Corporate Reputation and the News Media in Norway

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Reputation has been of great concern to Norwegians at least since the time of the Vikings, as the following stanza from *The Poetic Edda* attests to (The Poetic Edda, trans. 1996):

Cattle die, kinsmen die
the self must also die;
I know one thing that never dies:
the reputation of each dead man.

Today, there is an increasing interest in the concept of corporate reputation, a trend that will be demonstrated in this chapter. We will particularly examine research on the role of the news media in this regard. Little empirical research has been conducted on this topic, however, and some of the research findings are inconclusive. A number of studies could not find any strong media effect, while one experimental study did indicate that the media also influenced the attributes individuals assigned to a company.

The chapter starts with a short review of the basic theoretical assumptions regarding media effects and reputation. Then the following section gives some background on the media systems, news values, the reputation landscape in Norway and the nation’s public relations industry. Then follows a section addressing the research questions of Level 1 and Level 2 agenda setting in Norway.

Finally, we present findings from a study that links media coverage and the reputation of the consulting firm Det Norske Veritas. This study demonstrates that media coverage is indeed important for how the public perceive a company, and thus, the study gives support to the affective agenda-setting hypothesis.

**Agenda-setting**

Many people believe that they ‘know’ a business or a business leader based on what they read in the media. And conversely, many businesses and business leaders attribute bad images to
how they are portrayed in the media, leaving the impression that it is somehow the media’s fault for their bad image. For public relations practitioners, media coverage can be a major objective. The reasoning is that if a firm or individual is of interest to the media, then 1) they must be interesting and relevant news and 2) the journalist is nonbiased so that what we are reading, hearing or viewing is therefore the ‘truth’, or at least more truthful than what the company itself is saying. This is supported by research on credibility of information resources, where the business media (magazines) in particular rate as the most credible source about a company (Edelman, 2009). The credibility of company’s own communications in 2009 was rated half that in 2008. Further, spokespersons such as CEO’s or CFO’s are ranked even lower, steadily falling in recent years.

In this context, i.e. image/reputation and the media, agenda setting theory is interesting to study. Walter Lippmann (1922/2004) stated that people experience reality through pictures in their heads. And these pictures were often “placed” in their head by the media. According to early agenda setting theory researchers Maxwell E. McCombs and Donald L. Shaw (1972/1997) mass media “set the agenda” by highlighting certain issues. They believed that the media did not tell us what to think but rather what to think about. Or, as formulated by Bernard C. Cohen:

[The press] may not be successful much of the time in telling people what to think, but it is stunningly successful in telling its readers what to think about. (Cohen, 1963, p. 13)

Two basic assumptions behind most research on agenda-setting are (1) that the press and the media do not reflect reality; they filter and shape it, and (2) that media concentration on a few issues and subjects leads the public to perceive those issues as more important than other issues. This leads to the concept of media as gatekeeper, i.e. it is the media that selects what is important and what is not. Other concepts include priming, the idea that media draw attention to some
aspects of political life and not others, and framing, presenting information in such a way as to
guide its interpretation. It is thus easy to see why corporations are concerned with how they are
portrayed in the media and what effect this may have on their reputation. As noted by Argenti
(1998) the rise of interest in business by the public has never been greater as the public has
started to become more aware of the impact of business on their lives. But this statement begs the
question of whether consumers are more aware of corporations and corporate behavior due to
their own interests or whether the media is ‘setting the agenda’, i.e. pushing the issue. Does the
reporting of consistently more reputation ratings influence the public’s opinion of firms and if so
how? This chapter looks at some of these issues in Norway.

**Norway and the Media**

Norway is a small country with 4.8 million inhabitants (www.ssb.no, accessed June 26,
2009), a strong welfare state, and low levels of conflict. In this and the two following sections,
we describe the situation in Norway when it comes to the media, reputation and the practice of
public relations.

The Norwegian media market is described in several English language publications (see Carlsson
& Harrie, 2001; Harrie, 2003), and national statistics can also be found at the website
MedieNorge (http://medienorge.uib.no/). Here we will concentrate on the landscapes of
newspapers, television/radio, and ownership structures.

