Trust, Corporate Reputation and the Practical Implications for Corporate Reputation Communications In Thailand

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Abstract

*T*he relationship between trust and corporate reputation has gained increased importance to communicators responsible for building or defending the reputation of their companies or their clients.[1] (The Reputation Institute 2008, Riel & Fombrun 2007) The reasons for this increased importance stem from a combination of the current financial and economic crisis, and evolving environmental factors related to communications technology and stakeholder expectations. This situation is leading to significant changes in the way corporations practice corporate communications and stakeholder relations. This new reality has several implications for public relations and corporate communications professionals in Thailand, including the need to rethink how stakeholders are engaged and with what type of messages.

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[1] The linkage between trust and corporate reputation has been incorporated in the RepTrak[TM] Model – a simplified and standardized scorecard for measuring corporate reputation internationally. The model was introduced by the Reputation Institute in 2006.

Introduction

One of the key responsibilities for public relations and corporate communications professionals,[2] both in-house as well as outsourced consultants, is the defense and/or enhancement of an organization's corporate reputation. That is, the promotion of the corporate entity as worthy of the admiration, respect and possibly even affection by key stakeholder groups.

By securing its reputation, it is assumed that the corporation will reap certain benefits including finding it easier to communicate with its core stakeholders, increasing the effectiveness of its marketing communications and making it easier to recruit and retain employees. (The Reputation Institute 2008) Further, if there should be an issue or crisis situation, the organization with a strong reputation would theoretically be given the benefit of the doubt by media, regulators or other stakeholders. (Gaines-Ross 2008)

A key concept that has been related to corporate reputational communications in both the scholarly and trade literature is that of 'trust'. Trust is often referenced as the result of a positive or strong corporate reputation, e.g. the company that has a good reputation will enjoy the trust of key stakeholders. (Ljubojevic and Ljubojevic 2008) While this may be true, an important question arises : can a corporation establish or maintain a good reputation in the absence of trust among at least a number of its key stakeholder groups?

It is hard to imagine that an organization that is not already trusted by its stakeholders can enjoy a positive reputation. If this is the case, then trust is precursor to a positive reputation as well as an outcome of that same reputation.

Thus, it may be useful to conceive of the relationship of trust and corporate reputation as that of a virtuous cycle, in which increases in one help generate increases in the other and vice versa.

This issue has significant ramifications for corporate reputation communicators. Those professionals, who are not already doing so, will need to consciously work on forging trust-based relationships with key stakeholders, in addition to the important work of enhancing corporate image and/or identity.

The creation of trust-based relationships requires corporate reputation communicators to utilize a wide range of communications tools and techniques, many of which are outside the norm for public relations and corporate communications as generally practiced in Thailand.

There are several drivers for the need to establish trust-based relations and the related need to employ new communications tools. These include the changing nature of key stakeholder audiences,

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[2] For the purposes of this paper, the term corporate reputation communicators will be used as a descriptor for all communications professionals engaged in work related to the creation, enhancement or defense of an organization's reputation.

proliferation of communications technology, multiplication and fragmentation of media channels, and increased globalization and democratization of information. (Bell 2008, Bonini et. al. 2009, and Edelman 2004)

This paper will review the concepts of trust and corporate reputation and their relationship to each other. It will then discuss several current approaches to building trust and enhancing corporate reputation in light of the present business environment, which is marked by distrust in large corporations brought about by the recent financial and economic crisis. Throughout the latter discussion qualitative observations on corporate communications in Thailand will be reviewed and compared to international practices. The paper concludes with recommendations on further research related specifically to corporate communications in Thailand.

