

echo

Trust, Trump & Talent Magnetism

5 talking points from Echo's Spring Client Lunch



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Thank you to the communication leaders who joined us for Echo's Spring lunch.

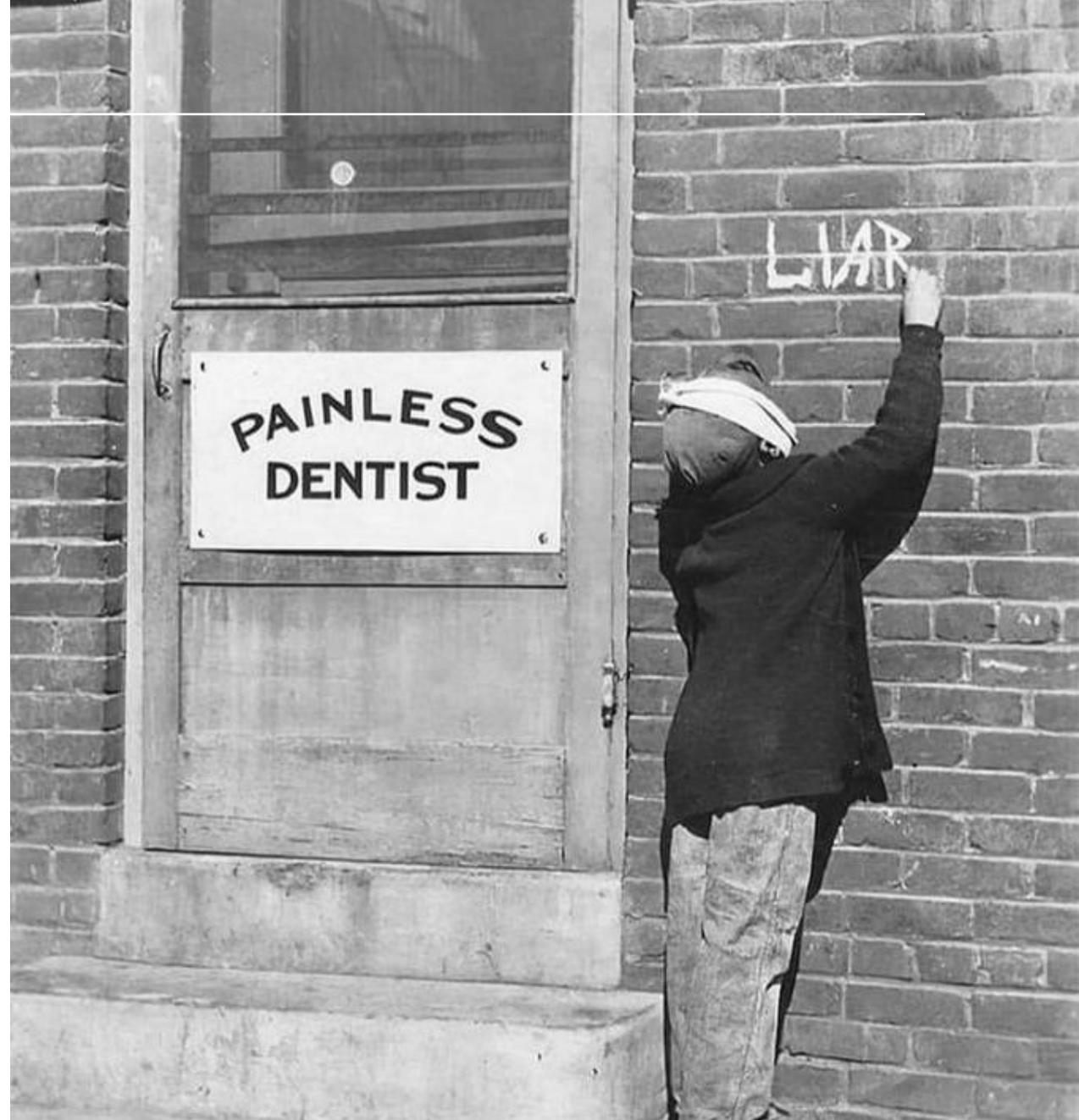
Here, we focus on five of the biggest issues keeping them awake at night.

We see how today's CCO is also the Chief Navigation Officer, steering the business away from reputation crises and towards new opportunities.

As the ones who speak truth to power, they'll need "*a broad skillset and broader shoulders*".

The goal? To align reputation with reality – so the dentist really is painless!