*Newspapers:* Norwegian newspapers have had high circulation numbers during the whole
post-war period, and the average Norwegian household buys 1.5 newspapers each day (Høst,
1998). During most of the 1990s, the total daily circulation was approximately 3.1 million (Høst
2000, as cited in Østbye, 2001). Given that Norway only has a population of 4.8 million, this is
quiet a large number. In 2008, on average 68 percent of the population had read a newspaper,
down from 84 percent in 1991 (http://medienorge.uib.no/, accessed June 26, 2009). The
Norwegian press structure has been rather unique with local papers, strong regional papers and a nationally distributed press. In total about 220 titles are published (Østbye, 2001). Historically, political parties have owned the Norwegian papers, but this system crumbled during the 1960s (Høyen, 1995). Today, three large owners dominate the market: Schibsted, A-pressen, and Orkla Media. In Table 1, the 2008 circulation figures of the five largest newspapers are given.

Television and radio: Until 1981, the government-owned Norwegian Broadcasting System (NRK), which is funded through a paid TV license, had a monopoly on television and radio services. In the early 1990s, the commercial TV station TV2 and the radio station P4 were granted concessions. Later the TV stations TV Norge and TV3 started broadcasting. The Swedish company MTG is principal owner of the latter, which for the last years has had to fight for its national concession with Kanal24. NRK still held the upper hand with three of four nation-wide stations (Harrie, 2003). On an average day in 2008, 80 percent of the population had watched television Table 2 presents the market share of each of the stations, as well as names of the owners (http://medienorge.uib.no/, accessed June 26, 2009).

Ownership and regulation: As mentioned, the NRK monopoly was lifted in 1981. Since then, however, there has been a tendency toward ownership concentration, which has worried the Norwegian politicians. This has given rise to new regulatory bodies (The Media Ownership Authority) and new legislation (The Media Ownership Act) with the aim of ensuring freedom of expression and continued media access.

A dual leadership has been the tradition in Norwegian newspapers, with a general manager handling finances, administration, and technology, while the editor-in-chief has been sole responsible for the content. The owners could influence the overall editorial policy, but were expected to refrain from intervening in the day-to-day editorial leadership. During the 2000s, this structure was changed in some newspapers giving way to a unified management system. The pros
and cons of this was also hotly debated (Østbye, 2001). In 2006, another debate was caused when Orkla Media was sold to the British investment company Mecom.

*News Values*

Starting in the 1960s, the party press structure fell apart, and in the 1990s, new commercial television stations were established. While the largest newspapers previously had an outspoken party affiliation with corresponding news values, they now tended to rely on a more similar journalistic news ideology. What all the news media have in common is that they are now owned by investors and publishing companies and more often than not are run on business terms. In other words, the news media have been turned into profit making institutions. The conditions for the government-owned broadcasting stations have changed, and an outspoken policy is that they want to compete with the rankings of the commercial stations in order to preserve their legitimacy as publicly funded through paid licenses (Allern, 2001b).

A striking feature of the Norwegian tabloid newspapers is that they serve a mixture of hard-hitting news, political journalism, and celebrity gossip, that sets them apart from, for instance, their German counterpart *The Bild-Zeitung* or the English *The Sun*. A content analysis of ten Norwegian newspapers showed that the typical Norwegian newspaper was an informative, regional or local paper that carried a wide mixture of content in each issue. The analysis concluded that the Norwegian press by large was serious and focused on issues of social importance. At the same time, however, it pointed out that few non-powerful sources were used; a preference for elites and patriarchical values could be found (Allern, 2001b). The same elite orientation is documented in studies of business news as well (Slaatta, 2003).

An analysis of the television news of NRK and TV2 indicated that the former covered political news in an idealized citizen perspective, while the latter adopted a consumer perspective. TV2 also put more emphasis on crime, but on a whole it was suggested that the two stations had
developed their own news perspectives, representing existing traits found in the Northern European news culture (Waldahl, Andersen, & Rønning, 2002).

