Gartner.

## Gartner for Communications

The Reputation Metrics Most Commonly Used in Communications

Choosing reputation health metrics can be challenging for chief communications officers (CCOs) due to the difficulty of quantifying reputation's impact on business outcomes. This research highlights what leaders prioritize to demonstrate brand reputation impact and the barriers faced in obtaining these metrics.
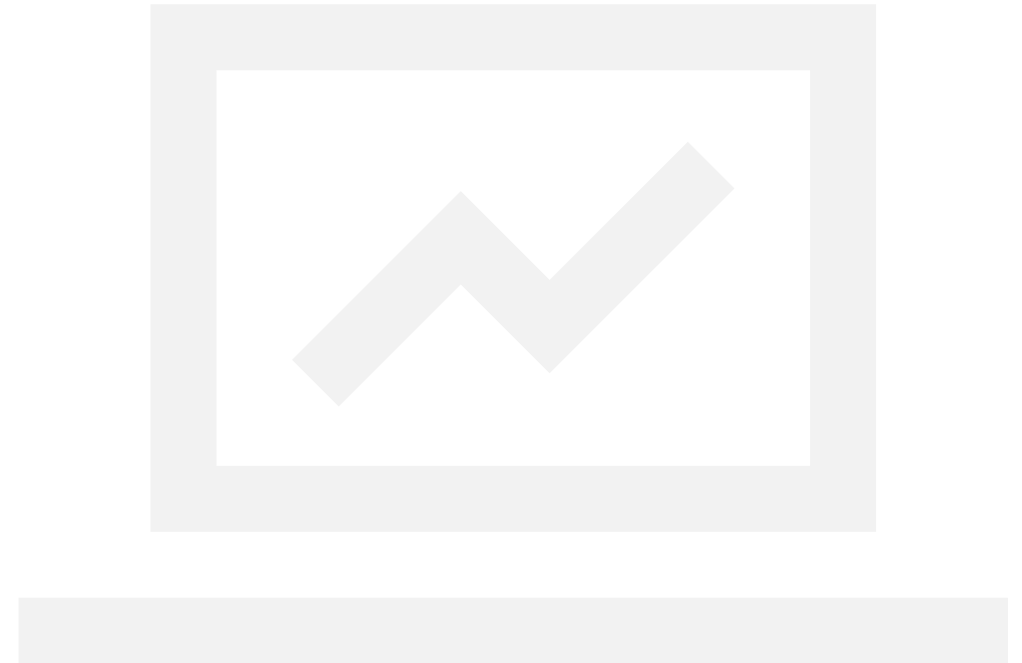
Overview

Key findings

- CCOs who are reputation leaders for their organizations view evolving their reputation measurement programs (70%) and improving the ability to meet senior executive expectations for direct evidence of impact on business performance (66%) as critical priorities.

- Customer and employee satisfaction scores are rated the most important metrics for generating actionable insights by reputation leaders, followed by customer reviews and customer churn rates.

- CCOs make reputation measurement choices on two main criteria: difficulty to obtain and utility in generating actionable insights.

