



UNIVERSITY OF GOTHENBURG
SCHOOL OF BUSINESS, ECONOMICS AND LAW

**On the Relationship between Corporate Reputation and Brand
Trust – an Investigation of three Corporate Brands'**

Gustav Juliusson and Patrik Eriksson

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Supervisors: Eva Ossiansson and Henrik Hansson

On the relationship between corporate reputation and brand trust – an investigation of three corporate brands

Gustav Juliusson MSc¹ and Patrik Eriksson MSc¹
¹*School of Business, Economics and Law at the University of Gothenburg*

Supervisors: Dr. Eva Ossiansson¹ and Dr. Henrik Hansson¹
¹*School of Business, Economics and Law at the University of Gothenburg*

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Abstract:

In today's corporate world, where the market place demands the highest of standards on companies and their products, it is of detrimental nature that consumers possess trust for the brands that define their lives. While research has previously been able to demonstrate the relationship between negative corporate reputation and brand trust, this paper aims to further investigate reasons for why and how this is. In order to investigate this imperative question a multiple case study approach, where in-depth interviews was the primary research method, has been employed. The Swedish companies *IKEA*, *SAAB Automotive* and *SJ* are not only well known in Sweden, but they are also continuously under intense media pressure and were therefore chosen to be the focal cases for the study. The comparative analysis of these cases proved the central importance of the *product*, the importance of the consumers' *relationship* to the brand and the importance of sound *corporate governance and management* in the creation of brand trust among consumers today. The main effect that negative corporate reputation has on brand trust is derived from these three themes according to the conclusions presented in this study. The study also furthered the understanding of the interrelationship between functional aspects and social aspects of corporate reputation in the creation of brand trust through our interviews. Regarding which functional aspects where found to be of prime importance in the creation of trust.

Part I:

Introduction:

BP screwed it up. As did Toyota. And Enron, and the Swedish Red Cross and Skandia. The list of corporate crises can be made infinitely long because in an ever-evolving corporate world plagued by financial crises, environmental and social concerns firms are now, more than ever, put under extreme levels of scrutiny. When news hits the media that oil is pouring out into the oceans due to poor maintenance as for BP; or when a car's brakes can no longer be trusted as it happened to Toyota; or when bankruptcy looms as for Enron. That a leader is suspected of fraud as for the Swedish Red Cross; or the management misbehaves as they did in Skandia, not even the most respected company is left unaffected. This is a reality that is only further emphasized by the emerging power of new forms of mass media where news spreads around the corners of the world in mere seconds. As studies have been able to show the positive impact that brand trust has on companies (e.g. Lacely, 2007; Lee, 2005; Fombrun et al., 2000), activities to boost

consumers trust for these companies and their brand promises can never be underestimated.

This study shows that not all types of negative reputation have an effect on consumers. That is, only when the consumer's self-interest is at risk consumers' trust for a company begin to decline. In this study we have investigated why and how consumer brand trust has been affected by negative corporate reputation. Additionally, the study has sought to investigate the three Swedish companies *IKEA*, *SAAB Automotive* (*SAAB*) and *SJ* that have been widely discussed in Swedish media, often without academic support, to see how Swedish consumers perceive these corporate brands. Guided by the below stated research question this study finds that the product is at focus in building brand trust, that the corporate brands' managerial capability to deliver the product, is of great importance, and that the consumers' previous experiences and relationship with the corporate

brand is vital in building trust for the brand despite negative corporate reputation.

Research Question: *'Why and how does negative corporate reputation affect consumers' trust in corporate brands?'*

In an attempt to further the academic discussion on this topic, this study will now critically review relevant literature on corporate reputation and trust before it turns its attention to the corporate cases.

Literature Review:

Business implications of trust and reputation

There is a consensus within the academic literature on the benefits of sustaining positive publicity towards the corporate brand. Several texts on the subject have been able to argue that reputation is of a value creating advantage for firms (e.g. Fombrun et al., 2000; Castro et al, 2006; Elliot & Percy, 2007). Hence, a good reputation enables firms to charge higher prices, makes it more difficult for competitors to compete and has a motivating effect on the organization (Castro et al, 2006). Similarly, there are benefits for those firms that are capable of sustaining and creating a high level of trust for their companies among customers (e.g. Lacely, 2007; Keh & Xie, 2009). Companies that can create trust for their corporate brands are able to enjoy marketing benefits and a higher level of customer retention (Lacely, 2007). Based on this research we can conclude that both corporate reputation and brand trust is of imperative importance in the pursuit of building a profitable enterprise. Attention to these concepts can therefore not be overlooked by organizations seeking a sustainable future. Nevertheless, one cannot help but to wonder if all enterprises are necessarily dependent on trust.

Literature is fairly conclusive in that there is a connection between corporate reputation and brand trust, where reputation is one of the key ingredients for creating trust in a company (e.g. Fombrun & van Riel, 1997; Lacely, 2007; Lee, 2005). Furthermore, trust is also often incorporated as part of corporate reputation in reputational scale studies (e.g. Fombrun et al., 2000), but in this study we view corporate reputation as an influence on brand trust. This study moreover takes a qualitative perspective to further existing studies in order to better explain the themes of corporate reputation and trust and how these subjects interrelate. In doing so this study also answers calls for qualitative studies on the interrelationship

between trust and reputation (Keh & Xie, 2009). As we pursue this endeavor, we are able to better explain why and how there is a connection between corporate reputation and brand trust, thereby not only confirming the existence of a correlation, but also offer an explanation.

Corporate reputation

Reputation cannot be viewed only from the perspective of marketing and branding, but also needs to consider organizational characteristics (Elliot & Percy, 2007). Therefore, reputation can be seen as an external phenomena and outcome that is the result of internal actions and decisions that shape the organization, employees and internal branding (Chun, 2005).

Thus, the definition of corporate reputation proposed by Castro et al. (2006) reads as follows: *"the collective representation of actions and outcomes of the past and the preset of the organization that describe its capability to obtain valuable outcomes for different stakeholders"* (pg. 362) and has subsequently been used for this study. Thereby echoing the definition of other writers (e.g. Rose & Thomsen, 2004; Cravens & Goad Oliver, 2006) that see the same characteristics of reputation as the noted reputation author Fombrun. Fombrun similarly stress the past and future, as well as the different stakeholders in creating reputation (Fombrun & Shanley, 1990). Ultimately, the definition by Castro et al. (2006) has been adopted in this study as it captures the fact that corporate reputation is a wide concept that incorporates different aspects of an organization and its stakeholders. From internal factors such as products to more external exercises such as the customer relationship management; hence differentiating reputation from just the 'corporate image' (Cravens & Goad Oliver, 2006). Moreover, a wide definition captures literatures claims that corporate reputation is a far-from agreed upon subject area (e.g. Rose & Thomsen, 2004; Cravens et al., 2003; Chun, 2005). However, one must criticize the lack of discussion surrounding the actual product and its role in the creation of corporate reputation in these descriptions of corporate reputation.

The both internal and external aspect of corporate reputation also reflects the fact that reputation is derived from both the products produced, as well as the organization itself. Pullig et al. (2006), in their article on negative brand publicity, describe how negative perceptions towards a brand created from publicity might either come from 'performance

related aspects' where the functional capability of the products is at the centre, or that these negative perceptions are 'values related' and takes into account social or ethical considerations that: "affect a brand's ability to deliver symbolic benefits" (Pullig et al., 2006: pg. 529). However, while other articles have made a similar distinction (e.g. Keh & Xie, 2009) it would be valuable to seek further understanding of the interrelationship between the functional aspects of corporate reputation and the social aspects of it.

Laufer and Coombs (2006) highlight the detrimental nature of product failures on the corporate reputation, describing it as a major cause of concern for reputation as a result of the media attention drawn to such failures and the impact of this on consumers. Cravens and Goad Oliver (2006) focus their attention on a specific stakeholder group, the employees and management, and the potential dangers that they pose towards the corporate reputation. It has also been discovered that companies that have sustained poor performance in the past is likely to suffer more during times of trouble than companies that has not gone through so much negative brand publicity in regards to the corporate reputation (De Blasio & Veale, 2009 citing Coombs, 1998). Rose and Thomsen (2004), finds that it cannot be ruled out that the financial performance of a company can have an effect on the corporate reputation of firms. The 'Reputation Quotient' model, developed by Fombrun and Sever (2000), takes into consideration six dimensions affecting the reputation: emotional appeal, products and services, vision and leadership, workplace environment, social and environmental responsibility, and financial performance (Fombrun et al., 2000). The 'Reputation Quotient' model further emphasize the holistic perspective of corporate reputation mentioned above. Apéria, Brønn and Schultz's (2004) conducted a study based on the Reputation QuotientSM scale and found that among Swedish consumers the emotional appeal, including the aspect of brand trust, towards a company is the most important in building corporate reputation. This implies that Swedish consumers' value the emotional benefits provided by products over the functional benefits of products.

This goes to show that, out of this smorgasbord of research on corporate reputation, several aspects of the company can affect the corporate reputation. Yet, what is lacking in this research is a study that seeks to take into account and combine a number of these different studies to

show the combined effect and outcome of corporate reputation. In this section a selection of studies have been presented that all considers different parts of the organization (internal and external) that can have an effect on company performance, and hence we find it necessary to take these aspects into account in a single study to understand their combined effect. In doing so we are able to assimilate the purpose of the 'Reputation Quotient' model through qualitative methods in order to better understand why and how corporate reputation arises, and what its effect is on consumers.

Furthermore, while these studies all on their own are strong, their focus is somewhat different. Laufer and Coomb's (2006) focus is on brand crises and is therefore somewhat 'limited' in its scope. Cravens and Goad Oliver's (2006) study is valuable yet somewhat limiting in their focus on the employees where the management only is of minor importance. Furthermore, the results of Rose and Thomsen (2004) were derived through a quantitative study where it could not be ruled out that financial performance had an effect on corporate reputation, but stronger evidence was necessary. Research that shows that a company that companies that have suffered in the past will suffer more in the future is unsurprising (De Blasio & Veale, 2009 citing Coombs, 1998); yet an explanation for how a company that rarely suffers from crises is affected by negative reputation is not provided.