Primary Concepts
Trust

As a concept relevant to communications, trust has traditionally been difficult, if not impossible, to define with any degree of rigor. This has been highlighted in Rawlins excellent review of the literature on trust and the practice of public relations. (Rawlins 2007) The lack of definitional clarity is echoed by Kazoleas and Teven who stated, "There is really little agreement of what constitutes a definitive set of factors that carefully capture the trust concept." (Kazoleas and Teven 2007)

That said, there have been numerous attempts

at identifying the 'trust factors' that relate to corporations. For example, the integrative models with their 3 factor view as presented by Kazoleas and Teven. "After their [Mayer, Davis and Schoorman (1995)] analysis of previous literature, they forward three factors that appear to underlie the "trust factor" in regard to organizations : Ability, Benevolence, and Integrity. Ability is related to outcomes in transactional relationships and may incorporate concepts such as reliability and confidence. Benevolence incorporates aspects of the intentions of the organization in meeting stakeholder needs, and a perception that the goodwill of the stakeholder will not be abused. And an integrity factor encompassing concepts such as accuracy and honesty." (Kazoleas and Teven 2007)

Rawlins does propose a working definition of trust as "One party's willingness — shown by intention and behavior to be vulnerable to another party based on confidence developed cognitively and affectively that the latter party is (a) benevolent, (b) reliable, (c) competent, (d) honest, and (e) open.

The idea of being vulnerable to another party is also found in the discussion of an individual's attitude being conducive to trust when there is an "acceptance of risk, especially the risk of being betrayed." (Stanford Encyclopedia of Philosophy 2006)

Thus, in order for an individual to trust a company they must take a 'leap of faith' that the company will honor its explicit and implicit commitments, so as not to betray that trust.

The factors that serve as the basis of trust under Rawlins definition are the same things that communications professionals tend to focus on, though perhaps not directly associating them with 'trust' per se.

Benevolence in this view is often associated with the organizations philanthropic activities and more recently with its conduct of corporate social responsibility (CSR) programs.

Reliability is linked to the organization's historical record of doing what it has committed itself to do. This holds true for corporate behavior of all types including achieving its financial and/or operational targets, adhering to local legal and social norms, communicating when it has said it will communicate (regardless of whether the news is positive or negative).

Considerable attention is paid by corporate reputation communicators to informing stakeholders about the expertise or competence of the organization. These communications often relate specifically to the products and services of the company. They may also highlight research and development or innovation accomplishments or the skills and credentials of the company's executives or general employees.

Honesty is a relatively new area of messaging for most companies. The possible reason for this apparent reticence to communicating the 'honesty' of the organization is that by doing so there is an implicit admission that there may be suspicions that it has been less than honest in the past. This is often too much for corporate leadership to accept.

The idea of openness, or more popularly, transparency, has been a central theme of corporate communications, especially over the last 8 years. The primary catalyst for this area of messaging was the series of revelations regarding corporate misconduct starting with the collapse of Enron in 2001.

These five elements of trust can be looked at as key message areas corporate reputation communications can leverage to enhance trust and defend the corporate reputation.

Another factor that has a prominent place in the trust literature is that of goodwill. "In their study, McCroskey and Teven (1999) found goodwill/caring to be highly associated with other measures of the ethos/source credibility construct, namely trustworthiness and competence." (Kazoleas and Teven 2007) Thus, this idea of goodwill or the perception of caring should also factor into the messages put forth in corporate reputation communications.

Corporate Reputation

Before going into more detail on the practice of enhancing trust to improve or defend the corporate reputation the concept of corporate reputation itself should be reviewed. The reason for this is that there is no single commonly accepted definition of corporate reputation, and in many cases this concept is narrowly defined based on the perceived pre-existing strengths of the organization.

The lack of a single unified definition of corporate reputation, or of a common vocabulary

associated with the topic, is discussed in some detail by Barnet, Jermier and Lafferty. They found that while work is being done on the subject of corporate reputation and its definition, there is still some distance to go in this line of research. "It would be inaccurate to claim that there is something of an emerging consensus among researchers when it comes to defining corporate reputation because many do not appear to define the term or do not appear to be aware of how others are handling the concept." (Barnet, Jermier and Lafferty 2004)

An intuitively satisfying definition of corporate reputation is presented by Gaines-Ross in which, "Reputation means how positively, or negatively, a company or similar institution is perceived by its key stakeholders – the people or entities that the company or institution relies on for its success." (Gaines-Ross 2008)

While this definition is useful as far as it goes it does not clarify the components of the corporate reputation nor what drives perceptions.