**Corporate Reputation in Norway**

The concept of corporate reputation has grown considerably in popularity the last few years in Norway (P. S. Brønn & Ihlen, 2009). We can see this in the host of different types of image or reputation measurements and rankings published by the media often in cooperation with private research agencies. It arguably started with the MMI-Aftenposten image survey and has grown to include others such as: Best Place to Work in Norway, Firms with the most Women on the Board, the Top Ten Hotels, the Most Preferred Place to Work by Students, the Top 10 Leaders, the Best Liked Sport Club, etc. In 2003, the Reputation Quotient (RQ) methodology (see for instance, Fombrun, Gardberg, & Sever, 2000) was introduced receiving a great deal of media coverage in the major Norwegian business press. The RQ instrument is based on dimensions that are attributes as defined in agenda-setting theory, including the six dimensions of financial success, vision and leadership, product performance, corporate social responsibility, workplace environment and emotional appeal, which includes the concept of trust. The ‘old’ MMI uses four attributes: quality of information, environmental and ethical position, financial performance and overall perception of the firm.

A simple search on the word reputation in the web-based News Archive Retriever A-tekst gives a good illustration of the increased interest in the topic (see Table 3). Mentions of reputation were relatively stable from 1995 until 2003, but nearly tripled within five years after the introduction of the Reputation Institute’s annual reputation rankings in the country in 2003. While not conclusive, it could be argued that the increase in media coverage of reputation started with the media coverage accompanying the results of the first survey released that year by the country’s leading business daily Dagens Næringsliv.
The word ‘reputation’ is most often translated with the Norwegian ‘omdømme’. At the same time, however, a textual analysis of the Internet sites of Norwegian public relations agencies, as well as citations in the professional press, showed a striking tendency: The English word ‘image’ was often used as a synonym to reputation (‘omdømme’) (Moen, 2005). In other words, the analysis indicated that the agencies were not updated on the scholarly debate on the linkages and differences between identity, image and reputation.

Very little academic research has been conducted on the topic of reputation. Currently, three articles have been published in scholarly journals, and at least 12 master’s or doctoral theses were produced on the subject of reputation or image from 2000-2009. The first published article is a theoretical critique of the Reputation Quotient that suggested an alternative approach to investigating organizational reputation called Data Envelopment Analysis (C. Brønn & Brønn, 2005). The authors believe this approach can lead to an assessment of the internal operational aspects of reputation and thereby can assist practicing managers to better utilize this strategic resource.

The second study compared the reputation of the most visible companies in the Scandinavian countries that had been ranked by the Reputation Quotient (now RepTrak) method (Apéria, Brønn, & Schultz, 2004). This study showed some surprising results, given that the Scandinavian countries are often treated as a homogenous region. The study indicated, for instance, that Norwegian top five companies enjoyed lower reputational scores than top-ranked companies in Sweden and Denmark. At the same time, however, some similarities were found: Emotional appeal was the most important driver, the visible companies often had a local heritage, and treatment of employees and treatment of the environment was seen as the most important corporate social responsibility dimensions. The third article (P. S. Brønn, 2007) suggested that instead of measuring reputation, organizations should be measuring relationship outcomes. The
author argues that relationships form the basis for building good reputations but is overlooked in most of the literature.

At least three books have been published in Norwegian on the subject in the years 2007-2009. The first book on the market in 2007 was written a public relations consultant and also published by the author’s firm (Apeland, 2007). The most recent book by Brønn and Ihlen (2009) was a result of the expressed need by public relations and management professionals for a book that would help people understand the subject in their own language but with academic weight. The third book (Ihlen, 2007) explores communication and reputation in one specific industry, the Norwegian oil industry.

**Public Relations**

The industrialization of Norway presented both organizations and the public alike with some of the same challenges that were witnessed in the U.S.A. and, in the modern sense, the growth of PR in Norway is a phenomenon of the period after the Second World War. This influence was important for Norwegian public relations, and it has continued to this day. The first book on public relations was, in fact, called *Public Relations in the U.S.A.* (translated) (e.g., Apeland, 1960). Additionally, the professionalization of the field has sociologically largely followed the trends in the U.S.A. (Klasson, 1998).

The huge public sector in Norway has had a profound influence on the development of the field. It is often posited that a special cooperative atmosphere dominated the rebuilding process after the Second World War. In addition to the development of the social democratic tradition in the country, this contributed to close relations between business interests and the government. A good illustration of this is that in 1949, the then Prime Minister took part in the inauguration meeting of the Norwegian Public Relations Club, the first professional PR organization, and
“spoke in confidence on hot Norwegian issues for two hours” (Mørk, 1994, p. 10).