Pullig et al. (2006) use the concept of 'certainty to' capture the attitude that people have towards a brand in order to investigate how negative brand publicity hurts firms depending on consumers preconceptions and brands positioning. Certainty, according to them, is built up of people's knowledge towards a brand, how much they interact with it, as well as the brand's social position. They are interested in how negative brand publicity aligns with the brand attitude (performance based vs. value based) and hypothesize, based on Pham and Muthukrishnan's (2002) search-and-alignment model, that people use the information they have about a brand when they receive information about a negative event. More specifically, it says that when they receive information that contradicts with their previous beliefs, they more actively search for information that supports their original beliefs. This results in a more coherent and wider information search and depending on their preconceived certainty and the positioning of the firm (performance vs. positioned based),

different reactions will be elicited as a result of the crisis or negative event (Pullig et al., 2006). If the negative publicity aligns with peoples preconception about a firm for which people hold a negative perception, then the message will have a more profound effect on the consumer. A low certainty in the brand will, as predicted, have the opposite effect and it will be easier to accept new information.

Pullig et al. (2006) also found that when the consumers have a high certainty of the brand, their perception of the company would not be compromised to the same extent: "However, when prior attitude certainty is high, the bias is positive and prior findings are reversed, resulting in less revision and an insulation effect for existing brand evaluations." (Pullig et al., 2006: pg. 539). Although this study focuses on the positioning of firms in the minds of consumers, the study provides a valuable insight into how consumers process information about brands when encountering new information.

Corporate reputation is further related to consumers' level of involvement in a brand as this affects their perception of corporate reputation. Following this, Ahluwalia et al. (2000) made a distinction between high-involved and low-involved consumers. Their study found that consumers that are more committed towards a brand are more likely to defend the negative information. Percy and Elliot (2007) make a similar distinction between products that are high in involvement versus products that are low in involvement. A product at a higher price, which is purchased infrequently, carries a higher symbolic value over a long time and would therefore be considered a 'high involvement' product. In contrast, a low involvement product would be one that is frequently bought, carries a less symbolic meaning, is purchased at a lower price and carries less risk (Elliot & Percy, 2007). The findings of Ahluwalia et al. (2000) can moreover be related to the study by Pullig et al. (2006) and the concept brought forward by Elliot and Percy (2007) as high-involvement consumers are more likely to have a stronger perception of the brand. Consumers who have a high interest in a brand become more diagnostic to support what they believe in.

To summarize, the definition of corporate reputation in this study takes a holistic perspective of the company, as these may all influence consumers' perception of the corporate reputation (Castro et al, 2006; Cravens & Goad Oliver, 2006). Previous research

has shown that there are many aspects that influence consumers' perceptions. Previous studies have furthermore shown that consumers' perception of corporate reputation may be influenced by previous perceptions or certainty in the brand and level of involvement. As this study investigates, from a cultural perspective, why and how corporate reputation affects brand trust, we believe it is of imperative importance to gain a holistic view on corporate reputation and use this research as theoretical guidance for our study. However, in order to understand why and how all these aspects of corporate reputation affect brand trust, we also need to gain an understanding for the concept of trust.

Brand trust

Research has shown that corporate reputation affects trust (e.g. Lacey, 2007; Fombrun & van Riel, 1997; Lee, 2005), but in turn, trust may also strengthen the corporate brand's customer relationship (e.g. Lacey, 2007; Grönroos, 1994; O'Malley & Prothero, 2002). Relationship building in consumer marketing is considered to be a strategically favorable activity that leads to long-run profitability and success for the company (Morgan & Hunt, 1999). By achieving a long-term relationship with customers, a company may enjoy higher customer retention and thus higher long-term profitability (Grönroos, 1994). The relationship can be seen as a long-term, evolving series of repeated exchanges between the company and its known customers (Fournier, 1998).

In order to form such a relationship research stands in agreement that an important cornerstone in relationship building is trust (e.g. Grönroos, 1994; O'Malley & Prothero, 2002; Lacey, 2007). As the relationship is focusing on the long-term rather than situational short-term transactions (Fournier, 1998), a certain degree of trust in the corporate brand is a necessity for keeping the consumers in the relationship. The opposite, lack of trust, may lead to that the customer wants to discontinue the relationship and business transactions. There is, however, an incohesive view within the academia whether the degree of trust affects purchase intentions or not. Doney and Connor (1997) find that trust to neither the salesperson nor the organization affect the purchase decision, while Lacey (2007) finds that trust is an influencing factor on purchase intentions.

Trust is thus a multifaceted concept in the sense that it has many definitions (Das & Teng, 2004). In our definition of brand trust, we continue on

the trust definition brought forth by Doney and Cannon (1997). Their article defines trust as “*the perceived credibility and benevolence of a target of trust*” (Doney & Cannon, 1997: pg. 36). This definition is two-folded and includes both objective and subjective aspects of trust. The first part, perceived credibility, refers to objective trust regarding whether someone or something can be expected to be relied on. The second part, benevolence, is related to subjective aspects of trust and refers to the extent to which one part is genuinely interested in the other part’s wellbeing and motivation to seek joint gain.

In regards to consumer relationship we agree with the definition brought forth by Doney and Cannon (1997) as trust in a relationship can be based both on objective aspects as well as subjective once. The objective part is about if the company can be relied on in its ability to deliver its products, while the subjective part refers to the more emotional aspects of the company’s perceived interest in the consumers’ wellbeing. This we believe can be related to the research of Pullig et al. (2006) (mentioned above) as the subjective aspects of trust may also be related to ‘values related’ perceptions of the corporate brand. Consequently, the relationship definition brought forward by Doney and Cannon (1997) fits well with the rest of this study. Furthermore, the objective part, about credibility, in our definition can be related to the ‘performance related aspects’ of negative brand publicity, where the focus is on the company’s capability to deliver a product. O’Malley and Prothero (2002) refer to this interest in the consumer’s wellbeing as a company’s interest in developing a mutually beneficial relationship. This objective part of trust can further be related to perceived risk in the purchase.

Elliot and Percy (2007) state that the degree of risk associated with the purchase influences the level of trust needed. If a purchase involves high risk there is a greater need for consumers to have trust in the brand; and on the other hand, if it is a low-risk purchase the need for trust is less. Hence, brands with more expensive products associated with higher levels of risk would be in need of higher degree of trustworthiness among the consumers. Other researches argue that for trust to exist, a certain extent of risk is essential, and therefore trust is a bi-product, or consequence, of risk (Das & Teng, 2004). Cowles (1997) further claims that it is only by risking something of value one need to trust a trustee.

A reputational crisis may influence consumer trust in the corporate brand (Coombs, 2004). Yannopoulou et al. (2011) find that personal negative experiences of a brand tend to be underestimated by consumers. But when the problem reaches mass media consumers put it into a context and generalize it and therefore, Yannopoulou et al. (2011) argue, negative publicity has a strong influence on brand trust. However, it is not that simple. Lee (2005) finds that during a crisis, the level of trust is also correlated with the degree to which the company can be held responsible for the crisis. If there are external factors which the company cannot control the trust in the company is to a lesser extent affected (Lee, 2005). Furthermore, Coombs (2004) finds that a history or series of crises enhances the negative perception of an organization. Trust towards an organization after a crisis is also correlated to the response made by the company in regard to the crisis (Coombs, 2002). Lee (2005) found that denial of the crisis enhanced the negative effect of the crisis, whereas openness and honesty leads to a less negative effect on trust. Also, Greyser (2009) supports this argument as the study finds that forthrightness and taking action from the company side is helping to restore trust after a reputational crisis.

What we bring with us from this review of the literature on trust is that in order for there to be a relationship between a brand and the consumers, there has to exist trust. We also believe that risk, in its various forms, is an important factor that regulates the level of trust that a consumer needs to possess for a certain brand. Finally, we also bring with us that it is a somewhat complicated, yet important, concept for most companies to understand.

Discussion of literature

What has been made obvious from previous studies is that there is a relationship between reputation and trust, which is frankly quite understandable. What can also be seen from the studies is that the antecedents that consumers gain hold about the company are a significant and potent influencer in their reaction and reception of negative publicity. What is lacking though from the previously discussed studies is a better explanation of the mediating reasons for why and how reputation affects trust. We also know little about the factors that are important to the consumers in this relationship. Thus, it would be favorable to further the understanding about why and how the differences in reputation referring to both functional aspects and social aspects of corporate reputation as described by

Pullig et al. (2006) are interrelated. In addition to this, how these aspects manifest themselves when it comes to the concept of trust is an interesting area open for more elaboration. In an attempt to further the understanding within these gaps in the literature on why and how corporate reputation affect brand trust we have had the below stated research question as a guiding star.

Research Question and Purpose:

Research question

In order to address these problems relating to corporate reputation and brand trust, the following research question has been composed:

Why and how does negative corporate reputation affect consumers' trust in corporate brands?

Research purpose

The purpose of the study is thus to explore and describe the relationship between corporate reputation and brand trust. The study seeks to better explore the reasons for why and how corporate reputation affects brand trust and what factors are relevant in this process.

Methodology:

For the purpose of this study, a multiple case study approach has been adopted. As the research question aims to increase the understanding of why and how negative reputation is related to trust, the multiple case study was deemed to be appropriate for the purpose of this study. Multiple case studies allows for comparisons, replications and more robust results. Moreover, Yin (2003) argues that the case study method is superior when questions involving issues of "why" and "how" is considered, which further highlights the positive implications of utilizing this method of research. We also believe that the use of case studies, where well-known corporate brands are used as the point of discussion, enables consumers to have an opinion and feeling towards these companies, hence increasing the depth and amount of research possible in this study.

