

Corporate Reputation, Ethical Brand and Trust in the Brazilian Industry

ABSTRACT

All organizations rely on their reputation to strengthen their image and increase consumer trust and credibility in their products and/or services. In this context, developing an Ethical Brand (EB) and a corporate reputation (CR) continues to be a major challenge. Therefore, the goal of this descriptive research is to investigate empirically how trust affects EB and CR. This descriptive research used secondary data from the Authenticity Gap Report (AGR), collected on-line in 160 Brazilian organizations, using a structured questionnaire to a non-probability sampling from 20 different industries with 1.328 Engaged Consumers. Different references were used for analysis: (i) the Trust model in buyer-seller relationships, (ii) the Ethical Reputation Brand model and (iii) the CR Ranking Index (MERCO). The results indicated that three of five dimensions of the Trust model represented good indicators of CR. From the 20 different industries analyzed, three have the best average according to the MERCO Ranking and the three combined indicators from the AGR. Results demonstrated the role of authenticity, trust and industry as a fundamental element to CR and EB.

Keywords:

Ethical Brand; Corporate Reputation; Trust.

INTRODUCTION

In the complex environment of today, market shows an increase of stakeholders' expectations regarding the industry. Not only consumers, civil services, local communities, defenders of future generations and companies, demand good quality products and services, being this a source of good corporate reputation (CR), but they also expect an ethical management of organizations, to be able to decide “consciously” with whom they want to work or the product or service they wish to purchase (Zamohano, 2013). In this context, developing a CR - “a particular type of feedback, received by an organization from its stakeholders, concerning the credibility of the organization's identity claims” (Whetten & Mackey, 2002: 401), continues to be a major challenge (Deephouse & Carter, 2005).

An organization has a good reputation when it meets or exceeds the expectations of its stakeholders. Bad reputation is associated with schizophrenia between discourse and organizational practice (Chun, 2005; Järvinen & Suomi, 2011). Therefore, the good CR is the result of the alignment between what is said, the behavior adopted, and the perception shared by the stakeholders (Lange et. al., 2011).

The better the product quality, the higher the perceived ethical brand (EB) value. Therefore, when higher value is apparent, the EB is recognized as enhancing the CR (Fan, 2005). The misalignment between EB and CR affects organizations by leaving them more vulnerable to crisis (Van de Ven, 2008; Parguel et. al., 2011; Brunk, 2010).

Several researches have related the concept and the factors of EB that affects CR (Gotsi and Wilson, 2001). One these factors is trust – “the confidence in an exchange partner's reliability and integrity” (Morgan and Hunt, 1994, 23).

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Organizational literature, almost unanimously, recognizes that trust affects CR (Eastlick et. al., 2006; Cretu and Brodie, 2007) and well-reputed firms win customers' trust (Walsh et.al., 2009). Research also proved that in the absence of cooperative history, CR improves the trustworthiness of a firm, which is essential in a strategic alliance (Brown and Dacin, 1997).

Although CR is not new in the business ethics literature and is widely researched, its empirical relationship with trust is still uncommon (Hur et. al., 2014). Some scholars highlight a gap in organizational research about the role of CR in customer trust or brand positioning (Ali et al. 2017).

Based on the above-mentioned scenario, some questions arise: What is the role of trust in the alignment between EB and CR? How does CR win trust? Therefore, the goal of this work is to investigate empirically how trust affects EB and CR.

LITERATURE REVIEW

This section presents a brief review of EB, CR and Trust and the role of trust in the alignment between EB and CR.

Ethical Brand (EB)

The word brand is conceptualized in various ways, with multiple and often confusing meanings (Fan, 2005).

According to Kotler (1997) a brand is a “name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers to differentiate them from those of competitors” (Kotler,1997, p. 443).

Authors as de Chernatony and McDonald, (2003) explain the concept of brand, based on the role it plays as a construct: “A brand is a multidimensional construct whereby managers augment products or services with values, and this facilitates the process by which consumers confidently recognize and appreciate these values”(de Chernatony and McDonald, 2003, p. 427). Other authors focus on the intangible values on brand concept that favors organizational identity: “A brand is what sticks to the roof of the customers’ mind. It’s memorable and it is what differentiates a product in the marketplace” (Vahabzadeh et.al.,2017, p.1661).