Data insights

CCOs must identify reputation health metrics that credibly demonstrate the impact of their efforts to internal stakeholders. Reputation is affected by many internal and external factors (e.g., economic conditions, crises or external shocks to the industry or peers, leadership behavior, financial performance, etc.) that are beyond the control of the Communications function. This makes it difficult for CCOs to measure how reputation management efforts affect business outcomes, which in turn makes it hard to justify their budgets. A majority (52%) of reputation leaders agree that they struggle to prove the impact of reputation management efforts to senior leadership in their organization.
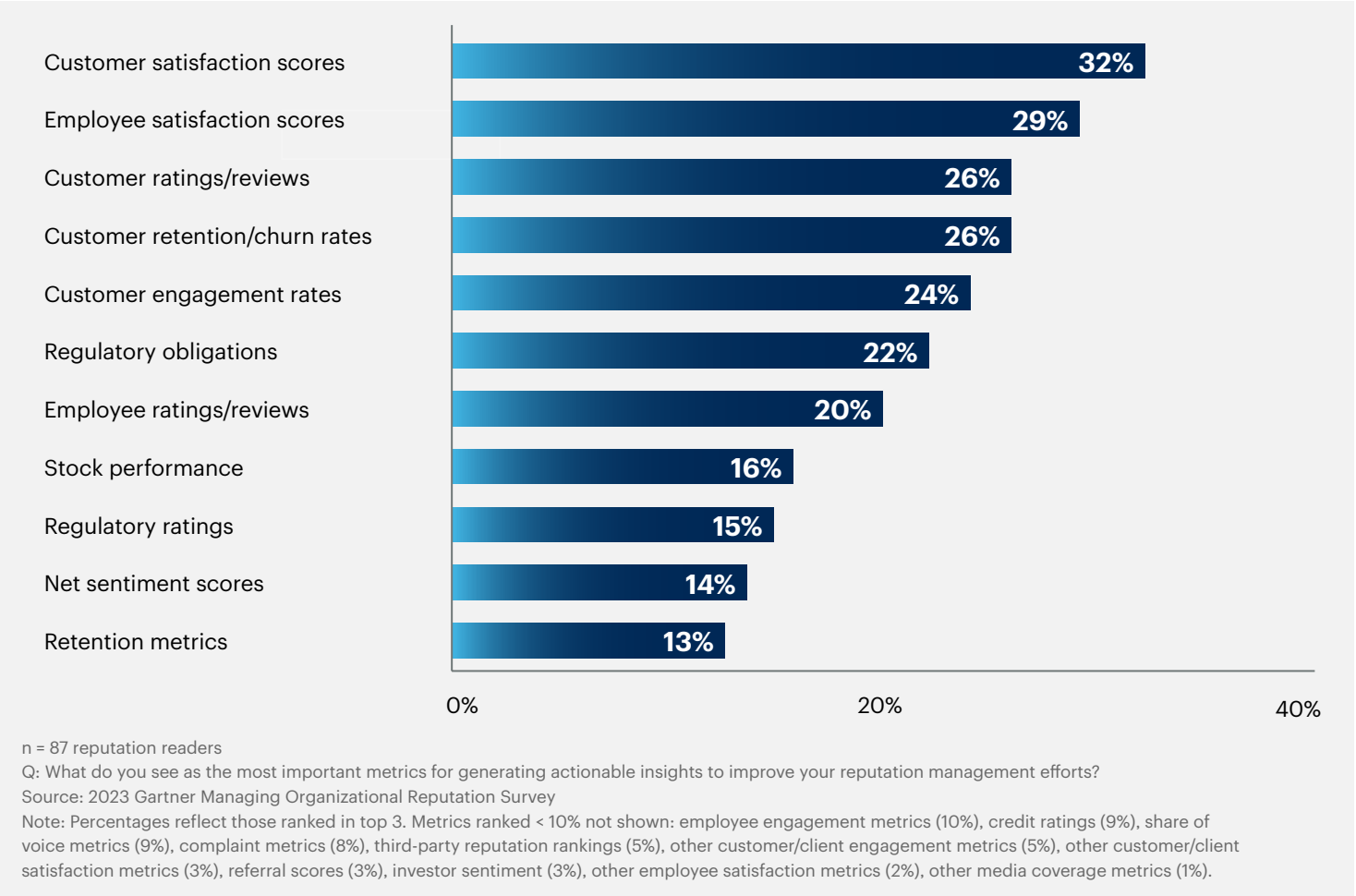
Reporting efforts are often complicated by vendors hired to assess and report on reputation metrics. These vendors often follow a one-size-fits-all approach and not one tailored to the individual needs of their clients or the competitive environment in which brands operate. As a result, 49% of reputation leaders report struggling to generate actionable insights based on the data they receive from third-party vendors.

The 2023 Gartner Managing Organizational Reputation Survey results show that the metrics reputation leaders find most important for generating actionable insights are also the most challenging to obtain. Some of the least challenging metrics are less important to overall reputation management efforts (for example, complaint metrics, employee engagement metrics, etc.).

Stakeholder reputation scores are a top priority for reputation leaders

The 2023 Gartner Managing Organizational Reputation Survey asked what metrics are most important to reputation leaders when it comes to generating actionable insights, and found customer and employee satisfaction scores at the top of priority metrics, followed by customer reviews and ratings (see Figure 1). Engagement ratings are also important, but more so for external audiences (customers) than for employees.

Figure 1: Metrics most important to reputation leaders

Metric	Percentage
Customer satisfaction scores	32%
Employee satisfaction scores	29%
Customer ratings/reviews	26%
Customer retention/churn rates	26%
Customer engagement rates	24%
Regulatory obligations	22%
Employee ratings/reviews	20%
Stock performance	16%
Regulatory ratings	15%
Net sentiment scores	14%
Retention metrics	13%

n = 87 reputation readers

Q: What do you see as the most important metrics for generating actionable insights to improve your reputation management efforts?