For this study the corporate brands of IKEA, SAAB and SJ have been chosen to be the basis for the research as they are all widely known among the population, and range from being at the top (IKEA), middle (SAAB) and bottom (SJ) regarding both corporate reputation and brand trust among Swedish consumers (Apéria, Brønn & Schultz, 2004; Medieakademin, 2010) which allows us to see differences between the brands. Furthermore, these corporate brands have been

chosen because they have over the years received a significant amount of negative publicity aimed at different aspect of their corporate reputations, and because they come from different industries and are therefore not susceptible to intra-industrial considerations or trends. That these cases come from different industries also yields a depth to how a corporate brand is perceived which we find to further the results of this study. This means that they can be seen as single case studies within their industry. However, as we are not studying industries per say we believe that this is only a minor limitation and that the fuller width of industries will yield more interesting results.

To gain a deeper understanding for the relationship between corporate reputation and brand trust we take a cultural perspective (Moisander & Valtonen, 2010). By utilizing this cultural approach we are able to investigate the phenomena more in-depth and value-free compared to if taking a more positivistic perspective. The definitions of both corporate reputation and brand trust are therefore purposely broad in order for us to better honor this value-free approach. Previous studies on the subject matter have often utilized various quantitative techniques to understand and examine the relationship between corporate reputation and brand trust (e.g. Lacely, 2007; Lee, 2005; Pullig et al., 2006; Ahluwalia et al., 2000; Fombrun et al., 2000; Keh & Xie, 2009). By utilizing qualitative techniques to expand the existing pool of knowledge our understanding of the subject will be widened in terms of why and how corporate reputation affects brand trust. In the spirit of a value-free approach to the research, previous literature has guided, inspired and furthered both our understanding for the phenomena and the results of the study. However, we have not attempted to prove or disprove the validity of a model but rather looked at the literature critically to address gaps we found and to better understand the phenomena studied.

For this research, our case studies have been constructed using two primary sources of empirical evidence. Firstly, initial observations of the case companies were conducted using newspaper articles and other media material to build an empirical foundation and understanding for the companies' corporate reputations. These observations have been used to build our knowledge of the publicity surrounding these companies, upon which, supported by knowledge from previous research from the literature review, an interview guide

was constructed. Secondly, in-depth interviews were conducted with consumers in a semi-structured manner using the pre-tested interview guide with the provision that unstructured follow-up questions were used to “probe”. These interview guides were also updated and modified as the interviews proceeded leading to a ‘mark 1’ (Appendix A) and ‘mark 2’ (Appendix B) interview guide. All interviews were recorded and transcribed. In-depth interviews were also selected for their ability to generate “cultural talk” (Moisander & Valtonen, 2010) enabling us to learn about consumers’ viewpoints in regards to the cases (Blumberg et al, 2008), which helped us to further investigate how these concepts are treated and understood by the consumers at hand in the cultural and social environment that consumers live in (Elliot & Percy, 2007).

By taking a cultural perspective it was decided, in regards to the respondents for the interviews, that any consumer would be appropriate for this study as we were interested in the consumers’ personal perceptions of the corporate brand and brand trust rather than aiming towards generalizability (Eriksson & Kovalainen, 2008). Consequently, it was not necessary that the respondents’ used the brands at hand but rather that they had a perception of the brands. With this said, the fact that they were or not were consumers’ was considered in the analysis. To avoid possible bias due to level of involvement, or bias in previous perceptions of the case companies (as the literature review finds to be influencing factors) we used a judgmental convenience sampling. We selected respondents we knew to be or not be customers at our case companies. Furthermore, as Eriksson and Kovalainen (2008) state, through this sampling we were also able to select respondents who were known to either of us on beforehand and thus able to put their responses into a greater context. Respondents were selected and interviews were continuously made until the reach of saturation, the point when new interviews did not add new information. We reached saturation after a number of eleven conducted interviews; each interview lasted between thirty and sixty minutes and was conducted in an appropriate calm environment (Blumberg et al, 2008). More details of the respondents can be found in Appendix C.

PART II

The multiple cases that serve as the empirical foundation for this study are based on the companies IKEA, SAAB and SJ. In several ways

are the companies similar to each other, despite them working in different industries. They are all large Swedish companies, being parts of the Swedish heritage and in general considered to be very “Swedish”. The brand familiarity is high, according to Apéria, Brønn and Schultz (2004), for all of them.

Case 1: IKEA

Background

The first case study focuses on the Swedish furniture retailer IKEA, Sweden’s perhaps most known company. Since the establishment in 1943 the company has grown to become the world’s largest home furnish retail company. It has its heritage from a poorer region of Sweden and cost minimization is a strong part of the corporate culture (IKEA, 2011). IKEA is portraying itself as a company with sound values, a company that it is concerned about its social environment, and thus IKEA enables people with limited resources to decorate their homes. A study made by Apéria, Brønn and Schultz’s (2004) shows that IKEA is the company in Sweden that undoubtedly has the best corporate reputation.

However, as with all successful large companies, it has had to deal with a substantial amount of scrutiny from the press throughout its history. Through the years the company has been accused for several faults, such as quality doubts and cases of social misconduct, including use of child labor, and bribes in Russia (Economist, 2011). The latest focus on negative corporate reputation in Sweden was when a documentary revealed that a previously unknown foundation in Lichtenstein owned IKEA hence enabling IKEA to avoid taxes. Thus, by being owned by this Lichtenstein foundation Swedish taxes have been avoided (SVT, 2011).

Empirical discussion

The interviews revealed four major themes regarding to the IKEA case. The primary themes were: *strong associations to products* produced by IKEA; *strong associations with Ingvar Kamprad*; *positive experiences* of IKEA: and that the consumers had *low interest for media’s coverage of IKEA*. These themes were derived through the interviews.

Perception of corporate brand: In the interviews it became evident that all respondents have a clear picture of what IKEA is. A consistent theme among the respondents was that the overall perception of IKEA’s corporate reputation generally was based on personal experiences –

all respondents were either current or previous customers. In general, the associations made towards IKEA were related to its products rather than other aspects of the corporate brand. Primary associations were that its products were cheap, affordable and price worthy. However, some said this in a somewhat negative connotation indicating that the quality of IKEA furniture was below par in their minds, but still, that the quality was reflected in the price of the products and therefore mostly meet their expectations. We could see a pattern take form as the respondents that were negative towards IKEA's products either had bad previous experiences of the quality of IKEA products or had preferences for more expensive furniture. Josef points this out as he mentions that:

"In this household we only buy at least MIO-quality [MIO is a competitor to IKEA], so IKEA falls below that level" – Josef

Associations to IKEA that were not strictly related to its products were primary related to its founder Ingvar Kamprad. It was evident in all interviews that IKEA and Ingvar Kamprad are strongly interrelated. Even though Kamprad may not be a large part of IKEA today, he is still considered to be the spokesperson for the company he once established. Josef and Kasper who have had or had a working relationship with IKEA bring this culture to light. However, Kasper believed that the relentless cost cutting strategy of IKEA has led to some unfortunate trade-offs and perhaps being a bit too extreme in its cost-cutting pursuit in the spirit of its founder. However, the same respondent also acknowledged that this same leadership and culture was perhaps one of the reasons for why IKEA is so successful.

Corporate reputation in media: Despite the overall positive reception of IKEA among our respondents, which stand in stark contrast vis-à-vis the other companies in this study, it seems as if the respondents agree that the news and media climate towards IKEA is in general negative. When this study was conducted people still had fresh in mind a documentary made by the Swedish Television that accused Ingvar Kamprad of evading taxes. This was quoted and was seen as the basis for the perception that the reputations climate towards the company was by a large negative. Here it was the founder that stands in focus for the negative reporting.

However, the picture is far from conclusive as respondents could also see positive aspects of the media reporting too. For example, Josef

noted that negative news reporting stands in contrast to different types of surveys where IKEA ranks high among employees and students and they make a lot of money. Another respondent hailed their expansion and importance for the region. Karl believed that overall is the media picture of IKEA positive even after the documentary was shown.

Apart from the documentary the respondents had little or no references to current media attention towards IKEA. A few mentioned an earlier scandal where IKEA was accused for using child labor, but generally the media picture of IKEA apart from the documentary was diffuse among the respondents.

Agreement with media picture of IKEA: All respondents agreed with the media picture in the sense that Kamprad probably 'had done what he had done'. Most respondents, however, did not agree that his tax-planning was an illegal or unethical act as the documentary portrayed it. As Hans put it: "I'd be surprised if he'd done otherwise". Furthermore, Anneli felt that media should get of IKEA's back and said that she really was not that interested in the wrong, or right, doings of the founder and said that it was mostly media that had an interest in this. And there were more consensuses on this subject from other respondents that felt that it was not too interesting to see what the founder of the company did, other respondents such as Liselott voiced the same opinion. Rather they were by a large more interested in that the company delivered the products and services that they wanted and this had a greater impact on their trust in the company rather than any negative news.

"If it's about IKEA when it's not about the product, then I still go there shopping. Because that has nothing to do with me, in a sense. As long as what I buy is good I don't care about the rest, you know..." -Johnna

However, one respondent said that when he heard news of child labor it had a little bit of an effect of him and he considered it for a short period of time, but not anymore. In general, as long as the products keep the quality in relation to the price, the trust and reputation of IKEA will continue to be high. But a few respondents raised some mistrust in the way IKEA responded to the critique brought forth in the documentary. Especially Greta had mistrust as she strongly associate Ingvar Kamprad with IKEA, and that he according to her had not taken his full responsibility:

"IKEA is Ingvar Kamprad. And because I thought he seemed awfully unsympathetic, my trust dropped for IKEA. And I thought that it... it wasn't the, you know, the savior of the Swedish Welfare State. They kind of lost the halo they had" -Greta

Though, it is important to keep in mind that Greta was the most critical respondent towards IKEA as she had several bad product experiences of the company. Some respondents rather felt sympathy for Ingvar Kamprad as he in his mid-80s was expected to appear in tough interviews, and overall, the respondents felt that the response by IKEA was good.