This concept aligns consumer perception with the EB ‘personality’, ‘signature’ and policy of an organization and favors the creation of an organization's reputation when its consumers really believe that their needs and expectations are important. (Vahabzadeh et al. 2017). The concept of ‘EB identity’ emerges within this line of thinking, where organizations seek a balance between making money and doing the right thing (Balmer et al. 2011; Okoye, 2009). EB identity considers the concept of citizen organization (Okoye, 2009), and is highly influenced by ethical principles and the concept of corporate social responsibility (CSR) (Biraghi and Gambetti, 2015). A firm’s corporate image is vital for businesses to bring out a stronger positive emotional response from its stakeholders and to help improve its business performance, corporate brand equity (Stanaland et.al., 2011; Hur et. al. 2014), and corporate sustainability (Carroll, 2000; Balmer et al. 2011).

Consumers today, largely than before, include ethical considerations when evaluating and choosing between different brands (Brunk, 2012; Singh et al. 2012). In the organizational literature, there is significant growth in research on the attitudes, values, and behaviors of ethical consumers. In this context, it is clear that ethics is a viable and important dimension for brand differentiation and market positioning, in order to provide additional benefits to

consumers and favor organizational competitive advantage (Bertilsson, 2014). Today's business organizations face an increasing pressure to improve financial performance, and to behave in a socially responsible way. An increasing number of consumers are becoming ethically conscious and taking ethical issues in branding seriously. This will in turn force brand to become more ethically accountable (Fan, 2005). In this way, EB is effective for companies to maintain their CR among buyers (Alwi et. al., 2017; Zamohano, 2013).

Corporate Reputation (CR)

According to the Compact Oxford English Dictionary, reputation is “the beliefs or opinions that are generally held about someone or something”. Depending on the field of study, reputation may have different meanings, (Gaultier-Gaillard et. al., 2006) but always constitutes an intangible asset and a value-creating tool (Moerman and Laan, 2006) used as a strategic resource (Fombrun and van Riel, 2004) to communicate a firm's social responsibility activities and to shape the perceptions of shareholders and stakeholders (Puente et. al., 2007).

All organizations rely on their reputation to strengthen their image and increase consumer credibility in their products and/or services (Cretu & Brodie, 2007). CR is also key to reinforcing organizational identity vis-à-vis other organizations (Brown & Starkey, 2000) as CR is “what others are saying about the company, and not just its business partners and customers” (Diermeier, 2011, p. 232).

CR has been increasingly considered in organizational management for its strategic role in competitive advantage (Abratt and Kleyn 2012; Vahabzadeh et al, 2017; Toro and Pavia, 2019). Organizations are increasingly recognizing the importance of meeting consumer expectations in building a good reputation (Vahabzadeh et al. 2017; Gotsi and Wilson, 2001).

Suomi, K. (2014) reinforces that a favorable reputation has become key in corporate management and is widely recognized to carry a variety of positive implications to organizations: protects it against crisis, attracts competent personnel and facilitates the retention of the more talented employees (Fombrun and Gardberg, 2000).

Finally, organizational studies have highlighted the relevance of CR in increasing consumer commitment, loyalty and trust in an organization's services and products (Eastlick et.al.,2006; Walsh et al. 2009).

Ethical Brand (EB), Corporate Reputation (CR) and Trust

The concept of trust - a descriptive idea held by someone about something, has various definitions. We can consider the trust of employees in their managers, (Dietz and Gillespie,

2012) the trust and collaboration between the parties involved in an interorganizational relationship (Malhotra and Lumineau, 2011; Lewicki and Wiehoff, 2000), and “the confidence in an exchange partner’s reliability and integrity” (Morgan and Hunt 1994, p.23). Organizations with a corporate culture that values and promotes the protection of CR affects employees' perception of the company's reputation and as a result how they trust their manager and management, because trust is one of the critical factors’ CR is based (Komisarjevsky, 2012), and CR is a component of trust (Falcone et.al., 2003).

However, in the context of this research, we would discuss trust from the point of view of customers; that is, customer’s trust in a company’s products or brand, as well-reputed firms win customers’ trust and commitment (Eastlick et.al.,2006; Sichtmann, 2007).

Trust is the result of consumers’ willingness to believe and rely on a particular EB in the face of risk, defined by their perceived benevolence, reliability, integrity, sincerity, authenticity and credibility (Lau and Lee, 1999; Swaen and Chumpitaz ,2008; Delgado-Ballester et al. 2005). Consequently, companies need to achieve long-term relationships with their consumers in order to obtain this confidence (Madura et.al., 2016; Shamdasani and Balakrishnan, 2000; Corbitt et.al., 2003).