Further reading: 2025 Playbook for CCOs
<https://www.echoresearch.com/news-events/top-10-challenges-for-communications-leaders-in-2025/>





Echo's driving purpose to define and quantify communications, brand and reputational value has become more and more important, as the means of communicating with and demonstrating impact to stakeholders has transformed.

I have known, admired and worked with Sandra Macleod and the Echo team for over 20 years, firstly at the BBC, then at Sony Europe and also through the many initiatives and insights they bring to the industry. I look forward to supporting the team in a constantly evolving environment and to working with their Client Advisory Board.

**A very warm welcome to Echo's new
non-executive Chair, Sally Osman, LVO**





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From hindsight to insight to foresight

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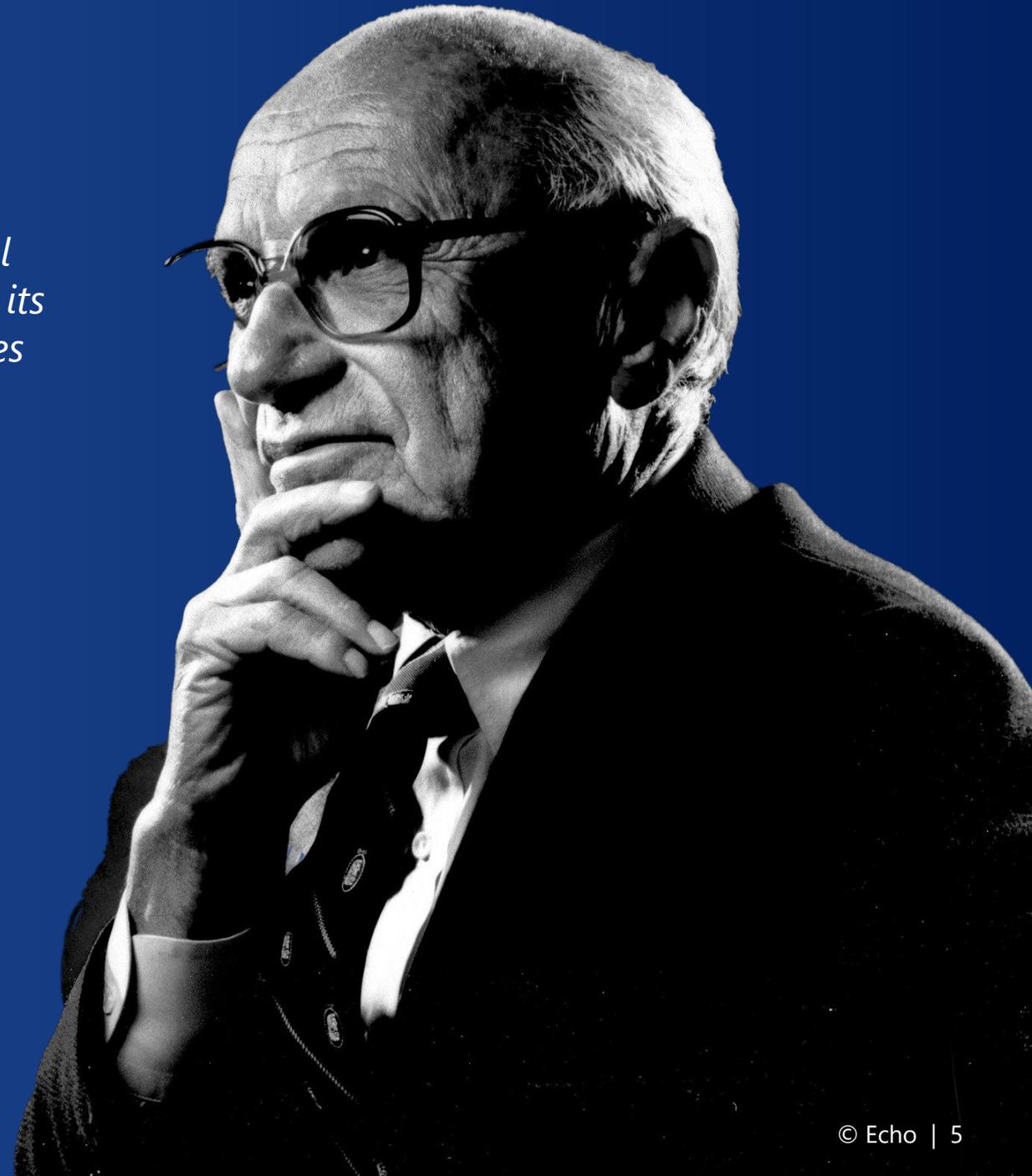


There is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits.

