

Globethics Repository

The logo for Globethics, featuring the word "Globethics" in white, sans-serif font centered within a solid blue rectangular background.

The strategic use of perceptual maps in corporate reputation analysis

This page was generated automatically upon download from the Globethics Repository. More information on Globethics see <https://www.globethics.net>. Data and content policy of Globethics Repository see <https://repository.globethics.net/pages/policy>.

Item Type	Preprint
Authors	Isoni, Miguel Maurício;Filho, Cid Gonçalves
Rights	With permission of the license/copyright holder
Download date	2026-07-10 07:23:44
Link to Item	http://hdl.handle.net/20.500.12424/174003

**THE STRATEGIC USE OF PERCEPTUAL MAPS
IN CORPORATE REPUTATION ANALYSIS: AN EMPIRICAL SURVEY**

by Miguel Maurício Isoni – UFPB / Cid Gonçalves Filho - Face-Fumec and Fead-Minas

Miguel Maurício Isoni - miguelisoni@uol.com.br - Master on Systems and Computers; Administration Bachelor degree; Specialist on Marketing Management Strategies - Researcher of Marketing Information - Professor at the Administration Bachelor Course

Address:

Av. Flávio Ribeiro Coutinho, 1027 – apto 100
Manaíra - João Pessoa – Paraíba - Brazil
Zip Code 58.037-000
Telephone: 55-83-2458611

Cid Gonçalves Filho – cfilho@uai.com.br - Doctor on Business Administration. Professor and Researcher.

Address:

Alameda das Amendoeiras 610
Ouro Velho - Nova Lima - Minas Gerais - Brazil
Zip Code 34.000-000
Telephone: 55-31-35817196

**THE STRATEGIC USE OF PERCEPTUAL MAPS
IN CORPORATE REPUTATION ANALYSIS: AN EMPIRICAL SURVEY**

ABSTRACT

Corporate reputation is a cognitive representation of a company's actions and results that crystallizes the firm's ability to deliver valued outcomes to its stakeholders (FOMBRUN, GARDBERG and BARNETT, 2000). The importance of this concept is growing and the international scientific community and organizations are interested in the development of this important research field (BERRY (2000); DAVIES (2002)). The objective of this project is to provide an instrumental form of strategic decision to managers, proposing and testing empirically the application of perceptual maps as important tools to compare perceptions about corporate reputation and its attributes.

DEVELOPMENT OF REPUTATION MEASURING SCALES

The development of corporate reputation scales is an important aspect to provide objective managerial vision of the reputation, giving condition to compare different corporations or to develop longitudinal studies. Fombrun, Gardberg and Sever (2001) present an attribute list, (ranked attributes) in order of importance (number of reputation surveys using attribute):

Table 1: Ranked attributes in order of importance

Attribute	Ranked attributes in order of importance	Number of reputation surveys using attribute
1	Quality of products and services	7
2	Financial soundness	6
3	Ability to attract, develop and retain top talent	5
4	Quality of management	5
5	Social responsibility (society, environment, community)	5
6	Innovativeness	4
7	Long-term investment value/potential for future profit	4
8	Ability to cope with changing economic environment	3
9	Use of corporate assets	3
10	Strong and consistent profit performance	2
11	Being honest and ethical	1
12	Best practices — markets	1
13	Business leadership	1
14	Companies that others try to emulate	1
15	Contribution to local economy	1
16	Globalization of business	1
17	Innovativeness in responding to customers	1
18	Long-term financial vision	1
19	Maximizing customer satisfaction and loyalty	1
20	Overall admiration	1
21	Overall awareness of company	1
22	Overall leadership	1
23	Potential for growth	1
24	Quality of marketing	1
25	Robust and human corporate culture	1
26	Strong and well thought out strategy	1

(Adapted from Fombrun, Gardberg and Sever, 2001)

These initiatives are an important area of study, especially when it is constructed by using all the constructed validity procedures such as construct unidimensionality, convergent validity, discriminating validity and reliability techniques.