Words such as truthfulness, veracity, honesty, transparency, consistency, intention or a morally, good will and genuineness are associated to EB and authenticity by several authors (Shen & Kim, 2012; Bowen, 2016). When consistently implemented, the EB will develop an authentic communication element and increase the level of its sincerity (van Rekom et al. 2014). Such sincerity could enhance the company’s image and CR among the stakeholders (Song et. al.,2019), and, potentially, may resolve any problems, particularly when companies must address innumerable stakeholders across different countries (Alwi et.al., 2017).

As per Morhart et. al. (2015), authenticity in the realm of brand marketing is “the extent to which consumers perceive a brand to be faithful and true toward itself and its consumers, and to support consumers being true to themselves” (p.202) and trust is the essence of authenticity.

The perception that the EB behaves fairly, accountably, and responsibly toward its customers are positively related to customer trust in such brand/company (e.g., Lin et al. 2011; Martínez and Rodríguez del Bosque 2013; Swaen and Chumpitaz 2008). A brand/company that is perceived as ethical is more likely to be trusted by its customers (Swaen and Chumpitaz, 2008) and ethical concerns positively influence customer trust (Kennedy et al., 2001).

Several studies in different sectors (restaurants, manufacturing, organic food, hotel) found that the ethical behavior and the EB has a positive impact on trust (García de los Salmones et al., 2009; Choi and La, 2013; Martínez and Rodríguez del Bosque, 2013; Pivato et al., 2008).

METHOD

This article extends prior studies on the role of trust in the alignment of EB and CR, with the purpose of assisting organizations to win trust and to investigate empirically how trust affects EB and CR.

This descriptive research used secondary data results from the Authenticity Gap Report (AGR), collected by the True Global Intelligence team (<https://fleishmanhillard.com/true-global-intelligence/>) based on Lepere Analytics methodology (<http://lepereanalytics.com/authenticity-gap.html>) presented in the FleishmanHillard Authenticity Report (2019). This study was conducted in 160 Brazilian organizations, and data was collected on-line, using a structured questionnaire to a non-probability sampling from 20 different industries, during April and May 2019, with 1.328 Engaged Consumers (EC): individuals who express interest, knowledge, engagement and influence in this particular industry. According to the Authenticity Gap Industry Snapshots 2019 Brazil: “Customer engagement is the depth of the relationship a customer has with a brand. This engagement provides a pro-active, conscious lens, from which the consumer is able to decide among categories, companies and brands.” (FleishmanHillard Authenticity Report 2019, pg. 33).

When considering a company’s CR, these EC seek information about brands, speak to family and friends about a company and engage in dialogue with a company and its brand, providing feedback. They are curious, critical, writers, active, entrepreneurs and conscious. They use different platforms to express their opinions, and demonstrate at least three of the following behaviors: have searched and/or shared information about company’s products or services; shared their opinion or offered advice about company’s products or services with others; written an article or signed a petition or contributed to a blog to share their view about a company and its activities, products or services (FleishmanHillard Authenticity Report, 2019).

The answers inform the position of that company in the industry and compared to its competitors. The respondents ranked their expectations and experience on The Nine Drivers of Authenticity, with three interconnected groups, as showed on Table 1:

Table 1: The Nine Drivers of Authenticity

GROUP	DRIVER
Management Behaviors	1. Doing Right: More committed to doing the right thing 2. Consistent Performance: Having more consistent and stable financial and operational performance 3. Credible Communications: Openness and sharing of information, Communicating more frequently
Customer Benefits	4. Innovation: Innovating new and better products and services 5. Customer care: Taking better care of customers 6. Better value: Offering products and services that are better value
Society Outcomes	7. Employee Care: Taking better care of employees 8. Community Impact: Contributing to society in a way that has a better impact on my community 9. Care of Environment: Taking better care of the environment

Source: http://fleishmanhillard.com/wp-content/uploads/2017/09/FH_Radar_generic_US_2017-01.png

Specifically, this article examines the following key research questions: Do The Nine Drivers of Authenticity positively influence CR and EB? What is the role of trust in buyer-seller relationships?