The Norwegian Public Relations Club’s first president had been head of the Norwegian Information Service in the U.S.A. during the Second World War, and was inspired by the development of the public relations field there. An interesting adaptation to the Norwegian context was that public relations, as acknowledged by the club, should be applied for “the good of society”, rather than economic profit. For the first eight years, the club did not, in fact, allow membership from the private sector (Mørk, 1994). Later, the Club changed its name to the Norwegian Information Association.

In 1999, the Norwegian Information Association merged with the Forum for Public Information, the public relations organization exclusively for practitioners in the public sector. The new organization adopted the name the Norwegian Communication Association (NCA), which has over 3,000 members, of which 62 percent are women and 50 percent have an education in public relations, communication or media studies (www.kommunikasjonsforeningen.no, accessed June 26, 2009).

Public relations agencies are organized in the Norwegian Public Relations Consultants Association (NIR), which currently (2009) has 24 members. The largest member agency is Burson-Marsteller (revenues of NOK 66.7 million in 2008) (www.burson-marsteller.no, accessed July 16, 2009). Still, some of the bigger agencies are not members of NIR. This includes Geelmuyden-Kiese, recognized as one of the largest agencies in Norway (revenues of NOK 50.1 million in 2008; www.geelmuyden-kiese.no, accessed July 16, 2009). During the late 1990s and the 2000s, the importance of the agencies increased and several new ones were established often through mergers with international or other Nordic agencies. A qualified deduction is that more or less all the larger companies and public institutions use or have used an agency, either on a regular or ad-hoc basis.
Prior to the turn of the 21st century, there was little independent or comprehensive research conducted on the public relations profession in Norway. One exception was research from 1997-1999 that explored the strategic orientation of Norwegian communication directors (P. S. Brønn, 2000). This research also looked at the roles played by the directors, their educational backgrounds and their reporting lines. Brønn concluded that 1) the directors were not strategically-oriented, 2) they carried out predominantly tactical roles, 3) only 2 out of 102 respondents had an education in communication, and 4) reporting lines were somewhat blurred.

Between 2000 and 2007, 84 masters or doctoral theses were produced around the theme public relations, and/or organizational or corporate communication. This was three times the number produced in the 1990s. Research interest really gained momentum in 2008 with the establishment of the Center for Corporate Communication at the Norwegian School of Management whose first project was replicating the Corporate Communication International benchmark study of practices and trends. This research showed that Norwegian communication executives today have a higher educational level in more relevant areas than they did in 1999 with more than 60 percent holding advanced degrees. Further, approximately 80 percent indicate they answer to the CEO. However, Ihlen and Rakkenes (2009), claim that the “profession still has a way to go in terms of developing methodologies and raising the ethical bar. As for now, however, Norwegian consultants are doing brisk business trading on their networks, common sense analysis, and operational experience” (p. 485).

Public Relations and the Media

In 1997, the Norwegian TV program Brennpunkt (Burning Point) aired a program titled ‘Behind the News’ (Bak nyhetene). The position of the program was that anyone (corporation) with enough money could get space in the media. Examples were provided of public relations agencies influencing the political process through lobbying. Criticism came from both the media
and academics. One criticism had to do with the perceived manipulative nature of public relations when it came to the media and thus their ability to impact the political process. The public relations agencies defended themselves by saying they contributed to a strengthening of the democratic process by helping those without political connections and knowledge about the media present their arguments (NRK, 1997).

Another criticism concerned the fact that media used material from public relations agencies and business without revealing the sources of (Allern, 1997; NRK, 1997). The main point was that these mysterious sources thrived in the dark of anonymity and couldn’t stand the light of day. One result was that the media up-dated their own guidelines for ethical practices, the ‘Vær Varsom Plakat’ (Be careful guidelines). Another result of this debate, which arguably is still going on today, was that 150 public relations practitioners were kicked out of the Norwegian Press Club in 1997. They were no longer welcome as members since their titles did not conform with the new membership rules (Ottosen, 2004).

The relationship between journalists and communication or PR consultants in Norway is a continued subject of letters to the editor by both journalists and consultants. For example, the national newspaper Aftenposten’s cultural editor warns that the financial crisis in the media industry (with many journalists losing their jobs) should not deter journalists from ‘digging out their own news’ (Hvattum, 2009). They must take care not to lower their credibility by depending on speculative sources such as messages from media advisors in the pay of business. On the other hand, says the leader of a PR agency, it is the media themselves that tear down their credibility when they constantly worry about the increase in media advisors (Bonvik, 2009). As the leader of Norwegian Press Club sees it, the fact that there are more information advisors and PR people than journalists, and that these people are becoming more professional in their efforts to get to the media, just shows the level of resources people in institutions with power are willing to employ to
try and influence public debate through the media (Bisgaard, 2008).