Debra King (2000) proposed that a Corporate Citizenship Scale with four dimensions: Community Reputation, Management Reputation, Workplace and Environment Reputation. The model tested a casual relationship between reputation and intention to deal. Figure 1 show the hypothesis tested. Community reputation (12 questions), Management Reputation (13 questions), Environment (4 questions) and Workplace (7 questions).

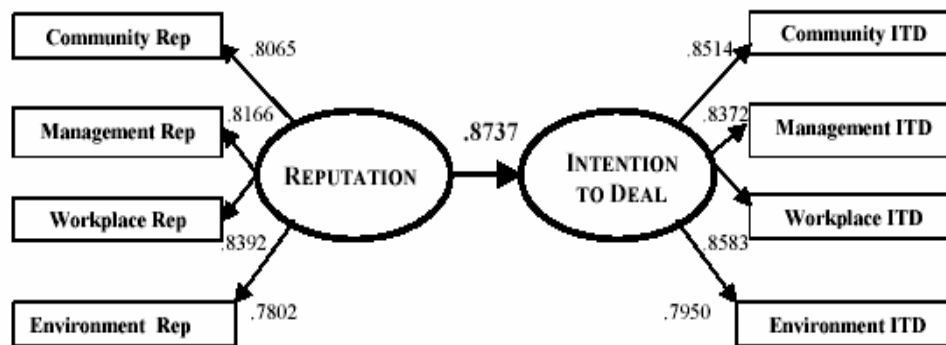


Figure 1: Path Model of relationship between reputation and intention to deal. Source: KING (2000)

PERCEPTUAL MAPPING AND CORRESPONDENCE ANALYSIS

Perceptual mapping has been used as a strategic management tool for about thirty years. It offers a unique ability to show the complex relationship between marketplace competitors and the criteria used by buyers when making purchase decisions and recommendations. Its powerful graphic simplicity appeals to senior management and can stimulate discussion and strategic thinking at all levels of all organization types. Perceptual mapping can be used to plot the interrelationship of consumer products, industrial goods, institutions, as well as populations. Virtually, any subject that can be rated on a range of attributes can be mapped to show its relative positions in relation to other subjects as well as to the evaluative attributes.

Correspondence Analysis is a technique that analyzes two-way contingency tables or data that can be expressed as a two-way table, such as brand preferences or sociometrical choice data. Correspondence analysis describes the relationship between two nominal variables in a low-dimensional space, while simultaneously it describes the relationship between categories for each variable. For example, you can use Correspondence Analysis to display graphically the relationship between staff category and smoking habits. You might find, regarding smoking, junior managers differing from secretaries, but not secretaries differing from senior managers. You might also find that heavy smoking is associated with junior managers, whereas light smoking is associated with secretaries (SPSS, 2003).

THE STRATEGICAL USE OF PERCEPTUAL MAPS IN CORPORATE REPUTATION

The use of perceptual maps / correspondence analysis in corporate reputation can provide a visual map that can enhance comparisons of companies and the attributes considered to measure reputation at the same perceptual space. The following example can illustrate this proposal (fig. 2):

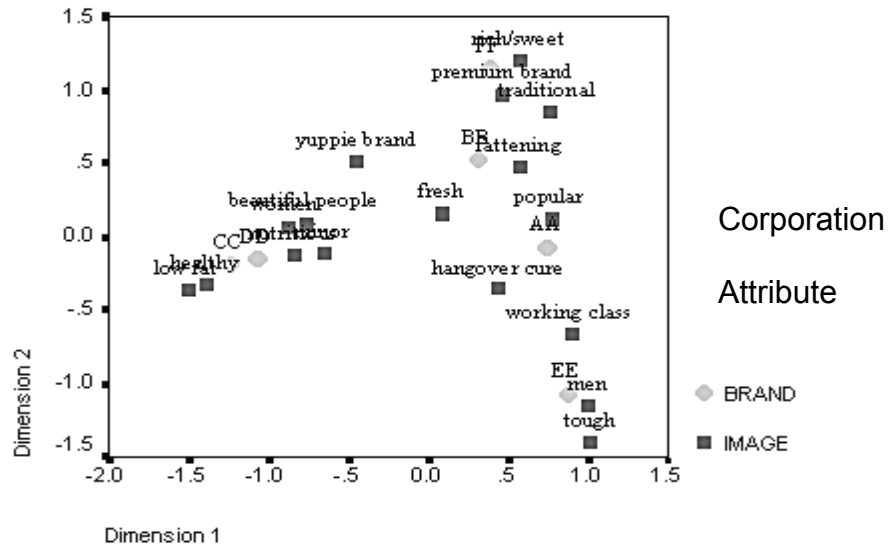


Figure 2: Sample of Correspondence Analysis (attributes are samples from a product marketing study)