Respondents' trust in IKEA: All but one of the respondents claimed to have the highest level of trust for IKEA as a company. Among the respondents, IKEA was seen as a stable company that delivered what they expected from it, and this was the prime reasons for why they had a trust in the company. They trusted IKEA to deliver decent products at a fair price. One respondent mentioned that he some years ago had heard news about child labor that temporarily caused his trust for the company to decline. But his purchase behavior did not change and today his trust in the company is once again very high. This respondent represent what becomes evident in the case of IKEA – product first. The main focus among the respondents is about the products and, as Liselott said: "what's in it for me?".

It is also worth to note that the respondents really did not reflect too much about their trust of IKEA but rather saw it as something that they were simply taken for given and did not think too much about it. The only respondent who considered herself to have low trust in IKEA was Greta. Her trust in IKEA was moderate as she first of all has had bad experiences of IKEA products, and secondly because she has considerable mistrust towards Ingvar Kamprad.

The overall perception of IKEA was good among the respondents, and it was further reflected in the level of trust in the company. During the interviews it becomes evident that IKEA has a strong brand positioning and during several interviews it was used by respondents as a positive example even before we mentioned it in the interview. Liselott, for example, happily referred to IKEA when asked to describe a company that she had high degree of trust in. In the case of IKEA the level trust is strongly interlinked with its corporate reputation and

deliverance of satisfactory products that mostly meet the expectations of consumers.

Case 2: SAAB

Background

The second case study focuses on the Swedish car manufacturer SAAB and its trials and tribulations. SAAB is headquartered in Trollhättan, a small city located on the west coast of Sweden. Initially SAAB Automotive was part of SAAB Group, a Swedish airplane manufacturer, but has since been owned by the Swedish truck manufacturer Scania, the American automotive company GM, and since 2010 the Dutch sports cars manufacturer Spyker. SAAB wants to be perceived as an innovative company challenged existing automotive standards through technical innovations. In the 1970s SAAB was the first automobile manufacturer to introduce the turbo driven engine, and examples of other innovation include heated front seats and side collision protection (SAAB, 2011). The SAAB brand has in some communities reached iconic status (EIU, 2011). In Sweden the SAAB cars has always been perceived as a somewhat sporty alternative to the more traditional Volvo, and so consequently SAAB has grown its popularity among drivers who want to stand out of the crowd.

Nevertheless, SAAB has during the years had financial problems. During its years with GM it made red numbers for a substantial number of years with only two years of profits in the 21st century. When GM in the wake of the financial crisis in 2008 decided to drop the SAAB brand much uncertainty occurred. After a failed attempt to sell the brand to Koenigsegg, a Swedish sports cars manufacturer, SAAB was set for liquidation. However, GM reached an agreement with Spyker which bought SAAB in 2010 from GM. But, the financial struggles of SAAB continues and because of low sales the brand is still troublesome. Swedish media has had intensive reports on SAAB during the past years, focusing on its financial aspects, sales and ownership, where also the Russian banker Vladimir Antonov has been in the picture since 2008.

Empirical discussion

The themes developed in the interviews regarding SAAB related to the companies *vibrant past, strong feelings towards the products* produced by SAAB, and the *importance of the company for the region*. However, it also became clear that the themes that developed through the interviews related to the great *trials and*

tribulations of the brand, a strong sense of fear for the future of the brand, and a high degree of doubt towards the new management of SAAB.

Perception of corporate brand: When attempting to paint up a picture of SAAB Automotive we could see how three different forms of respondents developed in regards to their perception of SAAB's corporate brand. There was one form of respondents that still saw some value in the company, liking the brand and the cars manufactured, of which one (Greta) expressed it as to "love" the cars. Another form of respondents felt as if the brand was nothing for them, feeling that the quality was not quite up to the standards required on a premium brand did not believe that the brand would be able to continue, and finally there was one form of respondents that felt as if they had too little experience to fully judge the brand.

A consistent theme among all of the respondents, no matter their antecedents about the brand, was that the current turbulence and corporate problems of the brand was brought forward in all of the interviews. The respondents felt that the current financial problems, in particular the most recent problem regarding SAABs inability to pay their suppliers was a worry for them (this for those respondents that were interviewed after the latest round of SAAB problems). In relation to this, concerns over SAABs failure to meet its sales targets also put a dent in the trust for the brand among some of the respondent and as one respondent put it, "This does not make me trust the brand any more". Indeed, it seems that the ownership crises of 2009-2010 was still very much in the minds of people, and this worry is only further emphasized by news that SAAB is unable to move car sales and pay its suppliers. Kasper, one of the respondents that actually felt that the cars produced were of sound quality remarked;

"The problem with SAAB is that they are still very much under threat of discontinuation"
- Kasper

Another theme that relates to the corporate reputation is the products produced by SAAB. It is worth here noting that not all of the respondents had experience with SAAB cars. Only two of the respondents currently owned SAAB cars and only a handful had owned SAAB cars previously. Nevertheless, the perceptions of the products produced were in general positive. One respondent who owned a SAAB car said that he very much would like to purchase a new SAAB if he had the financial capability as he

believed that the car seemed to be of sound quality, but also because he wanted to purchase one to disprove the people who doubted the future of SAAB. Kasper, who did not see the car as his first pick still believed that the cars were standing well against the competition, echoing the beliefs of Greta who also liked the current cars. Only a few respondents, like Rolf, believed that the current models were nothing for him. Josef did not like the quality of the cars too much. However, one also has to consider another field of respondents, Liselott and Johanna, that felt as if the cars were okay but that it was difficult to gain an opinion of the cars without more experience of them.

Corporate Reputation in Media: In regards to how the respondents felt that SAAB had been described in media it became obvious, and not at all surprising, that all but one of the respondents felt that the attitude that media had towards SAAB has been negative. The economic difficulties, the failed sales targets and other problems relating to the financial and ownership aspect of the business was one of the messages that the respondents have felt and noticed in media.

In addition to this rather grim picture that the respondents built up, most of them agreed on the fact that mostly the information has been rather objective, fact filled that has allowed the respondents to build up their own opinion of SAAB's situation. The respondents also felt that it was good that media reported the problems that SAAB went through, although the picture could be dramatic at times. Only one respondent felt that local media was positive towards SAAB. Even one of the respondents that owned a SAAB and had strong positive feelings towards SAAB felt that it was good that media reported on what was going on with SAAB. However, as one of the respondents noted, there was also a certain degree of focus on the new owners and their capability rather than on SAAB. While he believed that media might want SAAB to survive, as that was indeed in the vested interest of Sweden, media might be less keen on the foreign leadership and the interest of "Russian mafia" as one respondent put it.

The respondents understood that although SAAB was in a troubled situation during the crisis, the crisis management and their response to the negative publicity could have been better. One respondent for example believed that the company has focused on the wrong things and should have emphasized more to the media that their mere survival was noteworthy and that

this points that things were going in the right direction.

Agreement with media picture of SAAB: Among the respondents they did not seem to have reacted in regards to the information they received or been wholly surprised about what was said in media about SAAB. Several respondents said that it was good that the proper picture of SAAB got out and that they noted it. Josef said that;

"If I wasn't reading the paper, I wouldn't have known so much about SAAB and then my picture of SAAB would have been more neutral" - Josef

Meaning that the picture painted up in media has affected him and his perception, bringing the problems forward. Similarly, Johannes believed that he got "affected" by the information.

Worries about the new owners became a related theme in the interviews where doubts over the new ownership team became obvious among the respondents, hence echoing the worries of media. One respondent, Josef, could not quite see what Spyker did for SAAB on a corporate level, another respondent remarked that the new Chairman of SAAB Viktor Muller probably was in over his head and was only interested in SAAB because he was seeking a 'luxurious' life and several of the respondents reflect on what they called "that Russian". This related to the potential investor Vladimir Antonov from Russia that allegedly comes from a troubled past. These worries were only accelerated by the fact that the current Swedish CEO Jan-Åke Jonsson declared his intention to step down from the company, a blow to the company according to one respondent who believed that Jan-Åke Jonsson had singlehandedly saved the company from annihilation.

Respondents' trust in SAAB: We asked our respondents to rank the company that the respondents trusted the most and those that they trusted the least so that the respondents themselves got a chance to structure up their trust feelings towards each company. In this ranking exercise a slight majority (six out of eleven respondents) believed that the company that they had the least faith in was SAAB. Although there were some respondents who ranked SAAB second, and Greta even ranked that she had the most faith in SAAB, the majority of the consumers felt a lack of trust towards the brand. Let us dwell deeper into the reasons for these differences among the respondents.

Johanna, one of the respondents from the study stated:

"In order to gain trust, that is real trust, I must have experience of SAAB on my own" - Johanna

She was among those respondents who had ranked SAAB as the brand in which she had the least faith. This goes to show just how important it is to have a previous relationship with the products produced. If we contrast the answer and position of Johanna with the only respondent who ranked SAAB the highest, that is Greta, we can see that Greta has a more involved relationship with the car vis-à-vis Johanna. Furthermore, Karl who was another respondent who had a generally more positive relationship toward the brand and products, we can also see how he also ranks SAAB second and not in the last position although he is still worried about the future of SAAB. Anneli who at the time owned a SAAB follows in the same path. If we instead look at some of the respondents that had a lesser relationship to SAAB we can see that for example Rolf and Johannes ranked SAAB the lowest and neither one of those had too much of a relationship towards the brand.

There are notable variations to this though, Liselott ranked SJ lower and this had more to do with the poor performance of SJ than SAAB and despite having knowledge and Josef who had owned a SAAB previously ranked SAAB the lowest. Nevertheless, it is worth noting that those consumers that had a stronger relation to the brand and the products produced, also ranked SAAB over SJ.

The fact that some people still had trust in the brand comes down very much to the rich history of the company and the great interest that almost all of the respondents had in the brand. The respondents seemed to agree on the fact that the company was important for the region, and that the local heritage of the company meant that they took a greater interest in the future of the company. Consequently, they want it to go well for the company and the people working there, although, as Karl put it: "perhaps not for the Russian mafia".