**Agenda-Setting Research in Norway**

Based on the background of the preceding discussion, the authors have been asked to explore three research themes set forth in this book and how they have developed in Norway. The three research questions are:

H1: Level 1, agenda-setting: Media Visibility and Top-of-Mind Awareness

H2: Level 2, substantive agenda-setting: Media Associations and Corporate Associations

H3: Level 2, affective agenda-setting: Valence and Organizational Issues

We have answered the research questions by way of a literature review and secondary data from sources such as A-Tekst, the database of Norwegian media, the Norwegian search engines Kvasir and Sesam, the library database Bibsys.

**H1: Level 1 Agenda-Setting: Media Visibility and Top-of-Mind Awareness**

Several Norwegian media researchers have written about the agenda-setting hypothesis (e.g., Mathiesen, 1993; Waldahl, 1999), but very few empirical studies have been conducted. Among the exceptions are two studies in political science, and one in mass communication:

One study in political science focused on the 1993 election in Norway, but found little support for the agenda setting-hypothesis. The voter’s agenda seemed to be established well before the media started its election coverage, and “to the extent that the media agenda deviated from the initial voter agenda, this was not reflected among the voters” (Aardal, 1999, p. 352).

A Master’s thesis from the University of Bergen presented data that indicated how the media agenda had an influence on the political agenda in the Norwegian parliament (*the Storting*). The media was shown to be more important than the voter’s agenda, but not as important as the agenda of the political parties themselves. The importance of the media was heightened during elections (Thesen, 2004).
A third study conducted in mass communication was built on a simple two-step methodology: First, environmental interest expressed in public opinion polls in a twenty-year period (1977, 1981, 1985, 1993, and 1997) were compared with the environmental coverage in three central newspapers (Ihlen, 2001). The study demonstrated a certain co-variation between the two data categories. However, when the newspaper data set was compared with two measures for “environmental friendly attitudes,” no such co-variation was found. Thus, the study gave some support for the findings from the first level agenda-setting literature, but little regarding the second level. The author, however, labeled the publication a pilot study, presented several methodological caveats, and discussed the relationship between the media and the public as a transactional process. That is, both the media and the public is seen as partaking in the construction of agendas, as the public also influence media content (Dalton, Beck, Huckfeldt, & Koetzle, 1998).

There has been a modest increase in interest in the relationship between business reputation and media visibility/coverage, primarily in the form of master’s theses. Some areas of interest have included the correlation between a firm’s media investment and its influence on public opinion and how firms can optimize internal processes in order to prevent negative media coverage. The greatest interest has been on the impact of media coverage on Norway’s image from their hosting of the Winter Olympic Games in 1994 (NORDICOM).

There is some non-empirical evidence for top-of-mind awareness being linked to media coverage. For instance, the Swedish firm Ikea, which has ranked among the top three of Reputation Institute’s most well-liked firms in Norway for four years in a row, was not really on the reputation radar of Norwegians before 2004. The most visible firms are nominated by Norwegians when asked to respond to who they believe has the worst or best reputation. In 2003, the first year Reputation Institute carried out the survey in Norway, Ikea was not one of the top
20 most visible firms. Yet, only one year later, Ikea was ranked number one, and it has scored in
the top positions since then; number 1 in 2005 and 2006, number 2 behind Skandiabanken in
2007, number 3 after Toyota and Norwegian in 2008 and nearly sharing first place with Flytoget
in 2009.

In 2003 there were only 600 mentions in the press about IKEA (Retriever A-text accessed
July 8, 2009). This had nearly doubled by 2005, mostly newspaper coverage by both national and
local papers. Not all of it was positive but it seems at first glance that most of it was. A
combination of visibility plus a genuine liking for the firm seems to resonate with people.