In his work Fombrun posits that corporate reputation consists of four characteristics namely: credibility, reliability, responsibility and trustworthiness. This definition is interesting, as it includes the concept of trust while also some concepts that in themselves are precursors of trust. Further, this definition is still rather abstract and cannot be easily operationalized by corporate reputation communicators. (Fombrun 1996 cited in Ljubojevic and Ljubojevic)

In their work on corporate reputation and corporate governance the Ljubojevics further disaggregated corporate reputation. "Corporate reputation may be divided into factors that dominate its content. These are : the company's ethics, employees, financial performance, leadership, management, social responsibility, and focus on consumers, quality, reliability, emotional appeal and communications." (Ljubojevic and Ljubojevic 2008)

The Norwich University lecture series on Building and Maintaining Corporate Reputation Capital makes the sweeping statement : "Reputation is the foundation of trust and loyalty, which gives stakeholders confidence in dealing with the Company." And, it goes on to assert that, "the reputation is built over time and depends upon how the company conducts itself in conformity with its identity and image." (Norwich University 2007)

A potentially useful perspective from the trade literature was put forth by McKinsey and Company when it stated "Reputations are built on a foundation not only of communications but also of deeds : stakeholders can see through PR that isn't supported by real and consistent business activity." (Bonini, Court and Marchi 2009)

While it is the contention of this paper that trust is both precursor and result of reputation, the linkage between reputation and conduct, or action, is important as is the assertion that reputation is formed over time. Both of these elements have clear and significant ramifications for professionals tasked with the stewardship of the corporate reputation.

Ultimately, this paper posits that corporate reputation is the result of the combination of stakeholder perceptions and experiences with the company across a wide range of corporate actions over time. An underlying element of reputation is the trust that stakeholders have in the company and their perceptions of the company's ongoing trustworthiness.

Importance of Trust and Reputation

The importance of a strong corporate reputation in the current globalized and information rich environment has been well documented in both the academic and trade literature. The benefits can be divided roughly into two categories, those that strengthen the company and those that reduce or mitigate threats to the company.

Corporate reputation makes the company more attractive to key stakeholders and the public at large. "Customers don't mind paying a little extra for a product when it comes from a company with a strong reputation for reliability. It becomes easy for a company to implement changes and introduce innovations based on the trust created by the company's good reputation." (Norwich University 2007)

The Reputation Institute associates the 'value' of corporate reputation with its impact on consumer purchase decisions, the company's access to funding and the ability to recruit and retain talent. (Reputation Institute 2008)

Reputation also helps companies overcome crises situations and/or other difficulties that arise in the normal course of business. "If its reputation is strong, a company in crisis is granted the benefit of the doubt by its stakeholders. They expect companies to do the right thing. Even when inevitable mistakes are committed, stakeholders will afford highly regarded companies an additional opportunity to make amends — an opportunity they are not likely to grant the less regarded." (Gaines-Ross 2008)

The risk mitigation aspects of a strong reputation are discussed by Argenti when he writes, "The proliferation of media and information, the demand for increased transparency, and increasing attention paid to social responsibility all speak for a greater focus on the part of organizations on building and maintaining strong reputations." (Norwich University 2007)

Within corporate reputation, trust is particularly important for organizations in the current environment. Without trust, organizations are bogged down by suspicion, anger, cynicism and disappointment. (Golin 2004) A 2002 Watson Wyatt study showed that return to shareholders in high-trust corporations is three times higher than the return in low-trust corporations (cited in Rawlins 2007)

In *Trust or Consequences* Golin has outlined several benefits of being trustworthy : "improved employee retention and recruitment, a more durable stock price, more confidence by investors, enhanced customer relationships and loyalty, opportunities for

partnering with others, increased risk taking and innovation, and strong brands." (Rawlins 2007)

While there may not be consensus on key definitions related to corporate reputation and trust, there is widespread agreement that both of these concepts are practically important for the success of a business. Further, the importance of these factors appears to have increased in light of recent events in the global financial and economic systems.