According to Figure 2, we can verify that brand AA is considered more popular, and brand FF is considered as a premium brand. Brand CC and DD have similar reputation, and they are different from brand EE. So, the perceptual map provides a complete view of all the brands, the distance between them and the attributes set by the public to each corporation.

METHODOLOGY

The first phase of the research is exploratory, using literature review, focusing groups and specialists panels. The second phase, considered descriptive, will be a survey with structured questionnaire, with representative sample, that will be analyzed by perceptual mapping software. In the third phase, maps will be presented to managers, who will interpret them and generate managerial implications.

The data source could be secondary, as a reputation survey data is available from previous research work.

OPERATIONAL CONSTRUCTIONS

In this research, all the constructions analyzed by King (2000) were considered, proposed and listed by Fombrun, Gardberg and Sever (2001). Then, five dimensions and 65 questions were included in the questionnaire, using a Likert scale with 11 points (0 –10), to have a metric scale.

The dimensions proposed in the model tested to measure reputation are: Community Reputation, Management Reputation, Environment and Workplace (items considered by King (2000)) and Strategy (from FOMBRUN, GARDBERG and SEVER (2001)).

The reliability of scales was tested using Cronbach’s Alpha, and the values were near “0,8”, which was low but acceptable for exploratory studies.

SAMPLE

The sample is formed by 233 respondents, specifically higher educated students from two universities located in Brazil.

Respondents asked questions about the reputation of two car industries located in Brazil> FIAT and VOLKSWAGEN to make a possible comparison between both companies reputation, according to King (2000) and Fombrun, Gardberg and Sever (2001) dimensions.

DATA ANALISYS

The analysis was done by Software MVSP 3.1 to execute a Correspondence Analysis. The results can be observed in Figure 3:

