

It's all about the reputation

In the increasingly complex food industry, a positive reputation can make all the difference

Reputation matters. For the food and drink industry in today's climate, it can mean the difference between operating successfully within a supportive ecosystem of stakeholders, and a milieu where mistrust stands in the way of being listened to by the people who count. It can even hinder the launch of innovative products.

Over the past ten years, food and drink companies have faced a very challenging reputational environment, not least because of the initiatives to combat obesity driven by campaign groups, governments and the World Health Organization. This game-changing experience has resulted in a focus on healthier product portfolios as well as more integrated communications strategies based on insight, foresight and science.

In the future, understanding what doctors, nutritionists, scientists and other experts feel about companies' activities will be increasingly important. In a debate on food and health, which in the media is becoming ever more confused by headline-grabbing consumer group reports and 'miraculous' wonder foods, governments look for expert advice to determine what the food industry is allowed to put into products and how it markets them.

All too often, the activities of the sector's marketing, R&D, public affairs and corporate affairs functions in relation to key stakeholders are not sufficiently aligned. The result is a public face that lacks consistency. At worst, companies invest in and launch products that subsequently attract stakeholder criticism. They then have to expend significant resources dealing with the consequences or concerns.

Businesses need to adopt a more anticipatory approach to understanding and communicating with stakeholders. They need to focus resources on defusing future issues, concerns and



EMILIEJOLA SANDY

Views in brief

If your agency was a food or drink brand, which would it be? Seeds of Change – a high-quality and innovative premium brand that has a strong commitment to research and its founding values.

Has your attitude to the use of celebrities in campaigns changed over the past year? Viral product placement, which at least gives the appearance of a genuine desire to consume a brand, is fast outpacing old-style paid-for endorsements. For example, everyone from Madonna to Cameron Diaz has been photographed drinking Glacéau Vitamin Water, but no official sponsorship arrangement exists.

challenges within the stakeholder ecosystem. Understanding the expectations of these audiences – and not merely testing consumer demand – before launching products is vital. It can make the difference between a successful launch and a product recall or discontinuation. One way to do this effectively is to use opinion research to provide predictive counsel. This works by understanding key stakeholder group expectations – how they feel, what they want and what is credible. A

full and early appreciation of the views and concerns of these groups can help to avoid misperceptions of a product, its marketing and the legislative environment in which the product will sit.

The industry also needs to regain a strong voice on the science relating to food and beverages. Successful communication of the science – particularly given the increasing business importance of 'functional' and fortified products – will be key in retaining credibility with regulators, the media

and experts. Given the involvement now of the WHO, this is no easy task.

Successfully managing the format through which a new conversation takes place is essential. The past five years have seen the emergence of multi-stakeholder platforms such as the EU's Platform on Diet, Physical Activity and Health. Such initiatives require concrete commitments and independent verification. Global NGOs such as the Clinton Global Initiative have adopted similar structures. Arguably, the industry's voice has been diluted by the engagement of so many other stakeholders in the process.

Building and maintaining a successful reputation in the future will depend on demonstrating a genuine commitment to engagement and transparency. It is our role to help our clients anticipate and meet the expectations of an ever-multiplying stakeholder set.

Stephanie Lvovich is deputy managing director of Apco Worldwide