

## The Impact of Corporate Reputation on Strategies to Increase Consumer Trust

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### Abstract

Corporate reputation plays a vital role in global marketing, influencing consumer preferences, investor trust, and relationships with business partners. In an increasingly connected digital era, public perception of companies is shaped by a variety of factors, including business ethics, Corporate Social Responsibility (CSR), and operational transparency. This study examines how corporate reputation contributes to the success of global marketing strategies, focusing on the influence of culture on business ethics and innovation in CSR to build a positive image. Using a qualitative approach through literature review, this study highlights that companies with strong reputations tend to be more valued by consumers and have higher competitiveness in international markets. The results of this study provide strategic insights for companies in managing their reputations to achieve business sustainability in a competitive environment.

### Keywords

Business Culture, Corporate Reputation, CSR, Global Marketing

## 1. Introduction

In the era of globalization, companies are competing not only at the local level, but also in the increasingly dynamic and complex international market. One of the key factors that determine a company's success in global competition is reputation. A company's reputation is a valuable asset, as it directly affects consumer perception, investor trust, and relationships with business partners. In the context of global marketing, reputation is not only about the image built through communication strategies, but also about how companies operate, how they interact with customers, and how they demonstrate a commitment to business ethics and social responsibility.

According to Fombrun & Van Riel (2007), a company's reputation is an accumulation of public perception of the company's behavior and performance. In other words, reputation is the result of consumers' experiences and expectations of a company. When companies have a good reputation, they are more likely to gain customer trust, attract investors, and establish stronger relationships with business partners. Conversely, a bad reputation can negatively impact a brand image, reduce customer loyalty, and even pose significant financial risks. In the context of global marketing, a company's reputation is not only influenced by internal factors, but also by external factors such as culture, social norms, and regulations in different countries (Uyun et al., 2024). Cultural differences are one of the main challenges for companies looking to expand their markets to different regions. Culture has an important role to play in shaping ethical perceptions in global marketing. Consumers from different cultural backgrounds have different standards and expectations of how a company should operate. Therefore, understanding cultural differences is essential for companies to develop marketing strategies that are more appropriate and acceptable in different countries.

In addition to culture, innovation in corporate social responsibility (CSR) practices also plays a role in building and maintaining a company's reputation. The concept of "shared value" introduced by Porter & Kramer (2006) shows that companies can create a positive impact on society and the environment while increasing their competitiveness in the global market. By implementing innovation in CSR, companies can demonstrate their commitment to social and environmental issues that are increasingly of concern to modern consumers. Today's consumers not only judge products based on quality and price, but also consider how they are manufactured, whether the company has sustainable business practices, and whether they contribute to society in a meaningful way. In global marketing, reputation is not only built through brand communication, but also through tangible actions that reflect the Company's values (Suhairi et al., 2023). Companies that have a track record of practicing ethical and responsible business practices tend to be more valued by consumers and have a competitive advantage over their competitors. On the other hand, companies that engage in scandals or unethical business practices can suffer heavy losses, including lost customers, product boycotts, and even lawsuits.

This research aims to delve deeper into how a company's reputation affects global marketing, the key factors that contribute to reputation formation, as well as how business ethics practices and innovation in CSR can strengthen a company's reputation in international markets. By understanding these dynamics, companies can develop more effective strategies in managing their reputation and ensuring long-term success in the global marketplace. The research will also explore how companies can face the challenges that arise in managing their reputation in different markets with different cultures and norms. Factors such as transparency, clear communication, regulatory compliance, as well as involvement in social initiatives will be analyzed to provide a more comprehensive insight into how companies can build a strong and sustainable reputation. Thus, this research makes an important contribution in understanding the role of reputation in global marketing as well as strategies that can be implemented by companies to maintain a positive image in an increasingly competitive market. With a data-driven approach and case studies, the study is expected to provide practical recommendations for companies looking to optimize their reputation as a strategic tool in global marketing. This study uses a qualitative

approach with a literature study method to analyze theories and previous research regarding the company's reputation in global marketing.

## **2. Results and Discussion**

### ***2.1. The Impact of Corporate Reputation in Global Marketing***

A company's reputation has a very significant influence on consumer preferences and purchasing decisions in the global market. In an increasingly connected business world, where consumers have broad access to information and public opinion about a company, reputation is becoming a valuable asset. Fombrun & Van Riel (2007) explain that reputation is the consumer's perception of a company's behavior and performance that is formed from direct or indirect interactions. In the context of global marketing, a strong reputation is the basis of cross-border consumer trust, which can increase customer loyalty and the competitiveness of companies. By understanding the impact of reputation on a global scale, companies can identify key factors that influence public perception as well as how ethical practices and corporate social responsibility (CSR) can strengthen those reputations (Suhairi et al., 2023).

In global marketing, reputation is not only influenced by the quality of the product or service, but also by various other aspects such as transparency, honesty, and compliance with regulations and social norms in various countries. Modern consumers tend to be more critical in judging companies, especially when it comes to how they treat the environment, employees, and communities. A good reputation not only increases customer trust, but also attracts business partners and investors who share similar values. In contrast, companies with a bad reputation can face declining sales, consumer boycotts, and even pressure from governments or international organizations (Purba et al., 2023).