Source: 2023 Gartner Managing Organizational Reputation Survey

Note: Percentages reflect those ranked in top 3. Metrics ranked < 10% not shown: employee engagement metrics (10%), credit ratings (9%), share of voice metrics (9%), complaint metrics (8%), third-party reputation rankings (5%), other customer/client engagement metrics (5%), other customer/client satisfaction metrics (3%), referral scores (3%), investor sentiment (3%), other employee satisfaction metrics (2%), other media coverage metrics (1%).
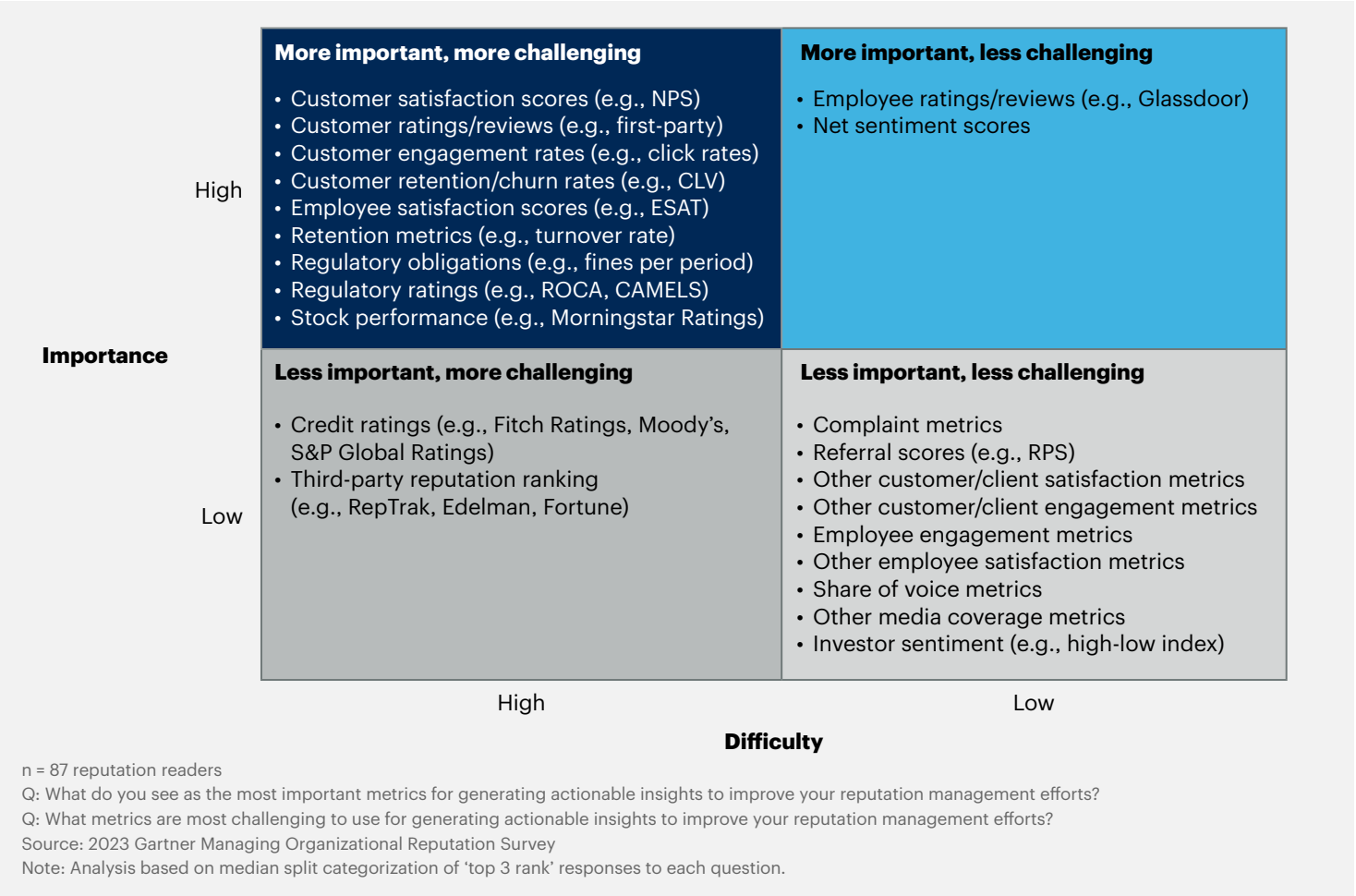
The most important metrics can be the most challenging to obtain

When asked which metrics reputation leaders found difficult or challenging to obtain, they rated customer satisfaction scores, customer ratings/reviews and employee retention metrics at the top. This is possibly because those metrics are "owned" by other functions or are in formats they find difficult to correlate. However, those metrics, as well as employee satisfaction scores, were deemed by reputation leaders to be among the most important for developing actionable strategies. By comparing each metric's difficulty against its actionable utility, CCOs can pinpoint metrics that add the most value to their strategic planning approach.

Figure 2 outlines this juxtaposition of level of importance against level of difficulty (challenge).