For this analysis, three different references have been used, and are described in this section: (1) the Trust model in buyer-seller relationships (Doney and Cannon, 1997), (2) the Ethical Reputation Brand model (Velamuri et.al., 2017), and (3) the CR Ranking Index (MERCOSUR) Brazil, 2018 (<http://merco.info/br/ranking-merco-empresas>).

The Trust model in buyer-seller relationships (Doney and Cannon, 1997)

Given the emphasis placed on trust in commercial exchange relationships, Doney and Cannon (1997) analyzed how trust influences specific aspects of customer behavior and identified five cognitive processes through which industrial buyers can develop trust of a supplier firm and its salesperson to identify antecedents of trust: (i) a calculative process based on costs and benefits, (ii) a prediction process based on forecasting the other party's credibility and benevolence, (iii) a capability process based on the ability of the partner, (iv) an intentionality process based on interpreting the intentions in the exchange, and (v) a transference process based on perception of a known source.

Doney and Cannon (1997) considered five dimensions to be considered on trust: (i) Reputation (integrity) – characterized by sincerity, honesty, veracity and keeping promises; (ii) Competence (Capacity) – knowledge and technical and interpersonal skills required for work, decision making and performing roles; (iii) Consistent behavior – consistency, fairness, predictability, discretion and good judgment; (iv) Goodwill (Loyalty) – intentions, motives, objectives and shared values, commitment and willingness to protect others; and (v) Openness

and sharing of information – being mentally accessible or available to share ideas and information freely and accurately.

The Ethical Reputation Brand model (Velamuri et. al., 2017)

The authors analyzed how ethical behavior by firms leads to ethical reputation building and found that the strength of stakeholder responses to ethical behavior is moderated by firm level and six contextual factors: (i) high status affiliations, (ii) industry characteristics, (iii) the nature of corruption resisted, (iv) the presence of a plural press, (v) the potential for collective action, and (vi) the presence of an independent judiciary. These antecedents also influence the pattern of stakeholder resource commitments that firms are able to enjoy as a result of having built ethical reputations.

According to Velamuri et.al. (2017) seven factors are important to consider when we analyze EB and CR: (i) the stakeholder response to ethical behavior, (ii) High-status affiliations: firms seek affiliations with high-status individuals or organizations as a way of acquiring legitimacy and building reputation among a broad group of stakeholders (Hayward et al. 2004; Pfarrer et al. 2010), (iii) Industry characteristics: the authors confirmed Shamsie's (2003) researches conclusions, who proposed specific industry characteristics as antecedents of CR, (iv) Nature of corruption resisted: the distinction between political and bureaucratic corruption is important to understand how ethical reputations are built, (v) Polarized media and society: the authors confirm previous studies (Dawkins, 2005; Harvey et al., 2017) stating that the media need to reify the ethical message to a broader group of stakeholders, based on the premise that reputation claims are more credible when they are made by third parties or legitimized in a credible way, (vi) In-groups and collective action: the authors⁸ confirmed Sosis' (2005) arguments that rather than trust, it is the institutional framework of religion that encourages adherents to behave in ways that are expected of them in order to build, protect and enhance their reputations, and (vii) Presence of a plural press and independent judiciary to enable organizations to build ethical reputations.

CR Ranking Index (MERCOSUR) Brazil, 2018

The MERCOSUR ranking is carried out by Instituto Análisis e Investigación. It was launched in year 2000 and collects data in twelve countries (MERCOSUR, 2019). The methodology includes five waves, with 11 different sources of information and analysis of companies with a Revenue over US\$ 40 million (Aberje, 2019).

For each company chosen, they signal two strengths and a weakness among five values: ethical behavior, transparency and good governance, responsibility to employees, commitment to the environment and climate change, and contribution to the community.

DISCUSSION AND RESULTS

Considering the alignment between the five values of MERCO ranking and those of the Authenticity Gap Report (AGR), a proxy was used to provide an industry independent evaluation.

Table 2 shows some records using MERCO ranking as an expected result of the AGR Nine Drivers. In this exploratory model, since secondary data was used, several combinations of the Authenticity Gap drivers were tested to predict each industry position on the MERCO ranking. The best fit uses a sum of 3 to 5 drivers as a predictor of MERCO ranking position.