Despite these positive feelings for the corporate brand in regards to its history and local importance, respondents had doubts about the future of the brand. Question as to where the brand is going were raised and the fact that the CEO quit made our respondents doubt the brand even further. This comes back to what was said previously about the rocky situation that SAAB is

currently finding itself in; as this combined with doubts over the management situation seems to have caused a failure in trust among the respondents. Even the respondents that ranked the company fairly highly when talking about trust, believed that the current situation hampered their trust and faith for the long-term future of the brand. The mere fact that some of the respondents have doubts about whether the company will exist in one year, three years or five years gives an indication that their faith in the brand is generally low. The expensive products also made trust in this company more important some of the respondents noted, as one needs to have more trust when purchasing such a significant and expensive product. Yet, it was also said that the respondents had trust in the products and cars produced by the company meaning that they did not mistrust the brand fully.

Case 3: SJ

Background

The third and final case study aims to explore the Swedish train service provider SJ. It is a state owned company that has a history of Swedish monopoly during the 20th century. Still today SJ is a major player with its 90 respectively 55 percent market share on long- and short-distance train travelling (SJ, 2011). Even so has SJ a relatively dire reputation. According to Apéria, Brønn and Schultz's (2004), state owned companies in general have lower reputation in Sweden than privately held, and SJ is no exception. An annual survey shows that SJ is the least trustworthy company in Sweden (Medieakademin, 2010).

Over the recent years an increase in complaints and unsatisfied customers of SJ has occurred. The company has struggled with punctuality for its trains during the harsh Nordic winters, resulting in major losses in terms of credibility. As the punctuality has been as low as 30 percent on the travel between Sweden's three largest cities SJ has been portrayed in generally negative manners.

Empirical data

The empirical data gathered concerning SJ revealed that there were four reoccurring themes among all the respondents. These themes referred to *severe delays and problems* suffered by SJ and a subsequent *distrust* towards the brand. Another theme that developed during the interviews was the fact that all consumers had *extensive experience* with the product. The fact that the train service *depended on several*

government providers such as 'Banverket' was mentioned in all interviews. The *employees and management* was another topic of discussion.

Perception of corporate brand: When asked to describe SJ, a rather negative picture evolved among the respondents as a fair number of them had experienced the much-publicized problems that SJ was suffering from. Johannes, one of the respondents that have travelled more with SJ said the following when attempting to describe SJ:

"The feelings I get from them are incredibly negative. Generally very bad information and severe delays, and canceled trains. I have traveled a lot with trains throughout the years and it is really not improving". – Johannes

What we can see from this quote, and something that developed further in other interviews as well, was that the consumers were negative to the brand as they had experienced problems related to the train service provided. Often the problems related to 'the winter', which was described as the great antagonist of the company causing delays and other inconveniences such as cancellations for the respondents. It was also noted that these operational limitations of the company did not only constrain the respondents during the wintertime, although this was when the problem was the most manifested. Instead, a lack of maintenance as one respondent described it, caused frequent delays and frustration too. Although the respondents could understand that the mighty powers of the winter was a just cause for certain delays in the train traffic, they also felt that SJ should have overcome these problems by now as the constant delays had started to become an everyday occurrence during the Swedish winter. The combination of these factors must result, as one respondent said, in a renewal of the entire company, especially so when it has to face competitors.

Although respondents were frustrated with these problems, it also became obvious that at least some of the respondents had a paradoxical liking towards the company, implying that they want to like them but as things are at the moment they simply cannot. Some of the respondents described that they had a positive attitude towards traveling with train, satisfied by the high-speed option (X2000) offered by SJ and saw it as a comfortable means of travel. Johanna described the means of travel as 'safe' and 'comfortable':

"It feels safe in some way. I feel safe with SJ. If I'm going somewhere I like to choose it (SJ), it feels comfortable you know". - Johanna

In other words, they expressed a certain level of confidence for the service and product in itself, the train ride, but raised doubts about the execution of this service. As a consequence of this, one respondent that liked going by train sought to avoid doing so when he was "in a hurry" and only considered using the services of SJ when he was not traveling for work but rather on his own time and could 'afford' being half an hour late. The same respondent even described a certain level of satisfaction for being late as this meant he could use the "SJ Travel Guarantee" that awarded him some credit if SJ was more than half an hour late. This respondent and another respondent seemed to be in agreement about the benefits and drawbacks of SJ. One group of respondents used the services of SJ less with one claiming to not use it at all while another said that he only used it from time to time but was overall satisfied with the services provided then. This last respondent did however bring up the fact that his daughter used to travel by train and although realizing that she might have traveled mostly with a local provider, he felt that these two were to a certain level interconnected with one another. None of the respondents seemed to use the services of SJ on a daily basis though.

Corporate reputation: There was a wide consensus among the respondents that the media liked to portray SJ in negative terms and that they received an overall negative picture of SJ through the news and through other channels. One respondent claimed that it was easy to find faults within SJ, partly because of its now well-publicized struggles with snow, but also because it was a state owned company that made it simpler for media to attack the company and find faults within the company. Furthermore, Johannes described how he saw that SJ was an easy grab for journalists to portray:

"... they go around to interview people during winter time... and sole cases are brought up as big news..." - Johannes

At the same time, another respondent believed that it was a good thing that SJ was put under such heavy scrutiny as "enough was enough" and it was necessary for the company to come to grips with its struggles. A third respondent noted that the massive negative publicity surrounding SJ probably made the company

stand out vis-à-vis the other competitors in this study as they were the once that received the largest amount of negative criticism and hardest treatment of all three companies.

One aspect of the corporate reputation that was frequently mentioned was the fact that perhaps SJ was not the only player that was to blame for the service problems described. Banverket and other institutions that are responsible for making sure that the trains' runs as they should were also brought into the discussion. Nevertheless, despite the fact that most of the respondents seemed to agree on the fact that these institutions were partly to blame for the problems, the majority of such negative events got carried over onto SJ. Moreover, one of the respondents remarked that he often got a negative feeling from the SJ employees on trains such as the conductors that rarely smiled or gave a good impression he thought. This combined with the respondents own perception of the company and it struggles suggest that the overall corporate reputation of the company is rather low. A combination of factors forms their opinion where their own self-lived experience from the products is at the center of these doubts but is further emphasized by media.

Reputation perception: Despite the overall consensus that media was overall negative towards SJ there were some of the respondents that felt that media was too harsh on SJ, while some respondents felt that the negative publicity was justified as SJ had performed so poorly over the winter. One of the more frequent users of the services provided by SJ stated that while he acknowledged that the media climate of SJ was rather harsh it was not difficult for him to agree with what was being said as he had experienced bad times himself and this helped him to create a picture of the company. This contrasted somewhat with a respondent that traveled less with SJ and was rather cautious in regards to the picture drawn up about SJ, saying that it is difficult to judge a company when all you do is read about it and not travel with SJ.

Respondent trust in SJ: The consumers' trust towards SJ was summarized by one of the respondents who said:

"SJ it... it doesn't work". - Liselott

This quote captures the level of trust that consumers had towards the company. While most of the consumers wanted to have trust, wanted to travel with SJ and wanted to have a decent experience the product failed to live up to

these promises. The failure of producing a product that delivered what the consumers sought has meant that rarely did people say that they trusted the company.

One of these respondents who ranked SJ the lowest was Liselott. The reason for why she ranked SJ the lowest is because she has a lot of negative experiences with SJ. Karl was another respondent that ranked SJ the lowest, saying that his trust for the company had gone done. One respondent said that his trust in the company was "used up", dented and needed to be fixed despite him being one of the primary proponent of the service. Another respondent that traveled less said that her trust in the company decreased because she could see that other people had to suffer because of the mistakes of SJ and therefore strongly sought other means of travel during the winter when the problem of SJ were the greatest.

PART III

Analysis:

When comparing the three corporate brands, one can conclude that, not very surprisingly, IKEA has the strongest trust among the respondents. Regarding SAAB and SJ, in general, SAAB seems to be only slightly better than SJ in terms of trust among the respondents. However, when looking at the respondents' individual reflections about the trust they possess for SAAB and SJ, differences between the two struggling brands become apparent. Each respondent had a clear picture of which of the two was the most, or least trustworthy. It seemed as if respondents who had experienced SJ, and in particular experienced problems with SJ, ranked the train service provider the lowest. Conversely, respondents with weak ties to SAAB ranked SAAB the lowest. One of the strongest findings that developed when comparing and contrasting the trust for these three corporate brands was related to the respondents' perception and experience with the products provided by each company. In other words, the respondents focused their discussion of the corporate brand on the products. The products of IKEA was mainly appreciated and therefore the trust for IKEA was high, while the trust in SJ was related to negative service experiences, and finally the trust in SAAB much depended on the relationship the respondents had with its cars.

Through the above-described case studies three themes evolved among the respondents responses, which helped to explain why corporate reputation affects the consumers'

trust for a particular brand. First of all, what the respondents thought of the company's *product* was one important theme. Secondly, how the consumers view the *corporate governance and management* of the company. Thirdly, the *relationship* that the respondents' has with the corporate brands is important for their trust in the brand. Literature largely supports these three themes (e.g. Laufer & Coombs, 2006; Cravens & Goad Oliver, 2006; Rose & Thomsen, 2004), and they are therefore theoretically sound, although some of the findings can be seen more as an extension of previous knowledge. For example, Laufer and Coombs, (2006) investigates the product mostly in relation to a crises and negative publicity while our findings have extended the products role in regards to the trust that consumers possess for the brand. Furthermore, the case of SAAB confirms the findings of Rose and Thomsen (2004) by better exemplifying their argument that poor financial performance cannot be ruled out as having a negative effect on brands.

