relationship with your stakeholders, which takes both time and diversified efforts. Having the Benefit of the Doubt might not be a bottom-line KPI right now, but it's a risk-management tool that you can depend on when the future of your business is at stake. Investing in these now is going to be worth it when a crisis hits. Eventually one will, and you don't want to be

without benefit of the doubt. Whether a crisis is in your control or not, Bruno Paixao reminds us that any crisis "is an opportunity to rethink and rebuild differently." He points out that "crises come with opportunity for great change, and it's a chance to build a communications strategy that actually allows you to build ambassadors and familiarity if the course is corrected quickly."

We think the story of Benefit of the Doubt could have a happy ending, do you? ●

AS CLOSE TO A REPUTATION FAIRY GODMOTHER AS YOU CAN GET

RepTrak tracks corporate reputation in near-real time, meticulously monitoring your Reputation, Drivers, ESG, Brand, and Business Outcomes like Benefit of the Doubt. Our advanced metrics paired with our expert Advisors provides crucial insight and informs powerful and practical strategy while measuring effectiveness, so you know exactly how your efforts and communication impact your audience's Benefit of the Doubt, and your broader reputation.

Visit reptrak.com to schedule your demo.