



T E M I N A N D C O M P A N Y

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Reputation Building in 2008: Seven Considerations That Are Changing the Game

"You must have chaos within you to give birth to a dancing star."

Friedrich Nietzsche

Building "Stars" in Times of Chaos is clearly the challenge for "reputation managers" such as myself in 2008.

Companies, products, non-profits, politicians, and even individuals are facing a new kind of chaos – not just in the markets or in the political landscape, product safety or even public trust – but in the essential ways we consume information and let it shape our universe and perceptions.

So, as a professional crisis manager who worries about perception, and reputation, all the time – not to mention their relationships to truth – I have been thinking about the trends that will affect "reputation management" in 2008, and beyond.

Can we recognize these trends? And if so, how can we capitalize on them, or buck them, in order to get the particular truths we hold dear commonly accepted?

That is my goal, of course. So, submitted for your consideration, following are seven musings/trends that I believe will affect public perception in the New Year, and beyond:

1. **Challenge Assumptions – Daily**

An older corporate Board Director once said to me, "Do you know when we Directors know it is time to step down? When the things we believe to be undeniably, incontrovertibly true – aren't any more."

Things are moving so fast, fueled by technology, by globalization, by a troubled economy, by what is possible today that was not before, that it is crucial to challenge every assumption you have, all the time.

Especially in communications and reputation. One day Barry Bonds is riding high; the next he is a candidate for indictment. The same is true with CEO after CEO. But rehabilitation *is* possible. Take even the bizarre example of Joan Rivers. She was once a Johnny Carson wanna-be, almost a joke; today she is a QVC mogul, a fashion icon selling tens of millions of dollars worth of products over TV.

Reputations are no longer only slowly and deliberately built – they soar, they plummet, they crash, they resurrect. They are kinetic things and one must keep on top of them – monitoring them, readjusting them, and reinventing them – constantly.

2. **“News” is Being Redefined**

As traditional print and broadcast media such as newspapers, magazines and TV news shrink and hemorrhage profitability, and information delivery continues its transit to the web, the influence of “editors” lessens. Press releases, oft maligned as organizational hype (and mostly are), have taken on new potency in the web world.

If you issue a release over the pay wires, it is immediately picked up, whole, by tens or hundreds of websites, which are in turn linked to hundreds of other sites, referenced in blogs, and sometimes received as unadulterated truth. Not always, of course, but more often than before.

And reported, researched, edited, thoughtful articles can sometimes be placed next to these marketing-messaged releases, and to blog postings, as just another form of news distribution, instead of being valued more highly.

Why else would organizations like ProPublica, the independent, non-profit newsroom that will produce investigative journalism in the public interest, crop up? Because a group of the most thoughtful, experienced news experts, such as former *Wall Street Journal* editor-in-chief Paul Steiger, Dick Tofel and Steve Engelberg, see that impartial, investigative journalism is no longer going to be economically viable. But it is still crucial to our world, and thus needs to be supported as a non-profit public endeavor.

Expect this trend to continue to grow. We need to understand the system in order to embrace it, while still honoring the difference between marketing messages and news. Believe it or not, that will hold marketers in the best stead.

3. **We Won’t Be Fooled Again – Or Will We?**

Osama/Saddam/Obama – The cynicism of those who seek to manipulate public perception cannot be overrated.

Communicators – especially in the political arena – have counted on the gullibility and lack of perceptivity of the public. They deliver muddled messages and expect the populace to not see clearly enough to uncover crucial distinctions, or the truth.

How else could the current US administration have counted upon its constituents to confuse Saddam with Osama, half-believe that Saddam was responsible for the 9/11 attacks, and sanction the Iraqi war? (See the *Wall Street Journal's* July 10, 2003 article, “The Fog of Deceit.”)

Well, we’ve seen where that leads us. And we’re smarter now – or are we? Will it work again? Watch, if Barack Obama reaches the ticket as Vice President or President, whether we begin seeing messages confusing “Osama” and “Obama.” Watch who puts those messages out, and who consumes them whole.

And let’s make sure that our own messages are clear and distinct, and that we help the public see crucial distinctions, as opposed to gloss over them.

4. Lies, Lies and More Damn Lies – Do They Matter?

To embellish on the previous point: perhaps it has ever been thus, but I think it is more true today – we are officially jaded by lies, and may no longer even care that we are being lied to.

“These CDO’s are safe, highly-rated investments.” “The value of your home will only go up.” “Iraq has weapons of mass destruction.” “The US does not engage in torture.” “These products for your children are safe – and so is this cough medicine...”

Public institutions are lying in profusion. Product safety breaches continue to rock various industries. But, is the traditional way of dealing with contamination still needed? Traditionally, a mea culpa, plan for remediation, and then follow-through were needed to repair product “tainting” problems.