Milton Friedman, 1970

Corporate purpose & activism: is Milton back in vogue?

01



Less thought leadership, more action leadership

Do we have the work to match the words?

The 'new politics' have ushered in a Great Reset on corporate activism, DEI and ESG as Elon Musk wages war on the Woke Mind Virus.

Some feel a recalibration was overdue. But has the pendulum swung too far? Research shows that values still define choice and behaviour.

"The language of doing the right thing is changing" – we can't assume customers and employees all speak the same language.

- Be selective. Use **the Authenticity Test**: if we speak out, is it credible and evidence-based? Tokenism (or worse, hypocrisy) are kryptonite for corporate reputations.
- Sometimes, *"hitting a nerve means we've done the right thing"*.
- Focus on the **policy** (non-partisan) not the **politics** (partisan).
- Company boundaries are leaky: internal comms are external comms.
- Every crisis is an opportunity: get this right and others will tell our story for us.



US companies drop DEI from annual reports as Trump targets corporate values

Quote: FT, 16.03.25

How insight can help:

1. Close any Perception Gaps between expectations and reality
2. Assess Licence to Speak and test messages
3. Quantify issues' impact on reputation value

Divided generations?

02



The battleground for top talent is shifting from Boomers to Zoomers

Employer brands need to be talent magnets

Younger cohorts look differently at 'the give and the get' of careers. Do employers need a new social contract with GenZ and beyond?

"The notion of how to build trust in business is changing – fundamentally and rapidly. Due to powerful demographic shifts, most of today's customers and employees hail from generations – millennials and gen Z – whose values differ from those of baby boomers." PwC

Some say this is over-stated (Bobby Duffy at KCL). But for sure, the drivers of loyalty are morphing...and the battle for top talent is hotting up.

Gen Z Employees Aren't Lazy. You're Just Managing Them Wrong **Forbes**

Time optimists: why zoomers are much less punctual than boomers

The Guardian

Everyone thinks Gen Z is 'lazy' – but Gen X and millennials are secretly envious of their best qualities

NEW YORK POST

Gen Z job applicants now so lazy they are getting their PARENTS to contact employers to try and get them work plumbing boss reveals

Daily Mail

Shock reason Gen Alpha will change our workforce forever
Gen Alpha are about to enter the workforce and they are going to make Gen Z seem like a breeze. Here's why...

Herald Sun

How insight can help:

1. What drives EVP for current employees & Future Talent?
2. Which media and influencers do they trust?
3. Where are the internal/external perception gaps?



**CEOs in the spotlight – and out
of their comfort zone**

03

CEOs in the spotlight – and out of their comfort zone

Increasingly, CCOs need to equip their CEOs to cope with the glare of a hyper-connected, super-cynical world.

Some leaders thrive (does a high-EQ help?), but for the spotlight-phobic other tactics are needed.

Some of the most effective CEO communicators are shunning trad media for 'adjacent channels', for more personality, authenticity and direct engagement with stakeholders.

The CCO's role:

- Triage: where will CEO's megawatt-profile have most impact?
- Equip 'bench-strength' to step into the spotlight
- Clarify messaging: your swords and shields
- *"When senior execs go rogue"* – beware self-sabotage
- Use AI: message testing, FAQs, simulated media briefings.



Dame Emma Walmsley & Dame Carolyn McCall,
joint winners of Britain's Most Admired Leaders, 2018

How insight can help:

1. Build comms around drivers of reputation value
2. Understand stakeholder expectations
3. Map salient issues, critics and advocates

The value imperative

Using data to secure the backing of the Board

We heard great examples of CCOs helping businesses to punch above their weight, navigate choppy waters and tell their story – while avoiding reputation crises.

What's the best way to showcase that value to the top team – without "KPIs coming out of every orifice"?!

One size doesn't fit all. Some are merging comms/corp affairs with brand/marketing; but what does that mean for measurement?

"Be targeted. Be focused."