### ***2.2. The Role of Culture and Innovation in CSR to Build a Global Reputation***

Culture has an important role to play in shaping global marketing ethics. Culture influences the perception of ethics and values that are considered important by consumers in different countries. Cultural differences often create challenges for companies operating in international markets, as what is considered ethical in one country may not be acceptable in another (Kowalczyk & Kucharska, 2020). For example, a marketing approach that emphasizes aggressive competition may be acceptable in Western countries, but it is considered unethical or even disrespectful in some Asian countries that prioritize harmony and cooperation. In addition, cultural factors also affect the way companies communicate their social responsibility. In some countries, consumers value direct philanthropic efforts more, such as donations to communities or charitable projects (Mauliana & Sisdiyanto, 2024). While in other countries, more sustainable and innovation-based approaches, such as reducing the carbon footprint in the production process, are more appreciated. Therefore, a deep understanding of cultural differences is essential for global marketing strategies to be more effective and accepted by local communities.

An innovative approach to CSR can be a powerful tool in building a company's reputation on a global level. Porter & Kramer (2006) put forward the concept of "shared value" which emphasizes the importance of companies in making a positive contribution to society and the environment through their core business activities. This approach is not only fulfilling social obligations, but also creating sustainable economic value for the company. For example,

companies can adopt eco-friendly technologies in their production, which not only reduces the negative impact on the environment, but also attracts customers who care about sustainability issues.

In global marketing, innovation in CSR can create significant differentiation compared to competitors. Modern consumers are increasingly aware of the importance of sustainability and the social impact of the products they buy. Therefore, companies that can demonstrate their commitment to sustainability and social responsibility will have a competitive advantage (Suprpto et al., 2023). For example, brands that invest in ethical production, such as using responsibly sourced raw materials or ensuring the well-being of workers in their supply chains, can build stronger relationships with consumers who share similar values. Furthermore, a company's good reputation can be a decisive factor in the success of global market expansion. Consumers tend to trust brands that are already known and have a positive image (Diansyah, 2023). Therefore, companies must actively manage their reputation in a consistent manner across different markets. One effective strategy is through open and transparent communication with stakeholders. The use of digital media, including social media and online review platforms, can be a powerful tool in building and maintaining a positive reputation.

However, building and maintaining a reputation in the global market also has its own challenges. Companies must be prepared for various risks, including reputational crises that can arise due to controversy or miscommunication. In today's digital era, information spreads very quickly, so even small mistakes can have a big impact on the Company's image (Aldama et al., 2021). Therefore, companies must have a solid crisis management strategy in place to respond to issues that could damage their reputation. In addition, the company's involvement in responsible business practices also plays an important role in building a positive reputation. For example, adherence to strict ethical standards in the supply chain can help companies avoid scandals that could damage their image. Likewise, involvement in global initiatives for sustainability, such as commitments to the Sustainable Development Goals (SDGs) initiated by the United Nations, can provide added value for companies in the eyes of consumers and other stakeholders.

A company's reputation has a huge impact in global marketing. A good reputation can increase consumer trust, strengthen relationships with business partners, and provide a competitive advantage in an increasingly competitive market (Aldama et al., 2021). Cultural factors also play an important role in shaping perceptions of ethics in different countries, so companies must understand and adapt their strategies to fit local values. Additionally, innovation in CSR can be a powerful tool in building a positive reputation, especially with increasing consumer awareness of sustainability and social responsibility issues. By understanding and implementing the right strategies, companies can create a strong and sustainable reputation in a dynamic global marketplace (Uyun et al., 2024).

### **3. Conclusion**

A company's reputation plays a very important role in global marketing. A good reputation can increase consumer trust, strengthen relationships with business partners, and provide a significant competitive advantage. This trust is earned through consistency in business practices, transparency, and commitment to social responsibility and environmental sustainability. As consumer awareness of business ethics increases, companies must pay more attention to the social

and environmental impacts of their operations. In the face of global challenges, companies need to develop strategies that are not only oriented towards short-term profits, but also consider the long-term impact on their reputation. Success in global marketing depends on how companies can adapt to different cultural dynamics as well as adopt innovation in their CSR practices. By leveraging digital technology and open communication, companies can be more effective in building a positive image and maintaining consumer loyalty.

More than that, innovation in CSR is not just an effort to meet social demands, but also to create a sustainable competitive advantage. A shared value-based approach provides an opportunity for companies to contribute more to society, while still earning business benefits. Therefore, companies that can integrate business strategies with social values will more easily win the hearts of consumers in various global markets. By understanding and implementing the right strategies, companies can create a strong and sustainable reputation in an increasingly competitive global market. The trust of consumers and other stakeholders will be the main capital for companies in maintaining competitiveness and expanding their market reach. Therefore, reputation is not just an intangible asset, but also a strategic element that must be managed seriously to ensure long-term success in global marketing.

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