



# The Reputation Parabola

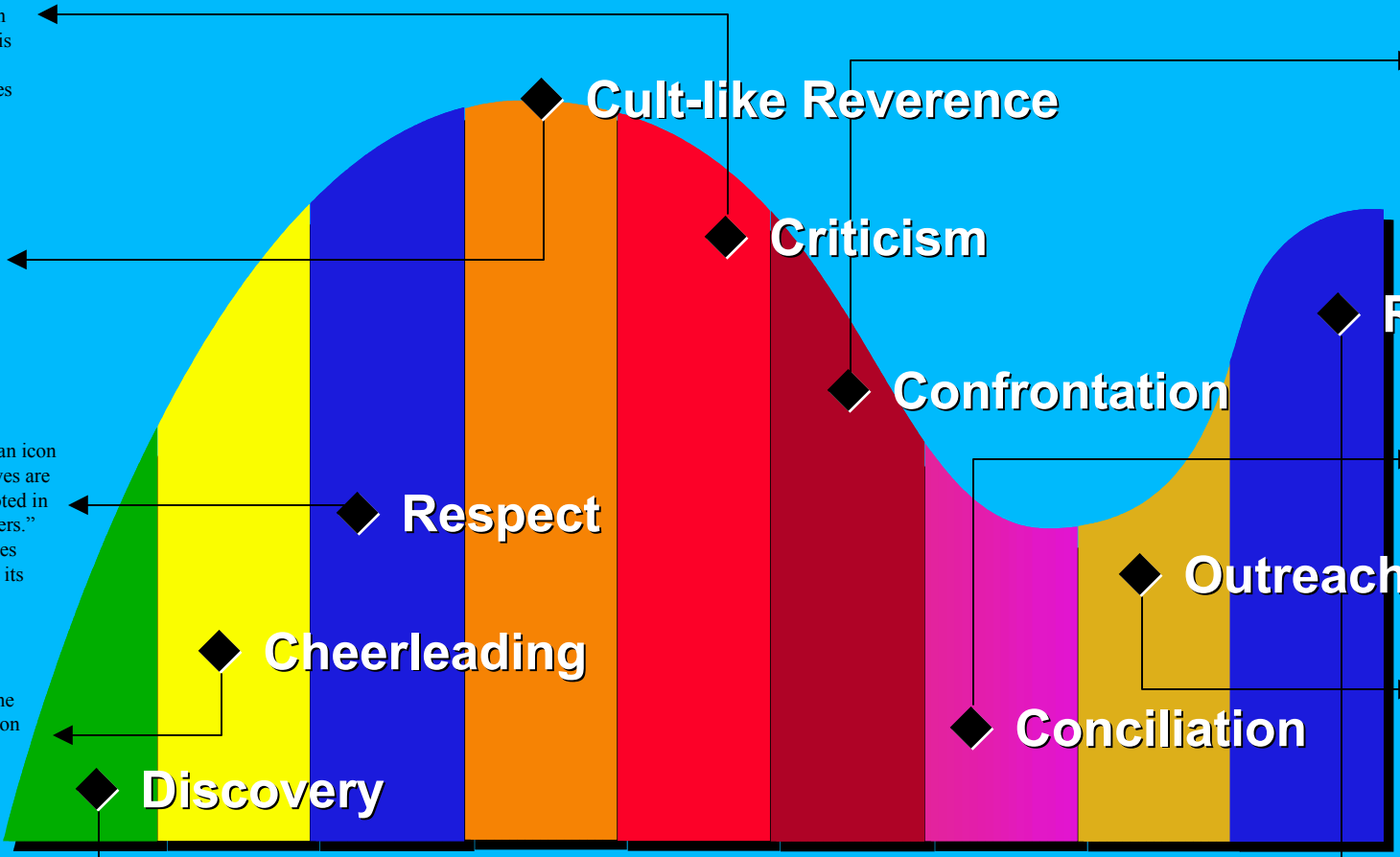
All companies experience criticism all the time, but in this case, media coverage is predominantly negative. "Experts" chart the mistakes that were made. Prognostications of doom follow. Oh, the drama.

Companies with a visionary leader or companies that have forged a long-term bond with their consumers can achieve "cult-like reverence"

The company has become an icon of its industry. Its executives are sought as speakers and quoted in the media as "opinion leaders." The company name becomes virtually synonymous with its industry.

The predominant tone of media coverage is not only positive but celebratory. The company is referred to as "on the cutting edge" and "a company to watch." Companies often do their IPO's during this period.

The point at which the company begins to appear with regularity in mainstream media, usually as one of several competitors



Company takes angry, defensive stance with the media. Feels it has been betrayed and 'set up'.

Company (perhaps with new management) admits mistakes were made and implements changes in policies and processes to improve its performance.

The company begins to communicate and build relationships rather than simply seek publicity for itself.

Over time, trust and eventually respect are regained.