The results from the combined framework indicated that three drivers ('Consistent Performance', 'Credible Communication' and 'Better Value') from AGR, represented good indicators of CR according to the correspondent position of an Industry in MERCO Ranking. These results are consistent with 3 of 5 dimensions of the Doney and Cannon (1997) Trust construct; respectively 'Competence', 'Consistent Behavior' and 'Credible Communications'.

The same three industries: 'Personal Care products', 'Beer and Spirits', and 'Banks', have the best average according to the MERCO Ranking and the three combined indicators from AGR.

The other four drivers ('Doing Right', 'Customer Care', 'Innovation' and 'Care of Environment') presented mainly negative results, indicating a significant gap between Customers expectations and their evaluation of most industries in Brazil.

'Doing Right' and 'Care of the Environment' presented gaps for most of the industries analyzed, indicating that customers expected a more ethical behavior and a greater compromise with the environment.

According to FleishmanHillard "engaged consumers across the globe say that only half (47%) of their perceptions and beliefs about a company are shaped by attributes related to companies' products and services. The other half (53%) is shaped by information regarding how management behaves (25%) and how the company is having an impact on society (28%)" (Authenticity Gap Report 2019, p. 9).

Table 2: AGR Nine Drivers and MERCO Ranking – Exploratory Model

	AUTHENTICITY GAP PER INDUSTRY									MERCORANKING			EXPLORATORY MODELS		
	MANAGEMENT BEHAVIORS		CUSTOMER BENEFITS			SOCIETY OUTCOMES				Sum of companies points	Number of companies	Average points industry	Model 1 - 3 factors	Model 2 - 4 factors	Model 3 - 5 factors
	Doing Right	Consistent Performance	Credible Communications	Better Value	Customer Care	Innovation	Employee Care	Community Impact	Care of Environment						
18.PERSONAL CARE PRODUCTS	-0,40%	6,30%	3,20%	3,80%	-4,00%	2,00%	1,20%	-0,60%	-11,70%	49.839	6	8.307	13,30%	14,50%	13,90%
6.BEER & SPIRITS	-2,30%	4,60%	3,20%	3,30%	0,30%	-7,90%	-1,20%	4,30%	-4,40%	16.567	2	8.284	11,10%	9,90%	14,20%
5.BANKS	-1,70%	6,20%	1,80%	3,70%	-10,90%	-1,80%	3,20%	0,20%	-0,80%	52.816	7	7.545	11,70%	14,90%	15,10%
4.AUTOMOBILE INDUSTRY	-1,90%	3,70%	1,30%	0,40%	-2,60%	-0,90%	3,60%	1,50%	-5,20%	64.968	9	7.219	5,40%	9,00%	10,50%
3.APPAREL INDUSTRY	-3,60%	2,60%	0,70%	0%	-4,20%	0,30%	-0,70%	5,80%	-0,90%	34.924	5	6.985	3,30%	2,60%	8,40%
8.CONSUMER ELECTRONIC DEVICES	-0,30%	2,80%	0,10%	2,60%	-1,00%	-0,40%	-0,30%	-0,30%	-3,30%	83.435	12	6.953	5,50%	5,20%	4,90%
2.AIRLINE	3,40%	5,80%	2,10%	-3,10%	-10,10%	1,00%	3,20%	-0,30%	-2,20%	27.049	4	6.762	4,80%	8,00%	7,70%
12.HOTEL	1,80%	5,30%	2,00%	1,90%	-13,20%	4,90%	0,60%	-2,20%	-1,00%			6.695	9,20%	9,80%	7,60%
14.INFRASTRUCTURE	-2,70%	2,00%	5,60%	1,60%	0,20%	-4,00%	2,50%	-4,30%	-0,90%			6.695	9,20%	11,70%	7,40%
10.ENTERPRISE SERVICES	-3,90%	2,20%	4,90%	1,70%	-1,10%	-2,20%	-1,00%	1,00%	-1,70%			6.695	8,80%	7,80%	8,80%
20.SMART HOME	1,50%	6,50%	-2,10%	2,80%	-2,10%	-0,80%	-2,40%	-2,60%	-0,90%			6.695	7,20%	4,80%	2,20%
7.BIOTECHNOLOGY	-1,70%	1,40%	1,50%	0,60%	3,00%	-6,80%	2,30%	-0,80%	0,60%			6.695	3,50%	5,80%	5,00%
16.MEDICAL DEVICES & DIAGNOSTICS	-1,50%	1,30%	0,60%	0,00%	-1,70%	-2,30%	2,50%	-0,20%	1,20%			6.695	1,90%	4,40%	4,20%
15.INVESTING	-1,40%	0,20%	3,00%	-1,80%	-4,50%	0,40%	4,70%	-0,20%	-0,30%			6.695	1,40%	6,10%	5,90%
17.ONLINE & MEDIA SERVICES	-1,50%	1,20%	1,20%	1,30%	-3,30%	-2,20%	3,70%	0,40%	-0,90%	71.596	11	6.509	3,70%	7,40%	7,80%
19.PHARMACEUTICAL	-2,30%	3,20%	-0,40%	-2,00%	-3,60%	-2,40%	2,10%	5,00%	0,30%	32.451	5	6.490	0,80%	2,90%	7,90%
11.FOOD & BEVERAGE	-6,20%	6,40%	-0,80%	2,90%	-0,90%	-2,50%	2,40%	1,50%	-2,60%	64.861	10	6.486	8,50%	10,90%	12,40%
13.INDUSTRIAL COMPANIES	1,70%	-2,10%	4,50%	0,80%	-6,20%	1,50%	1,60%	-0,30%	-1,40%	82.396	13	6.338	3,20%	4,80%	4,50%
9.ENERGY	-3,90%	1,40%	4,30%	0,40%	1,20%	3,70%	0,70%	-4,40%	-3,40%	32.735	6	5.456	6,10%	6,80%	2,40%
1.AGRIBUSINESS	-0,40%	0,01	3,20%	1,60%	-1,30%	-2,30%	0%	0%	-1,80%	24.477	5	4.895	5,80%	5,80%	5,80%
	-1,37%	3,10%	2,00%	1,13%	-3,30%	-1,14%	1,44%	0,18%	-2,07%	669.466	100	6.695	6,22%	7,66%	7,83%