The Crisis of Trust and Corporate Reputation

It is not an overstatement to say that corporations in countries across the world are facing an almost unprecedented reputational crisis. While the loss of trust and confidence is most pronounced in the US and Europe its impact is global. The 2009 Edelman Trust Barometer reported that of 4,475 people across 20 countries only 49% trust that business will do what is right, for the US the number is 38%.

In 2007 a McKinsey & Company report stated: "Consumers are not impressed by current corporate contributions to the public good. That perception may reflect distrust fueled by numerous and widely publicized examples of corporate misconduct in recent years. While 68 percent of executives say that large corporations make a "generally" or "somewhat" positive contribution to the public good, only 48 percent of consumers agree." (Bonini, McKillop and Mendonca 2007)

Two years later McKinsey & Company

continued in the same vain : "In a March 2009 McKinsey Quarterly survey of senior executives around the world, 85 and 72 percent of them, said that public trust in business and commitment to free markets had deteriorated." (Bonini, Court and Marchi 2009)

The drivers for this global deterioration of trust and confidence in corporations include the current financial crisis, extreme volatility in fuel prices, environmental degradation and latent concerns over globalization. The virtual collapse of significant segments of the global financial system due to poor or non-existent risk management has further deepened the mistrust in business felt by large sections of the world's population.

Trust and Corporate Reputation Communications - Thai Case Studies

For corporate reputation communicators concerned with defending an organization's reputation, a key mission is engaging stakeholders and building, or rebuilding, trust-based relationships. This is certainly true in the US, and it is also likely to be true in Thailand and other markets in Southeast Asia as well.

The issue is that the global operating environment has been undergoing important changes in terms of access to information, emergence of new stakeholder groups, fragmentation (or democratization) of the media and changing consumer demands vis-à-vis corporations. Of these environmental changes all are clearly evident in

Thailand, with the possible exception of the last one, though the recent enactment of a new product liability law in Thailand may act as a catalyst to accelerate increased consumer demands on corporations.

These environmental issues are requiring significant changes in the way corporate reputations are maintained and trust-based relationships established. These changes relate both to the tools and techniques used to communicate with stakeholders as well as to the need for a profound rethink of the nature of what is communicated and to whom.

In Thailand, the changes are still in their infancy, as most local corporations have not encountered the reputational challenges that have beset companies in more mature markets. Further, the media environment in Thailand has not changed as much as in countries such as the US, Japan and several European countries. That said, changes when they do take place, occur with extreme rapidity, and there is no reason to assume that the situation in Thailand will be dissimilar to other global markets in terms of stakeholder engagement and corporate reputation building.

An interesting development in Thailand, and one that may be viewed as a precursor to how corporations and corporate leadership undertake trust and reputation building is found in the behaviour of new generation politicians. Several national level political leaders including Prime Minister Abhisit Vejjajiva and Finance Minister Korn Chatikavanij,

as well as political contenders such as Kriengsak Chareonwongsak have created pages on the popular social networking site Hi5. It can be assumed that these pages are an attempt to establish a dialog with younger, affluent and computer literate constituents. The potential reach of this channel is indicated by the fact that the Prime Minister has approximately 139,362 Hi5 'friends'. (www.hi5.com 2009)

The above notwithstanding, to a great extent, corporate reputations in Thailand are managed, and stakeholders engaged, using traditional techniques and messaging. That is, messages are delivered to target audiences via a combination of media relations, corporate advertising and static corporate websites.

The delivery of messages are a predominantly a one-way process with the organization, or its advocates, providing information to stakeholders. There is relatively little attempt made to determine stakeholder reactions to these messages or solicit stakeholder feedback.

In Thailand, the messages that are delivered to stakeholders in support of corporate reputation tend to be limited to information on financial or operational performance, executive appointments and/or movements, investments in new facilities or capacity, and to a lesser extent statements about the organization's commitment to transparency or governance.

That said, perhaps the single largest message

area used by corporations in Thailand to create reputational capital involve corporate social responsibility, or corporate citizenship. This focus on CSR has been evolving over the last decade, with companies now actively competing for media attention regarding their CSR initiatives. Interestingly, the association between CSR and corporate reputation in Thailand is largely an article of faith, as there has been very little empirical research correlating awareness of a company's CSR program in Thailand and its local corporate reputation.