One finding of this study is that it is mainly the product related aspects of corporate reputation that has an affect on consumers trust. When asked to describe what trust in a company entails all respondents referred to if they could rely on the companies products or not. Although this study supports the consensus that there is a relationship between corporate reputation and trust (e.g. Keh & Zie, 2009; Fombrun & van Riel, 1997; Lacey, 2007; Lee, 2005), it seems to be mainly the product related reputation that has an great impact on the consumer. The findings presented in this study also contravenes somewhat to those of Apéria, Brønn and Schultz (2004) whom argues that emotional factors and benefits are of primary importance among Swedish consumers, as our cases reveal that it is only when the emotional and social factors are a threat to the product, that the consumers trust for a particular brand becomes compromised. As the Reputation QuotientSM scale dictates that a higher 'RQ' number yields better trust, this also seems to be supported among the study presented here as the companies that were deemed to have a higher level of RQ (IKEA) were also deemed to be more trusted among our respondents, thereby confirming the importance of favorable corporate reputation in yielding a higher level of brand trust. After this confirmation of previous findings, we will now further evaluate why and how corporate reputation affects trust through three themes.

Theme 1: The product

Elliot and Percy (2007) argue that brands consist of a functional sphere where the products performance is prioritized and a social sphere where the emotional aspects (referring to abstract attributes) come into play. In regards to the brand, the associations awakened by that brand in the minds of the consumers are what give the brand a certain value (Elliot & Percy, 2007). The three corporate brands that we have chosen to study here are all closely related to the products that they represent. Especially SAAB and SJ could be considered 'single brands' where the brand is closely connected to a single product category (Elliot & Percy, 2007). Furthermore, the respondents in this study seemed to closely associate the brands in the interviews with the products produced and their performance, referring to the functional sphere of the brand as often the most important aspect of the brand (and for their trust). Yet, they could also take into account the emotional benefits provided too. In accordance with this, we see a close connection between the corporate brand and the product, as this seems to be the social and cultural reality that developed in relation to the interviews that we have held for the purpose of this study.

When seeking to create a high level of trust for the corporate brand, these cases reveal that a company's ability to provide products of high quality becomes imperative. When contrasting the three companies against each other, it becomes obvious that IKEA had a better product offering than the other two companies, and thus, the trust for IKEA is higher among the respondents. About every respondent referred to IKEA as to have cheap and good products. SJ, on the other hand, has a poor product offering and has so far failed to provide the respondents with a satisfactory product. This was quoted as the main reason for consumers distrust for the troubled transport provider. With almost one voice the respondents alleged that: "enough was enough", and this only serves to indicate the weight that our respondents put on the products. The trust that consumers gain for the corporate brand therefore seems to be dependent on the brand products rather than the corporation itself. Laufer & Coombs (2006) argues in their paper that a product failure has a strong negative effect on corporate reputation, but what our findings suggest is the product failure also has a strong negative effect on brand trust. The respondents doubted in the company's ability to deliver a satisfactory product, and no one seemed to want to have SJ as their primary transport provider. However,

there were consensuses that train travel as a concept was highly appreciated and if only SJ was more reliable, train travelling might increase.

Consumers' own experience of the corporate brand, both with the personal encounters with the company and its products, is of imperative importance in the creation of brand trust. If the consumers have positive experiences these are the foundation upon which they build their perception of how they trust a corporate brand. Pullig et al. (2006) divided negative publicity to affect corporate reputation regarding either 'performance related aspects' or 'values related'. From our interviews and the product focus that the consumers have we can assume, according to the data gathered, that consumers are more affected by 'performance related aspects' as these are related to the product. But as long as the product was good, then what the company does otherwise, as in 'values related' activities, is of lesser importance. In the case of IKEA the respondents really did not care about what its founder did some 30 years ago as their experiences of the products were by a large positive. Thus, this is perhaps why the Swedish documentary about IKEA had little or almost no effect on the respondents' perception of IKEA.

It is also of importance to highlight that those consumers with positive product experiences were to a lesser degree affected by negative corporate reputation. They found their own experiences to be of more importance than what friends or media said about the corporate brand. In contrast to IKEA, negative perception of SJ was derived from product failures that the consumers had experience themselves. The combination of these two events seems to have led to a further deterioration of the trust towards SJ: "SJ doesn't work" as Greta said. As the negative reputation for SJ is concentrated on an aspect which consumers find important, namely the product, they are more likely to take this into consideration.

Elliot and Percy (2007) stated that as risk increases, the need for trustworthiness also increases. We found more support for this in our study as trust towards the product is related to the risk that is involved. Compared to IKEA furniture or a SJ train ticket, SAAB cars are expensive. Therefore there is higher risk related to SAAB, a risk that comes true when the respondents talk about the uncertainty of the future for SAAB. If SAAB goes bankrupt its consumers are exposed to greater damage than if, say, IKEA or SJ fail to deliver their products.

Lacely (2007) found that trust is an important factor in a purchase decision. In the case of SAAB we could clearly see how the respondents doubted that the SAAB company's capability to deliver its cars over time, hence supporting Lacely (2007) in that trust is an important influencer of customers decision making which contrasts to the findings of Doney and Connor (1997) whom argue the opposite. The uncertainty of SAAB's future existence thus had a strong impact on the consumers' trust in its corporate brand. However, in the case of SJ, trust really has no effect on the purchase decision as there is no alternative for the consumers to choose a different brand of train provider.

The definition by Doney and Cannon (1997) states that trust consists of two parts; one objective part focusing on credibility, and one subjective part referring to a genuine interest of seeking joint gain. Through the strong product orientation that the consumers have, they have a strong focus on the objective, credible part of trust. The consumer does not seek joint gain but only seeks to get what is expected in the product, and thus, a focus on credibility is obvious.

In a way, consumers are egocentric. They mainly care about how the product offering is delivered and definitely do not seek joint gain with the company. Consumers want a good product and take little concern of how it is made or delivered as long as it actually is delivered. So as long as the consumers perceive the product offering to be favorable for them, negative corporate reputation related to other aspects of the corporate brand we found to be of lesser importance. Therefore negative corporate reputation is mainly affecting only if it referred to, in the words of Pullig et al. (2006), 'performance related aspects', at least so when it comes to the companies discussed in this study. However, as we have attempted to research companies from different industries, with different backgrounds it is more than possible that this is not the case in certain other industries and companies as well such as those less related to a single product: e.g. food retail chains. Nonetheless, it is possible that a different situation would arise if the same companies here would suffer from different types of crises: then it would probably be more difficult to make the same conclusions.

Theme 2: Corporate governance and management

So what we have seen developing from these case companies is that the product is crucial for them to feel trust towards the brand. That is,

their trust for a company very much comes down to the specific company's ability to deliver the functional benefit. However, one shall not forget that Pullig et al. (2006) describes two different legs of corporate reputation, and one of them refers to the social and ethical considerations of the company, that is, the softer value related aspects of the company. Additionally, studies have also focused upon how the employees and management affect the corporate reputation of firms (Cravens & Goad Oliver, 2006). In relation to this, the financial aspects of a firm can also have an affect on the consumers' perception of the firm's corporate reputation (Rose & Thomsen, 2004). However, how does these management, financial and 'value aspects' of corporate reputation play into the question of trust, does this really matter for consumers?

Well, what we have seen developing here is that the value aspect of corporate reputation has an effect, but this effect is very much closely related to that of the functional benefit provided by the company, i.e. the product. Hence, consumers seem to mostly take in value related information when it relates to the companies' ability to provide them with a functional benefit. Let us explain by comparing the cases.

If we start looking at IKEA and what the respondents said in the interviews about IKEA we could see how the products that IKEA produced to a large extent answered the expectations that the consumers had on the company. As this was the prime reason for why the consumers went to visit the stores, any problem unrelated to the product was of lesser importance to the consumers. Indeed, IKEA had been plagued by various crises related to its values such as child labor and a founder who have been questioned in the press. The respondents' responses to any such publicity that could have inflicted the reputation of the company in a negative way were mild, and the respondents felt that it was more important that the products were of sound quality than the owner. As long as the company could continue providing the benefits it was doing, it was less interesting how it did it. Of course, there were respondents who said that they were affected by for example child labor, but only for a short period of time, and then they went back to the brand. Only one or two respondents, both of them female, believed that IKEA could increase its focus on value related aspects of the company in the sense that they felt a greater need for IKEA to investigate its suppliers. But once again, this comes back to the performance related

functional aspects of the company rather than the value related aspect. The greatest value related aspect that IKEA has to suffer from comes down to its owner and the company's distaste of taxes, however none of the respondents really seemed to mind.

If IKEA produces impeccable products, SJ is its Claudian antithesis. However, while little doubt was ever raised about the management of IKEA; the management, organizational structure and values of SJ were all under harsh criticism from the respondents. In an almost fascinating experience a number of the respondents were able to recite the complicated structure of train traffic in Sweden where several government actors, local and private providers arrange a more than questionable service. The frustration with this arrangement, the fact that there are no viable train alternatives and a management team that behaves like a group of schoolboys accusing each other of foul play could not be mistaken. The combination of these factors was of great interest to our respondents and several of them went to great length to describe the faults of the current arrangement. So here with SJ we have a much more emphasized problem with the non-functional aspect of the equation, and the reason for that could be the fact that this debacle has such a significant effect on the company's ability to provide a sound product. The political and governmental issues that surrounds SJ was brought up in the interviews by the respondents much more often than Ingvar Kamprad or even more than Viktor Muller from SAAB. While the frustration from the consumers was to a large extent focusing on the company's failure to provide an acceptable product, they dived much further into the reasons for why the company has failed to provide them with a sound product. The consumers' analysis of this situation reveals that the problem in their mind lies within the management and ownership of the company.

Indeed, Cravens and Goad Oliver (2006) point out that unethical behavior from both management and employees can have an effect on a company's reputation. However, in the case of IKEA this seems to not hold true as the respondents paid little actual attention to what Ingvar Kamprad did, even his tax evasion which has negative cultural implications in Sweden, seemed to matter little to the respondents. On the other hand, we can extend the work of Cravens and Goad Oliver (2006) in that our results indicate that when a consumer lacks faith in the leader, and their ability to provide a good product, the leadership can have an effect on the consumers. Equally, the employees can have an

effect on the corporate reputation according to Cravens and Goad Oliver (2006). The reason why IKEA's reputation was rather unharmed after the Swedish documentary seems to be related to the consumers' positive perceptions of IKEA's products. As argued in theme 1, *the product*, are consumers product-oriented and place their greatest emphasis on the products. Therefore might corporate governance and management issues only influence when it is related to the company's capability to deliver satisfactory products as that is what our respondents have put the most emphasis to when making their purchase decisions and for their trust.