Figure 2: Important metrics can also be challenging

Importance

High

More important, more challenging
- Customer satisfaction scores (e.g., NPS)
- Customer ratings/reviews (e.g., first-party)
- Customer engagement rates (e.g., click rates)
- Customer retention/churn rates (e.g., CLV)
- Employee satisfaction scores (e.g., ESAT)
- Retention metrics (e.g., turnover rate)
- Regulatory obligations (e.g., fines per period)
- Regulatory ratings (e.g., ROCA, CAMELS)
- Stock performance (e.g., Morningstar Ratings)

More important, less challenging
- Employee ratings/reviews (e.g., Glassdoor)
- Net sentiment scores

Low

Less important, more challenging
- Credit ratings (e.g., Fitch Ratings, Moody's, S&P Global Ratings)
- Third-party reputation ranking (e.g., RepTrak, Edelman, Fortune)

Less important, less challenging
- Complaint metrics
- Referral scores (e.g., RPS)
- Other customer/client satisfaction metrics
- Other customer/client engagement metrics
- Employee engagement metrics
- Other employee satisfaction metrics
- Share of voice metrics
- Other media coverage metrics
- Investor sentiment (e.g., high-low index)

High   **Low**

Difficulty

n = 87 reputation readers
Q: What do you see as the most important metrics for generating actionable insights to improve your reputation management efforts?
Q: What metrics are most challenging to use for generating actionable insights to improve your reputation management efforts?
Source: 2023 Gartner Managing Organizational Reputation Survey
Note: Analysis based on median split categorization of 'top 3 rank' responses to each question.

The most actionable metrics are often the most challenging to obtain because they require:

- Understanding the underlying factors influencing reputation

- Developing a deeper and more nuanced understanding of stakeholder perception and sentiment

For example, it can be difficult to get a clear view of customer satisfaction because it can be impacted by various touchpoints that Communications has no control over from an actionability perspective (e.g., customer service interactions, purchasing experience, website interface, etc.). Exploring these factors through a detailed measurement program can help pinpoint specific areas for improvement.

A deeper and more nuanced understanding of stakeholder perception and sentiment allows for targeted strategies that address the root causes of reputation challenges. Still, reputation metrics often require longitudinal tracking to identify and understand long-term impact, making it difficult to prove value in short-term reporting frameworks. This is complicated by the intangible nature of corporate reputation, which makes it difficult to link the value of reputation-sustaining efforts to specific business outcomes, such as sales, customer loyalty or employee retention.

This presents a problem for CCOs, who prefer investments in execution over measurement. Too often, reputation metrics that are more challenging to obtain are sacrificed at the cost of actionable insights. This leaves many CCOs with data they find difficult to utilize to prove the impact of reputation. Vendors can complicate the situation by providing data that treats stakeholders as a monolith, grouping all metrics and stakeholders together in the name of simplicity.

Implications for CCOs

CCOs must foster relationships with cross-functional leaders to gather and access data that helps them better understand stakeholder perceptions. These metrics should balance the need for practical insight with the ease of data collection. External vendors should be encouraged to provide data useful to individual clients rather than default or templated data streams that complicate the reporting process. Data that does not contribute to meaningful stakeholder insights or demonstrate the impact of management efforts should be avoided.

To prioritize reputation metrics best suited to their organization, CCOs should consider the actionability (for themselves or business partners) and the difficulty of collecting. Evaluating the following criteria can help guide their decision-making process:

- **Diagnosticity:** Does this metric provide a clear indication of underlying problems?

- **Actionability:** Does this metric help identify where improvement could have a tangible impact?

- **Difficulty:** Does this metric require significant additional analysis and/or resources to generate actionable insight?

Actionable, objective insight

Explore these additional complimentary resources and tools
for communications leaders:

Research

The Proficiency Ladder For
Communications

Improve your team's communications measurement.

Download Now

Guide

Reputation Versus Brand: What's
the Difference, and Why It Matters

Differentiate brand and reputation to focus efforts
and achieve business goals with targeted strategies.

Download Now

Product

Gartner for Communications Leaders

Get expert guidance to elevate employee experience
and strengthen brand reputation.

Learn More

Already a client?
Get access to even more resources in your client portal. Log In

Connect With Us

Get actionable, objective insight to deliver on your mission-critical priorities. Our expert guidance and tools enable faster, smarter decisions and stronger performance. Contact us to become a client:

U.S.: 1 866 263 8917

International: +44 (0) 3301 628 476

Become a Client

Learn more about Gartner for Communications Leaders
gartner.com/en/communications

Stay connected to the latest insight

Attend a Gartner conference
View Conference

Gartner