The reasons for the current state of corporate reputation stewardship and trust building in Thailand are not clear, but may result from a combination of budgetary limitations, a lack of research regarding public trust in corporations and perhaps socio-cultural factors related to the patron-client system that assumes a certain level of respect and trust in larger organizations by members of the public. (Laothamatas 1988)

Regardless, there are changes taking place within the society, particularly in Bangkok, and especially in the media environment that call for a review of current thinking about building trust with stakeholders and defending the corporate reputation.

Current Approaches to Building Trust

One of the underpinnings to building trust and developing a strong corporate reputation are the actions and behavior of the company, its executives and its staff. But it is the role of the corporate reputation communicators to ensure that stakeholders recognize and understand the actions of the company in the proper context.

The key to achieving this objective is com-munications. "At the heart of building trust is the process of communications. Today, with public confidence in all kinds of organizations at an all-time low, leadership, communications, trust, corporate performance and reputation are inextricably linked." (Beslin and Reddin 2004)

While the above statement may be true, the nature of how and when to communicate has undergone major changes over the last several years. It is these changes that practitioners in Thailand need to review and adapt to the local context.

The changes in reputation and trust communications were described as "...underlying shifts in the reputation environment that have been under way for some time. Those changes include the growing importance of web-based participatory media, the increasing significance of nongovernmental organizations (NGOs) and other third parties, and declining trust in advertising." (Bonini, Court and Marchi 2009)

This environment was predicted by Richard Edelman in 2004 when he wrote about the 'collapsing pyramid of authority' with its one-way flow of information from the company to a mass audience, and the 'democratization of media' in which the media environment is increasingly

fragmented due to the proliferation of cable TV channels, on-line news sites, blogs, chat rooms and a host of related websites. (Edelman 2004)

This media fragmentation is already evident in Thailand where there are over 150 cable TV channels in addition to 8 terrestrial channels. Additionally, there are approximately 63 Thai TV websites. An increasing number of Thai consumers are getting their news from both online and print newspapers and for magazines an increasing number of younger readers are opting for online only. These trends are likely to increase as an increasing number of Thai consumers obtain broadband access. At the end of 2008 there were some 15.4 million Internet users or approximately 23% of the population and the year-on-year growth was over 15%. (Mediabrands Worldwide 2009)

In this complex and shifting reputational landscape corporate reputation communicators need to focus on several key elements that can help establish, or re-establish, the trust that is critical to corporate reputation. In their most basic form these elements are the message, the messenger, and the channel.

From Message to Conversation

For most, if not all, public relations professionals, the key aspect of any communications campaign is the creation of key messages. These are the core statements that form the basis for all subsequent activations. This message creation process remains a critical part of the job. But there

is a difference, today many stakeholders want to have a dialog with the company or the brand. It is increasingly difficult to simply deliver the message via a one-way channel and assume that it will be received and believed. At present, corporations need to both give stakeholders a chance to respond to the message, and as important, listen to the response.

"Organizations need to enhance their listening skills so that they are sufficiently aware of emerging issues, to reinvigorate their understanding of, and relationships with, critical stakeholders." (Bonini, Court and Marchi 2009)

"Consumers crave conversation, not messaging, from the brands they love." (Bell 2008)

"Consumers are no longer content to be passively entertained; they want to be part of the show. Oprah Winfrey figured this out earlier than most. She knew that consumers didn't want to be talked to anymore, they wanted to do the talking, and they wanted to be heard; they wanted to participate." (Edelman 2004)

Thus, corporate reputation communicators need to move beyond simply creating and delivering messages, to facilitating conversations between stakeholders and the organization. Importantly, these stakeholders are both external and internal. Thus, whoever is charged with internal communications must also be aligned with the overall reputational program and have in place two-way communications mechanisms.

Corporate reputation communicators in

Thailand will need to determine the most appropriate method of facilitating and moderating this dialog. They will also need to encourage stakeholder participation and engagement, especially among consumers, many of whom have never been offered the chance to have a meaningful conversation with a company. Thus, in Thailand there is likely to be a relatively steep learning curve for both the companies and the stakeholders.