Considering the Ethical Reputation Brand model (Velamuri et al., 2017) the results showed that: (i) specific industry characteristics act as antecedents of CR, especially the perception of consistent behavior confirming prior research (Lange, Lee and Dai, 2011; Carmeli and Tishler, 2005); (ii) if we analyze the MERCO Ranking changes over time, companies involved in political corruption tend to be expelled from the ranking. Even this analysis being the scope of this article, this is a potential subject for future research, considering longitudinal studies; (iii) the role of a credible communication is very clear in the results, confirming previous studies (Dawkins, 2005, Harvey et al. 2017) stating that the media need to reify the ethical message to a broader group of stakeholders. Since this involves more than advertisement, the role of openness and sharing information is also confirmed and reinforce that reputation claims are more credible when they are made by third parties or legitimized in a credible way;(iv) the sense of community, supporting not only customers, but also employees and the society as whole, which is part of the AGR Nine Drivers, seems to be important, even when this report presents mixed results about these drivers; (v) the presence of a plural press and independent are basic conditions to enable organizations to build EB and CR and are beyond the scope of this analysis. However, they are included in the model, especially to allow future cross-countries studies;(vi) the stakeholder response to ethical behavior is reinforced in ‘society outcomes’, considering AGR Nine Drivers, and,(vii) the simple fact that there is coincidence, between most of the industries (and companies) in both rankings, confirms the

authors expectations that firms seek affiliations with high-status organizations as a way of acquiring legitimacy and building CR among a broad group of stakeholders (Hayward et al. 2004; Pfarrer et al. 2010).

CONCLUSION

The goal of this work was to investigate the role of trust in the alignment between EB and CR of different industrial sectors in the Brazilian industry.

The result reinforces the importance of companies measuring both qualitatively and quantitatively their authenticity gap (AG). This should be as a goal to be pursued by industries. Doney and Canon (1997) trust model seems to be a good predictor of Corporate Reputation. Velamuri et al. (2017) ER model seems to influence results, acting as moderator, especially in cases of corruption and media problems – this can be tested comparing industries and countries rankings over time, as stated in the results section. The combined use of the Authenticity Gap and Merco Ranking seems to present a robust source of information and can be object of future studies.

Results have also demonstrated the role of authenticity as a fundamental element to CR and to building a good relation between the EB and the consumers.

Finally, we suggest that future researchers compare results over time, in a longitudinal study since these rankings are reported every year; and test the robustness of our conceptual model in other industry settings where customers perceive higher selection risk due to lower tangibility, for example retail banking and telecommunication as compared with the fast-food industry.

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