Disturbingly, a headline in the December 21, 2007 WSJ proclaimed: “In the US, Playthings Stay on Customer Shopping Lists; Parents ‘Couldn’t Care Less,’” right before Christmas.

Privately, executives have criticized Mattel for overly-ambitious recalls, instead of “toughing out” its lead contamination issues.

What is the balance that beleaguered companies need to strike between defending themselves and apologizing, taking a hit, correcting and moving on? Millions of factors affect that balance – like the facts – but the trend seems to be shifting to a hardball stance. As the populace becomes more and more jaded, and expects less truth from its institutions, they seem to accept tougher corporate responses, and a lack of responsiveness. Is that a trend to take advantage of, or fight? What is best for share price, stakeholders and reputation?

5. Conflicting Trends: Transparency vs. Complexity

A dialectic is emerging between an increasingly interconnected, complex world – everywhere from the global supply chain to new derivative financial instruments – and calls for increasing public “transparency” and simplicity.

It is no wonder, because complexity and interconnectedness are as weak as their weakest links, and we often don’t know what they are until they fail. So complexity is scary.

But transparency and simplicity are hard to come by, and at best can only serve as an “executive summary” of the complexity that underlies them. Because complexity, fueled by technology and creativity, is not going away any time soon....

How will organizations, products and individuals need to publicly negotiate between these two trends? Proclaim transparency, but operate opaquely? How they come to a synthesis in their public profiles will determine their success in ‘08.

6. The Consequences of Our Loss of Privacy

It goes without saying that the concept of privacy is fast disappearing. People are being fired for indiscretions memorialized on the web—from ill-advised social networking postings to indecorous photos, often posted by others. There is nothing we do that might not be outed on the web...and even if it has not been yet, that does not mean it may not be in the future.

I can’t tell you how many times we have been hired not just for web site “optimization,” or to increase the exposure of organizations on the searchable web, but also for what I would call “deoptimization,” or trying to remove or bury certain items on the web. Of course, you can seek to correct incorrect data or lies in many ways, up to and including litigation, but as for dealing with breaches of your privacy, that is a different story.

The concept of an “open” society is taking on a new meaning. And in the future it will mean that either we all will have a much higher tolerance for human idiosyncrasy, or we had better be pretty careful of our behavior...even in Tahiti, on a private beach!

7. The Web as a Living Thing

Some scientists I have been working with talk about future inventions that will “read the web” like a living thing. Now I don’t just mean data mining Google to see who is looking at what at any given moment. Or researching how the web is valuing an organization’s “reputation” by crawling through and evaluating everything being written about it in real time.

These are already being done.

I am talking about several steps beyond: being able to model, visualize and understand the web as a sentient, growing, meta-organism that has a psychology, personality, moods, quirks, and powers that mirrors its users, en masse, and perhaps surpasses them. Call it Web 4.0, or maybe Web 5.0 squared.

This, over time, may be the reputation engine that supercedes all reputation engines.

So, what we know, how we know it, and how we can affect what others know are going to be changing at warp speed. Buckle your seat belts – 2008 (and beyond) is going to be a very, very wild ride!

And, of course, we're always here to help, in case you feel you would like a bit of navigation along the way.

Wishing you a safe, successful New Year, full of stars.

Sincerely,

Davia Temin

Temin and Company is a reputation and crisis management, strategic marketing, media strategy and training consultancy. We work at the Board, Chief Executive, funding and product levels to create, enhance and save reputations.

Our clients include some of the world's largest and most well-known corporations, financial institutions, pharmaceutical companies, law firms, consulting firms, publishing houses, private equity and hedge funds, high tech and biotech companies, foundations and universities, as well as politicians, corporate board directors, chairmen and CEOs, sports figures, authors and scientists.

Examples of our work include helping to withdraw and then successfully reintroduce a popular drug to the market, after a health scare crisis; helping to position one of the world's leading corporate identity firms; helping to restructure the marketing and communications efforts of a major information organization; helping to organize an Advisory Board for a major bank division; positioning and media training national politicians; advising and running the women's council of a major investment bank; using the faculty research of a European-based business school to help raise the profile of the school itself; issuing the investment opinions of a successful investment manager; representing venture capital firms, and their portfolio companies, to key audiences, the public and press; and moderating/conducting public and in-house seminars on "Resiliency: How To Lead in Difficult Times," "How to Move from Tactical to Strategic Leadership," "How to Climb the Corporate Ladder," "Crisis Management for YPO Members," "Introduction to Integrated Marketing," "Presentation Skills Training," and "How the Media and Business Interact."