The risk inherent in not engaging in a dialogue, or at least offering to do so, is that motivated and empowered stakeholders will simply have conversations about the organization with each other, and with the virtually unlimited audience provided by the Internet. "At the heart of the change is the explosion of consumer generated media found in more than 150 million blogs, social networks, consumer opinion sites, video and picture sharing networks, and worldwide message boards. Corporate marketers and communications specialists no longer even have the illusion of "control" over the message. People are talking about their products throughout the Web and carrying on their own conversations about brand-relevant topics." (Bell 2008) Some of the popular venues for these ex parte conversations in Thailand include web portals such as www.pantip.com, www.sanook.com, www.kapook.com while the social networking site www.hi5.com is also popular among consumers in Thailand.

If stakeholders are increasingly interested in having a conversation with the organization and it is through that dialogue that trust is formed and reputation built and/or defended, then the question becomes who should this conversation be with?

The Messenger – The CEO Leads The Way

In communicating with key stakeholders and ensuring that the company's position is clearly presented the role of the CEO cannot be overstated. People want to have the feeling that they are dealing with the top of the organization. This is especially the case when it comes to important reputational issues like environmental responsibility, respect for human rights and compliance with regulatory requirements.

Today, the technology exists to allow the CEO to have ongoing conversations with a wide range of stakeholders simultaneously. To this end CEOs are maintaining blogs on which they post their thoughts about relevant issues as well as respond to comments and concerns raised by stakeholders. There is no definitive listing of blogs maintained by CEO, but indicative data can be found on the CEO Blog List in The New PR Wiki which lists 227 individual CEO blogs as of February 2008. (www.thenewpr.com 2008)

While it is questionable how personally engaged the CEO is in the day-to-day correspondence of their blog, it is conducted in their name and at least creates the impression that he or she is directly involved in the conversation.

The blog is only one channel that organizations can access to establish dialogue. During reputational crises organizations can leverage the commu-

nications power of the Internet to allow the CEO to personally explain the company's side of the issue as Yum Brands CEO Greg Dedrick did via videos posted on U-tube, in the response to a crisis involving KFC. (Bell 2008)

In addition to the CEO, two-way communications should be facilitated between relevant stakeholders and key executives and/or content experts within the organization. Brand owners should not be afraid of directly engaging with brand fans and brand detractors. While individuals within an organization responsible for its environmental compliance are in the best position to discuss the merits of the company's environmental record with environmental activists. Each of these individuals is in a position to establish relations with key stakeholders and to conduct conversations that build trust and humanize the image of the corporation. As of April 2009, SocialText.net reports that, among Fortune 500 companies, 61 or 12.2% maintain public blogs by employees about the company. (www.socialtext.net 2009)

Of course there is still a role for corporate communications and/or public relations departments in communicating with key stakeholders. They should continue to be the primary touch point for the media as well as the source of background information about the company and its activities. Further, these functions are best placed to serve as facilitators and moderators of the new two-way communications being undertaken by the company. This is because these functions have traditionally been focused on establishing 'relationships' with stakeholders as well as communicating to them.

Use All Available Channels

As was noted earlier, the media environment in Thailand and around the world has grown increasingly fragmented due to the emergence of new outlets, many of which are open to individuals and organizations such as NGOs. In this chaotic environment corporate reputation communicators need to both monitor a wider range of channels than ever before as well as engage stakeholders via many of these new media. This is not a small task and requires new skills and new ways of thinking. But, to build trust and defend the corporation reputation, it is a task that must be undertaken.

Traditionally, corporate reputation communicators were primarily focused on a limited number of print and broadcast media outlets to which they distributed messages in the form of press releases, photo captions, interviews, advertorials and corporate advertising. While the intended targets for some of these messages may have been limited, the fact was that they were distributed to a mass audience. In addition to media relations, corporate reputation teams would arrange speaking engagements and roadshows where company leadership could deliver messages directly to stakeholders. In Thailand, and many other markets, this continues to be the case, but there are signs of changes.