Issues of the employees were raised both in regards to SAAB and in regards to SJ. The employees of SJ were described as unfriendly, and just as Cravens and Goad Oliver (2006) predicts this is leading to a worsening of people's perception of the corporate brand and consumers trust for that brand: "If employees do not value the reputation of the company, how can a positive reputation be communicated to the public?" (Cravens & Goad Oliver, 2006: pg. 297). This only makes us, the authors of this study, question the way in which SJ has attempted to solve the problems related to its corporate reputation through advertisements where the consumer is ridiculed. But one can also extend the arguments of Cravens and Goad Oliver (2006) through SAAB, as the employees and their future help to create sympathy for the brand (this will be further discussed in our last theme). Also in terms of the management's response to the crisis, SJ could have done more according to our respondents as the blame game played by SJ was not appreciated by the respondents. This fact correlates, not surprisingly, with the fact that reputational crises should be handled in an open and honest fashion to restore trust (As IKEA and Ingvar Kamprad has attempted to do, although not all of the respondents felt that it had been handled in this fashion) (Coombs, 2002; Lee, 2005; Greyser, 2009). SJ in no way follows this. The case of SJ, however, also contradicts the findings of Lee (2005) as SJ largely cannot be blamed for the winters that are causing the problems, yet the impact of these problems on the consumers are great. It therefore seems as if the predictions of Coombs (2004) holds true that a series of negative events enhances the negative perception of a company, and when that happens the consumers simply do not care who is to blame for the crisis because they want the actual functional benefits of the products.

So the lack of trust that consumers feel towards the SJ rests on two legs. Partly its inability to provide a sound product; as well as the respondents' lack of faith in the management of SJ. Yet, these two are then related. This means that it seems as if the distrust among the consumers for SJ goes far deeper than in the other two cases presented in this study.

The greatest non-functional problems that can be found within SAAB is the consumers expressed doubt over the management team and their intentions. Just as for SJ, the owners of SAAB were questioned in the interviews and a great deal of doubt was raised over the Dutch ownership and its Russian connections. Doubt of their future intentions and ability to create a stable long-term future were raised too. The future of the company was questioned because of its weak finances, and once again we have a similar situation building up as in the case of SJ where the softer value related aspects of the company's reputation is harming the consumers faith in the more functional aspects of the company, that is, its ability to provide cars for the future markets. This also lends some support to the more controversial finding by Rose and Thomsen (2004) whom argues that the financial performance of a firm can have an affect on the corporate reputation of the firm. Not only do the findings of this study support this, but can also extend the work of Rose and Thomsen (2004) as the financial performance also affects the consumers trust for that company. The majority of our consumers would not consider buying a SAAB, not necessarily because they were bad products but rather because their lack of faith in the corporation and management made them doubt the future of the company. Hence, the service guarantees and second-hand value of the car would be threatened. So for SAAB, the softer aspects of the company, unrelated to the product itself, became much more manifested as the respondents' lack of faith in the company was to a much lesser extent related to the product. Rather, the lack of trust displayed was related to SAABs perceived inability to produce sound cars in the long term because of its questionable owners and managers. This situation might only be further emphasized by the fact that the company has been struggling for such a long time, as such companies are usually affected more by negative information (Coombs, 2004). Also Coombs (1998, cited in De Blasio & Veale, 2009) argues that poor financial performance influence corporate reputation negatively. This continuously poor performance by SAAB has influenced our respondents view on SAAB. Without the reports of low sales or profitability

would the consumers naturally not know about the problems and thus would they neither doubt in SAAB's ability to deliver its cars. Media's role in this could not be underestimated as the consumers' picture of SAAB mostly reflects that of media's (more on this in the third theme).

Bringing IKEA, SAAB and SJ next to one another also shows us that value related negative reputation has its greatest effect on consumers trust when it is deemed to affect the products rather than for example how they feel about the companies' Corporate Social Responsibility effort. Only SAAB stands out slightly from this argument because there was a worry about the importance of its local importance as an employer too. Nevertheless, on a general level, the softer aspects of corporate reputation referring to the non-performance related aspects only becomes imperative to consumers once they are seen to threaten the company's products. This finding also emphasis that of the definition of corporate reputation, Castro et al. (2006) as an event that is built up of both external and internal factors. However, we can now also transfer this to the concept of trust to see that in the same way as corporate reputation is dependent on what goes on inside the organization, this also has an effect on the trust that consumers have for the company when it comes down to the reputation that can affect the product. This finding also increases our understanding of the interrelationship between value and functional factors of corporate reputation.

Theme 3: Relationship

The respondents that had enjoyed a positive relationship with one of the specified case companies were more likely to have a higher level of trust towards the brand, this we could see with some of the SAAB owners and also to a certain extent in relation to IKEA. It is so far evident that consumers are highly product oriented in their relationship with corporate brands, so if a consumer has a positive experience of a product offered by the company, higher trust in the corporate brand is the probably achieved. One respondent, who summarized this rather well, described that he got negative perceptions of a corporate brand by media, but positive perceptions by personal experience. It was also evident that respondents with positive perception of the corporate reputation based on personal experiences were less influenced by negative publicity or other reputational aspects of the corporate brand. The consumers' thus believe that their personal experience is more trustworthy than the

information they received from the media. However, they value the information from media and put it into context, but mostly when one has had negative experiences with the brand as Yannopoulos et al. (2011) finds. However, if the reputation is in line with what the consumer already experienced of the product, then those positive perceptions were enhanced.

For a relationship to develop between consumers and companies, previous research has found that trust is a vital aspect in this (e.g. Grönroos, 1994; O'Malley & Prothero, 2002; Morgan & Hunt, 1999). Our respondents and cases presented here indicate that the opposite is also true; a consumer enjoying a relationship with a brand also has greater trust towards that brand. In the IKEA case, many consumers had not only positive experiences of its products but also a deeper relationship with the products that shape their homes and life. Only those respondents in our study who had experienced negative aspects of IKEA's products doubted their trust in IKEA. Also regarding SAAB one could see a rather clear picture take form as the respondents in the study who stated to like the SAAB cars also had a higher trust in its corporate brand in comparison to respondents who did not. As an illustrating example, the one respondent who stated that she had the highest trust in SAAB in relation to IKEA and SJ, also stated that she 'loved' the SAAB cars. As several respondents actually described themselves as to have a connection to certain brands one can exemplify this on a personal level. All of this also supports that arguments put forward by Ahluwalia et al. (2000) who describe that consumers that are more committed are also more likely to support a company through times of troubles. In terms of especially SAAB we could see how respondents more committed to the company and that have a relationship toward the company find it easier to 'forgive' the company and be sympathetic towards SAAB hence supporting the findings of Ahluwalia et al. (2000) that the level of involvement that a consumer has towards a company, affects how they react to negative reputation. A consumer that is more involved in the brand, is also more forgiving for any negative reputation and consequently their trust is not affected to the same extent as a consumer who is less involved or a consumer that has had a negative experience with the brand. Connections to the fact that some products elicit more involvement can also be made, where the purchase of a car requires a different kind of involvement because of increased risk (Elliot & Percy, 2007).

This theme thus highlights the importance of relationship marketing which Grönroos (1994), O'Malley and Prothero (2002), and Morgan and Hunt (1999) bring forth in their research. The common theme among their studies, and other relationship marketing studies as well, is that relationship building is of imperative importance in turning companies into sustainable profitability. What we find in this study gives partly an explanation for why that is. By achieving a strong relationship with consumers, companies are able to avoid possible negative corporate reputation as a strong relationship makes consumers more likely to ignore this type of negative information. Therefore they are also more likely to continue to be customers compared to those consumers who have a lesser or non-existing relationship with the corporate brand.

In the case of SJ, however, consumers were more or less forced into an unwanted relationship. As argued above, consumers are egoistic and chose the product offer that serves them the best. But when intending to go by train, many routes are only operated only by SJ, thus there is no other choice than going by SJ. When SJ then does not deliver a satisfying service the consumers becomes negative towards the company. Delays on SJ's train routes further enhance this feeling. This forced bad relationship then naturally generates the opposite of a positive relationship, namely a lower degree of trust and consumers being more receptive towards negative corporate reputation.

What the cases also do is that they correspond to, but not necessarily reciprocate, the findings of Pullig et al. (2006) where the consumers previous perceptions and certainty is of importance to how the consumer process new information that affects the brands corporate reputation. In a sense, the findings of this study both converge and diverge from Pullig et al. (2006). This as the respondents in regards to IKEA did not necessarily begin to actively search for new information that corresponded with their original belief when they heard negative information about IKEA despite their certainty for the company being high. Instead they simply kept their beliefs despite the news that surrounded the furniture manufacturer. This, to a certain extent diverges with the findings of Pullig et al. (2006) that argues that consumers become more systematic in their information search to justify their feelings. In terms of SAAB we have a similar situation where we can see that consumers become critical towards the news themselves but do not necessarily search

for new information and rather accepts the new information with a sense of being critical towards the communication. The same phenomena can be seen for IKEA where the respondents really don't accept the new information or change their behavior, but rather becomes critical of the new information and really only takes it in when it is deemed to affect the product. Once again, this finding is a tangent of that of Pullig et al. (2006), but it does reveal some differences to their arguments, as the consumers don't necessarily actively search for new information to disprove media, but rather adopts a negative view towards media instead. Hence, the respondents remain rational in their belief because their certainty in the brands are high, yet they might not actively search for information to disprove any news that do not correspond to their original beliefs. However, SJ wholly supports the findings of Pullig et al. (2006), that when the negative publicity aligns with people's preconception about a firm for which people hold a negative perception, then the message with have a more profound effect on the consumer, as it did with SJ and the delays. But one can also add to their findings that this search-alignment phenomenon described becomes much more accurate when they have experienced product failures themselves. Nevertheless, what we can see here is that the involvement and the relationship that the consumer has towards the brand has some kind of effect in how they process negative corporate information, and hence how much their level of trust towards the brand is affected.