- Link KPIs to the commercial outcomes of the business
- Materiality: identify what drives value and measure it



How insight can help:

1. Meaningful reputation & comms metrics
2. Benchmark, track, action-plan
3. Reputation Contribution and value at risk

Most reputations deliver economic value...but not all

Know your reputation contribution, leverage and value at risk

© Echo Reputation Dividend

US firms with highest reputation contribution, 2024	Reputation Contribution as % marcap	Reputation Value
 NVIDIA	52.6%	\$ 730.2 bn
 amazon.com	52.5%	\$ 838.8 bn
 Apple	52.0%	\$ 1505.7 bn
UNITEDHEALTH GROUP*	51.7%	\$ 249.5 bn
 Microsoft	50.7%	\$ 1468.2 bn
Alphabet	49.6%	\$ 891.1 bn
 Lilly	48.2%	\$ 288.3 bn
 JOHN DEERE	47.7%	\$ 52.2 bn
 CATERPILLAR	47.7%	\$ 70.8 bn
 P&G	47.2%	\$ 168.0 bn

Values relate to S&P500 companies. Data as of January 2024.



Reputation is making a positive contribution to 94% of US companies



Accounting for 28% of marcap



\$11.9tn of shareholder value



Reputation is destroying value in 4% of US companies



Reducing Market cap by 13%



Costing shareholders \$182bn

Chief Navigation Officers keep one eye on the sea ahead.

What are the 'trend-breakers' disrupting the market? The big reputational risks and opportunities? The unknown unknowns?

Not all reputation turbulence is a crisis. Often, the hidden value of communications is in saying *"move along, there's nothing to see here"*.

How insight can help: monitor forward signals among stakeholders and media: are those little waves really breakers at the foot of an iceberg?

▶ From hindsight to insight to foresight

05



About Echo Research

RESEARCH INSIGHT ADVISORY



30-year track record in communication, brand and reputation research:

1. Stakeholder mapping & research
2. Social intelligence & horizon-scanning
3. Sustainability & issues management
4. Campaigns & thought-leadership
5. Reputation Valuation

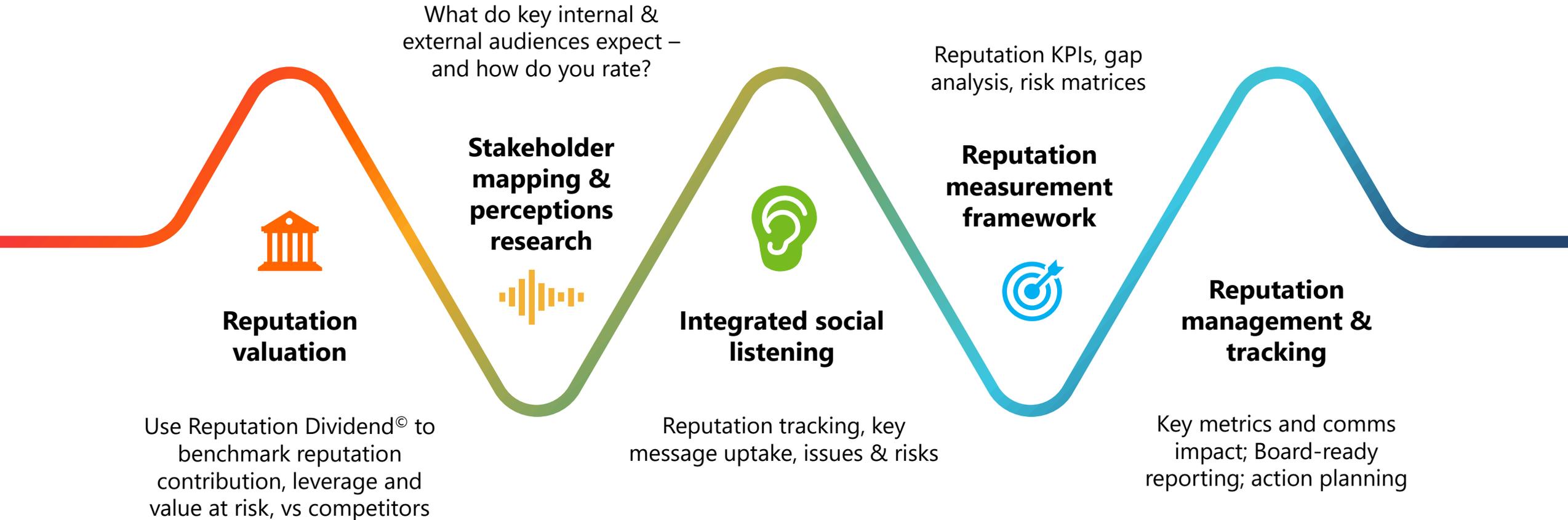
Britain's Most Admired Companies study, in partnership with the London Stock Exchange: the UK's longest running corporate reputation survey, celebrating excellence in leadership

Winners of multiple awards for excellence in communication research

Registered **Expert Witnesses** on reputation



Echo's integrated reputation measurement, management & reporting



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