In order to facilitate the new requirement for two-way communications, increased use must be made of the so-called new media that is web-based and designed for dialogue as well as distribution.

The establishment of a CEO Blog has already

been discussed, but there is also potential for similar channels such as Wiki's and Facebook or Hi5 pages on various aspects of the company such as its CSR programs, brand campaigns, products and governance policies. All of these can be venues for lively conversations with stakeholders. Conversations that can lead to enhanced credibility and trust for the organization.

The company can also establish interactive elements within its website that solicit stakeholder feedback as well as provide responses from the organization.

While corporate websites and blogs are important channels, they are limited by the fact that they require the stakeholder to 'come to the company.' Many stakeholders, and especially the organized ones, like NGOs and consumer activist groups, already have established communications systems where conversations about the company or its products are already taking place. In this reality corporate reputation communicators should not be shy about venturing into the blogosphere or other areas of cyberspace in search of stakeholders talking about their company. And, when theses conversations are found the representatives of the company should ask to participate and share the company's positions in an open and transparent manner.

Conclusion

The fact that traditional means of engaging in corporate communications and reputation building are breaking down has been well documented. This has been compounded by a significant crisis of confidence and trust brought on by the current economic recession. The challenge for corporate reputation communicators is to effectively engage stakeholders in order to maintain or build trust and ultimately enhance the corporate reputation.

While there is still a role for media relations, new methods of communications are required, as is the direct participation of company leadership. The creation of new methods facilitate two-way communications with stakeholders has a greater chance of establishing a trust-based relationship than one-way communications delivered through the media, advertising or some other uni-directional method.

That said, it would be unrealistic to assume that the company can effectively engage with the entire universe of stakeholders across the full range of potential issue areas. Fortunately, they do not have to, for while the distribution of messages to the media for onward distribution to the mass audience may not be as effective as it once was, the engagement of key stakeholders can have a similar albeit narrower effect.

When a trust-based relationship is created with key stakeholders (sometimes called influencers, catalysts or ProActives) there is potential for them to report this to their own circle of contacts. (Edelman 2004 and Beringer 2007) As word of mouth information is seen as more credible, and thus more influential, than information from any other source except direct personal experience, these stakeholder reports are potentially very valuable. (Edelman Trust Barometer 2009 and Mediabrands Worldwide 2009) Also, as more stakeholders are

engaged, the greater the potential for a positive communications cascade.

In summation, it might be useful to think of the difference between traditional and current stakeholder communications as analogues to throwing rocks into a pond, where the rocks are the messages and the pond is the stakeholder universe.

The traditional method of sending a message via the media was like throwing a single large rock into the center of the pond and hoping that the ripples would radiate out to the shore in all directions.

The new approach is like taking multiple handfuls of small stones and throwing them at several areas of the pond's surface. The objective is to not only reach all stakeholders with the message but have them hear the message from multiple third party sources. The overlapping ripples from each small stone representing the effect of stakeholders communicating with each other, and thus reinforcing the message in a relevant and credible manner.

In Thailand, the practice of corporate communications and public relations is still very much like the former model, but environmental changes related to the media, business practice, legal system and consumer expectations are beginning to occur and it is likely that these changes will become more pronounced and widespread in the years ahead. It is thus critical that communicators in Thailand embrace these new methods and ways of thinking now in order to be able to lead the way toward a more engaged and relationship-based approach to trust building and ultimately to strong and more sustainable corporate reputations.

In order to generate a more accurate and holistic understanding of the transformation that is taking place in the practice of trust building and corporate reputation enhancement in Thailand additional research on several topics is required. These include detailed studies into Thai consumer perspectives on the key drivers of corporate reputation. Further, the concept of trust in the context of Thai cultural and value systems should be studied in relation to how consumers perceive corporations. Finally, while the demand for dialogue has been documented in the US and other western markets, research into Thai consumers' desire for, and comfort with, dialogue needs to be undertaken across various demographic and psychographic segments. The results of the above research will provide corporate reputation communicators with important insights into how best to localize the new methods of reputation building.

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