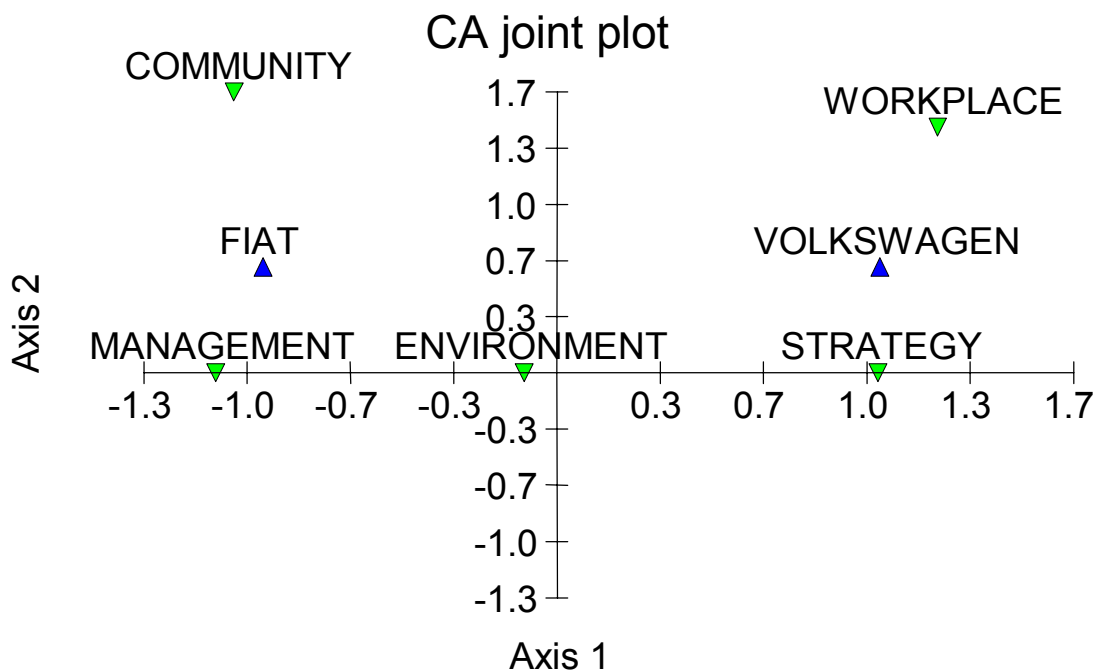


Figure 3: Correspondence Analysis. Source: Research

The tolerance of eigenanalysis was set at 1E-007. It was observed, according to Figure 3, that Community, Environment and Management reputation are more associated to FIAT.

Workplace and Strategy reputation are more associated to VOLKSWAGEN. So, as we can verify, there is not an industry that has a stronger reputation in all dimensions.

MANAGEMENT IMPLICATIONS

A Perceptual map can help organizations to improve their reputation, because they can see how the reputation is evaluated by costumers, compared to competitors, and therefore they can make investments to change the image of the organization. Verifying the results could be important to FIAT in order to make investments to improve Workplace and Strategy reputation. The capacity of perceptual maps shows, in graphs, that the perceptual position of organizations and dimensions are good instruments for managerial decision-making.

ACADEMIC IMPLICATIONS

The use of perceptual mapping and the strategy of measuring reputation can confirm that this important study field is under consolidation, and new techniques can be used to improve the capacity of explaining relations and consequences of reputation form organizations.

PRESENTATION OF THE SURVEY RESULTS

The research tool presented 0,8534 fidelity, according to *Cronbach's Alpha* method; this value was considered reasonable (HAIR (1998); MALHOTRA (1996)).

To the *Dimension of Buying and Rebuying Brand Reputation Decision*, the logistic regression model presented a 58,86 settled degree; the relative risk and its interpretation are presented on Table 2.

TABLE 2 – Relative risk and Trustful Break (IC) to 95% and Favored Variable (Fav.) to Fiat (F) or Volkswagen (VW) brands

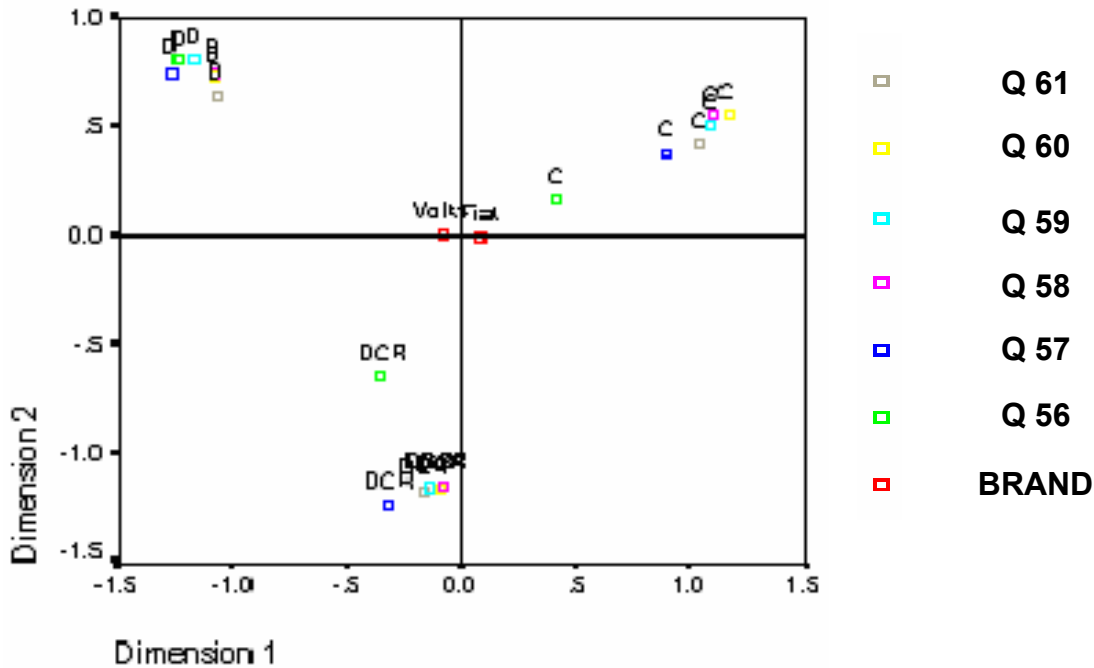
Variable	ATTRIBUTS	Risk	I.C 95%		Fav.
			Upper Limit	Lower Limit	
Q56	The probability of buying cars from this company is high	1,18	1,11	1,25	F
Q57	I intend to recommend this manufacturer to my friends	1,00	0,91	1,09	B
Q58	If I was thinking of buying a car, I would certainly buy one from this company	0,91	0,83	0,98	VW
Q59	I consider the company my first choice to buy vehicles	1,01	0,90	1,13	B
Q60	I intend to buy more cars from this company in future years	1,05	0,93	1,18	B
Q61	I intend to encourage people to buy cars from this company	0,98	0,90	1,08	B