This relationship towards the brand is also something that has been brought forward in the description of trust as something that depends on benevolence or the subject aspects of trust where one has to have a genuine interest in the other partner (Doney & Cannon, 1997). But our study shows that the benevolence part of the trust is also much interrelated to the objectivity. It is difficult for consumers to trust a brand only upon subjective and emotional factors, as the functional aspects of trust always place in. However, more benevolence towards the brand allows for a more forgiving attitude towards the brand and its functional shortcomings as displayed by SAAB.

When consumers have positive previous experiences of the product they are positively affected by positive corporate reputation, but if the corporate reputation is negative they are lesser affected. Thus one can say that reputation rather enhances perceptions based on personal experiences than other reputational aspects. In

turn, the brand trust is mainly based on the consumers' perception of the company's capabilities to deliver good products. So if publicity is aimed towards the product then the trust is affected likewise as the corporate reputation.

Analytical summary

What this study reveals is that in the corporate brand equation, it is the functionality and the performance related aspects that are of more interest to the consumers. Negative corporate reputation relating to these products aspects then has a greater influence on the corporate trust than more emotional aspects of the corporate brand. In an extension of this, it is possible to reflect on what kind of value that corporate social responsibility activities and other aspects relating to the emotional side of the brand has on the corporate trust as such features seems to have only a minor affect on the respondents in this study. We can thus see that the product is of prime importance in building a high level of brand trust. However, the fact that trust is such a multifaceted concept that it actually is makes us question medias wide usage of the term trust. The interviews, especially in regards to SAAB, showed that the trust for the brand surely has been affected by all the negative publicity, but this is perhaps not the only aspects that potential consumers consider when purchasing new cars.

So how do the findings from this comparative analysis and the themes presented help to answer the research question: *"How and why does negative corporate reputation affect consumers' trust in corporate brands?"* The first finding is that negative reputation about the products produced by the brand has the greatest impact on the consumers trust, as the functional benefits produced by the brands and their products is what the respondents in this study seemed to base their trust on. In addition to this, consumers' that has had a negative experience with a brand often has less trust towards that brand. Secondly, 'softer' news that relates to the social and non-functional aspects of the company does have an effect on trust, but mostly so when such aspects are deemed to have an affect on the product, that is the functional aspects of the brand. Thirdly, the relationship between the consumer and brand has a mediating effect on this relationship between corporate reputation and trust. That is, a consumer that enjoy a relationship to a product and brand is more "forgiving" and can enjoy a higher degree of trust towards a specific company vis-à-vis a consumer that does not

have experience and relationship with a specific brand. In relation to this, they might become more critical towards media exposure about 'their' brands.

Conclusions:

The findings presented here also, to a certain extent, relate to other much-publicized scandals where negative corporate reputation has been an unmistakable consequence. In the case of Toyota, the problems were directly related to the product. In the case of the Swedish Red Cross, Skandia and even Enron the managements actions and leadership put the consumers savings, and hence the functionality of the product at risk. As for BP, the monumental catastrophe that followed was all but impossible to escape from unharmed, but BP's position as one of the biggest companies in the world nonetheless remain because they can still provide the same product as before the crisis in the Gulf.

To conclude, this study has provided multiple-cases studies, taking a cultural approach to explain why and how negative corporate reputation affects brand trust. The study revealed that consumers are egocentric, thus consumers cares mostly about negative corporate reputation that may directly affect them and the products they use. This is expressed through a strong product focus by consumers. So, when negative corporate reputation is related to a product, trust in the brand decreases. If a reputation questions a company's capabilities to deliver its products the consumers become anxious resulting in decreased trust in the corporate brand. Finally, personal experiences of the product and a strong relationship towards the brand has favorable implications on the brand trust.

With these findings in mind it becomes obvious that companies that have committed consumers and strong products need not to fear negative corporate reputation as they are then positioned in such a way that they can overcome these problems. However, as soon as the products starts to fail and news of this arises, the consumers' trust will probably become an issue. At that point, the management's actions become paramount to maintain the trust for the brand.

In accordance with this, the trust for IKEA into the foreseeable future will remain high as it stands on a stabile ground. The only threat to this is a possible drop in the quality of its products, which leads to negative publicity focused on the functionality of its brand. In

terms of SAAB, faith for their products is not the prime priority but rather a faith in its management and corporation. There are incredible gains for the SAAB brand if it can only convince consumers that it stands on a stabile ground. In terms of SJ, it might be difficult for them to correct the product failures as the winter is out of their control. However, our study shows that the management of the corporation can help to increase peoples' trust in the company. If SJ dares to stop the blame game, becomes more sympathetic and values its employees and through this help to create a stronger relation with its customers, consumer trust is likely to increase for SJ.

Limitations and Further research:

In regards to the limitations of this study it is worth mentioning that the study does not seek to measure brand reputation or trust. Rather, the study aims to seek an understanding of what creates these feelings among consumers and perhaps most importantly the interrelationship between the two concepts through qualitative methods. Nor is this study trying to explain why negative reputation arises, that is the original source of the corporate reputation and the findings will not be indicative of the whole corporate world. It is also worth mentioning that this study has been conducted in Sweden and the result may have been different if conducted elsewhere. As we have performed a qualitative study, these results are not necessarily generalizable and as in all qualitative studies there is always a risk of subjectivity in an interpretative analysis as this is how we perceive and understand the material at hand.

Further research may address these limitations. A comparative study not only between companies, but between nationalities may therefore also be interesting to study further. It could also be interesting to make an inter-industry study on the relationship between corporate reputation and brand trust to see potential differences within industries. Moreover, it would be interesting to see how companies that are less associated with a single product category is affected by negative publicity. Retail firms such as Tesco or WalMart would be interesting case companies for such a study. This study has also not taken into consideration the consumers previous expectations on these companies and how this is affecting their trust. Such a variable would be interesting to investigate further. Furthermore, in order to secure the generalizability of the findings in this study a quantitative approach to

the subject would be interesting to generalize the findings.

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Part IV

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Appendix A: Interview guide 'mark 1'

Briefly present the study.

Part 1

First a few questions about the concept of trust and what trust means.

1. Can you describe what trust is for you?
 - a. Ok, it might be difficult to describe, but could you give trust a definition?
2. Could you tell me about a situation in which your trust for a company changed due to negative reputation?
3. How is your trust affected if you hear reputation that is not aligned with your expectations?
 - a. Could you exemplify?

Part 2

When we change the direction and leave trust for a while.

4. What do you think of when you hear the following company names?
 - a. IKEA?
 - b. SAAB?
 - c. SJ?
5. Are you a customer at any of these companies?
6. How is IKEA (SAAB, SJ) described in media?
 - a. Could you give an example?
 - b. What is media focusing on?
7. Do you agree with the media picture regarding IKEA (SAAB, SJ)?
 - a. Why do you/don't you agree?
 - b. Could you give an example when you are/aren't affected by media regarding these companies?
 - c. Are you affected by what media reports?

And if we return to trust again.

8. Do you have trust in IKEA (SAAB, SJ)?
 - a. Could you explain why?
 - b. Could you please rank the companies in regards to trust?
 - c. Why do you rank them in that order?
9. How is your trust in these companies affected by media's report on them?
 - a. Can you give an example on when your trust in any of these companies was changed due to its reputation?
10. How do you think these companies respond to criticism regarding negative publicity?
 - a. Could you exemplify?

Appendix B: Interview guide 'mark 2'

Briefly present the study.

Part 1

First a few questions about the concept of trust and what trust means.

1. Can you describe what trust is for you?
 - a. Ok, it might be difficult to describe, but could you give trust a definition?
 - b. Could you describe what factors that are influencing your trust?
2. How is your trust affected if you hear reputation that is not aligned with your expectations?
 - a. Could you exemplify?

Part 2

When we change the direction and leave trust for a while.

4. What do you think of when you hear the following company names?
 - a. IKEA?
 - b. SAAB?
 - c. SJ?
5. How is IKEA (SAAB, SJ) described in media?

Appendix C: List of Respondents

Name ¹ :	Gender:	Age:	Profession:	Location:
Karl	Man	61	Retired – former diplomat	Stockholm
Rolf	Man	- 50	Salesman	Havstensund
Anneli	Women	- 30	Store Supervisor	Havstensund
Liselott	Women	33	Actor	Göteborg
Johannes	Man	29	Musician	Göteborg
Kasper	Man	28	Unemployed	Göteborg
Greta	Women	37	Logistician	Kungälv
Johanna	Women	23	Administrator	Kungälv
Josef	Man	33	Product Manager	Göteborg
Micke	Man	50	Project Manager	Stenungsund
Hans	Man	58	Project Manager	Göteborg

¹The names are fictive.

- a. Could you give an example?
 - b. What is media focusing on?
6. Do you agree with the media picture regarding IKEA (SAAB, SJ)?
 - a. Why do you/don't you agree?
 - b. Could you give an example when you are/aren't affected by media regarding these companies? Why is it easier to agree with information on [company]?
 - c. Are you affected by what media reports? How are you affected?
 - d. Have you experienced any of the problems that are reported in media?

And if we return to trust again.

7. Do you have trust in IKEA (SAAB, SJ)?
 - a. Could you explain why?
 - b. Could you please rank the companies in regards to trust?
 - c. Why do you rank them in that order?
8. How is your trust in these companies affected by media's report on them?
 - a. Can you give an example on when your trust in any of these companies was changed due to its reputation?
9. Do you see a difference whether it's about the product or other aspects of the organization?
 - a. Can you explain if one is affecting the other?
10. What's most important; friends or media?
11. How do you think these companies respond to criticism regarding negative publicity?
 - a. Could you exemplify?
12. Are you a customer at any of these companies?
 - a. How would you describe your relation to these companies?
13. Now we've taking about trust for an hour, but is there a better expression than trust to describe your relation to a company?