Source: Research

According to Table 2, the consumers' perception is favorable to Fiat (F) in item Q56 and favorable to Volkswagen (VW) in item Q58; on the other items, there is a balance (B) in both brand choices.

Figure 4 shows that Fiat brand is close to group **C** = Agreement, and Volkswagen brand is closer to opinion **D** = Disagreement. The reasonable agreement and reasonable disagreement opinion = **DCR** were distant in both brands. We can conclude again that consumers were more coherent in this dimension with Fiat brand.

Figure 4 – Agreement, disagreement and reasonable disagreement consumers' opinion



Source: Research

CONCLUSIONS

The development of Corporate Reputation, an important scientific research field, is a strategic resource for organizations. The possibility of transposing multivariate data analysis techniques to provide new dimensions and possibilities to managers can also create new possibilities to researchers. Correspondence analysis and perceptual mapping are relevant tools that can add power and capacity of analysis of corporate reputation to organizations.

In order to contribute to a better corporate citizenship practice and define mechanisms to assist Brazilian corporations we have analyzed the tools previously displayed and presented the current research. Good corporate citizenship will increase corporate reputation and reputational value.

“...A corporate reputation is a perceptual representation of a company’s past actions and future prospects that describes the firm’s overall appeal to all of its constituents when compared with other leading rivals...” (FOMBRUN, 1996, p.72)

REFERENCES

BERRY, L. L. “*Em busca da boa reputação*” (2000). Revista HSM. São Paulo V4, n20, pp. 28-32.

DAVIES, Gary; et al (2002). “*Corporate Reputation and Competitiveness*”. Routledge. London.

FOMBRUN, C. J. (1996). Reputation: Realizing value from the corporate image. Boston, MA: Harvard Business School Press.

FOMBRUN, C.J., GARDBER, N., & BARNETT, M. (2000), "*Opportunity Platforms and Safety Nets: Corporate Citizenship and Reputation Risk*", Business & Social Review. V 105, n1, pp. 85-106.

FOMBRUN, C.J., GARDBERG, N.A. and SEVER, J.M. (2001) “*The Reputation Quotient: A multi-stakeholder measure of corporate reputation*”, Journal of Brand Management, 7(4), 241–255.

FOMBRUN, C. and SHANLEY, M. (1990). “*What’s in a name? Reputation building and corporate strategy*”, Academy of Management Journal, 33(2), 233–258.

HAIR, Joseph F. et al. (1998) “*Multivariate Data Analysis*”, New Jersey: Prentice Hall.

KING, Debra. (2000) “*Corporate Citizenship and Reputational Value: The Marketing of Corporate Citizenship*”. Research Report. University of South Australia.

MALHOTRA, N. K. (1996) “*Marketing research: an applied orientation*”, 2^a ed. N.J. Prentice Hall.

SPSS (2003), available at Internet http://www.spss.com/spssbi/categories/data_analysis.htm