H2: Level 2, Substantive Agenda-Setting: Media Associations and Corporate Associations

Second level agenda setting has to do with the attributes that the media assign to
corporations and their impact on public perceptions. For example, McCombs and his colleagues
(1997) found significant correlations between political candidate attributes as presented in
newspaper advertisements and media coverage and public perceptions of candidate attributes. In
this section we take an indirect look at substantive agenda setting, by focusing on the rise of
business journalism and its relationship to public relations and organizations. This is followed by
a discussion of the reputation measurements currently employed in Norway and the attributes
used by those instruments.

A few studies have been conducted on the media relations of Norwegian corporations, as
well as the influence of public relations agencies (for instance, Allern, 1997, 2001a). These
studies are in Norwegian and have mainly been of a qualitative character and focused on the
potential for critical journalism in the face of the growing public relations industry. It has been
pointed out, for instance, how resource-drained news desks often resort to use of news subsidies
from public relations practitioners. The relationship between the media and their sources are
sometimes based on a negotiation relationship, other times the media only serves as a mouthpiece
for business interests.

One extensive study of expanding Norwegian business journalism has been conducted. Here it is demonstrated that during the period 1980 to 2005, this new journalism developed through four stages to become the largest single category in the Norwegian news media. First, business weeklies and monthlies like *Kapital* and *Økonomisk Rapport* were established. In the second instance, specialized business dailies like *Dagens Næringsliv* and *Finansavisen* were published, while in a somewhat overlapping third stage, expansion of business news took place in the mainstream dailies. The fourth notable stage was the expansion of the same type of journalism on digital platforms (Slaatta, 2003).

The same study confirms the increasing focus on persons in business journalism. The coverage is typically ambivalent: On the one side, media express admiration for power and money, but on the other hand, they chastise the “excessive consumption” of the rich and famous. This tendency was particularly notable in the popular press that wanted “to put a face on” the economic players through person-oriented journalism. The business sources express frustration over what they feel are unpredictable journalists with viewpoints that differ from case to case, story to story, and that sometimes take on a role as an actor in the economic arena themselves (Slaatta, 2003).

The Norwegian research findings referenced above do not provide clear-cut answers regarding the substantive agenda setting hypothesis. The findings do point to increased coverage of business, the ways business is covered, and an increased interest in reputation measurement. Still, it is not possible to draw links between these data sets.

**H3: Level 2, Affective Agenda-Setting: Valence and Organizational Issues**

The affective level of agenda setting recognizes that the media may convey feelings and tone, for example positive, negative, neutral and mixed (Carroll & McCombs, 2003). These
researchers thus propose that positive media coverage of organizational attributes will impact the perception by the public of that organization.

No specific data exists on organizational newsworthiness in Norway, but given the growth in business news and subsequent image or reputation instrument measurements, it seems likely that the large Norwegian corporations enjoy a high degree of newsworthiness. However, given the media’s preference for conflict and negative news, it might be hypothesized that only the biggest companies are newsworthy in themselves. For instance, reporting about positive financial results of Statoil and Hydro is considered newsworthy, since this has a direct impact on such a large proportion of the audience. Positive financial results from smaller companies are less likely to be covered. However, there seems to be a general emphasis that business news coverage in Norway is more often than not negative. During 2004–2006, for example, several Norwegian businesses experienced crises set off by everything from corruption, food poisoning, strikes, and over budgeting, to poor information handling in the wake of crises. Media coverage and focus on reputation issues have been substantial, and the general trust in business seems to be low among Norwegians as a result.

As noted, the Reputation Quotient survey has been administered in Norway since 2003. The list of firms included in the survey are derived from a polling of a representative sample of the Norwegian public who are asked to name a firm that they believe has 1) the worst reputation and 2) the best reputation. One of the authors (Brønn) of this chapter is the academic representative working with the RQ in Norway and as such has experience with the media’s interest in the results. Suffice it to say, the firms with the worst reputations are more interesting as news than those with the best (see, Ottesen, 2006).

**Study: Linking Media Coverage and Reputation**

An examination of the Norwegian media’s influence on public perceptions has been
conducted by Nikolai Hval (2002) under guidance by one of the authors (Brønn). This study was based on how a firm’s top management was portrayed in the media. The firm studied was Det Norske Veritas, a Norwegian consultancy with about 300 offices in 100 countries. The company offers services for managing risks in four major industries: Maritime, oil & gas, process, and transportation (www.dnv.no, accessed July 20, 2006). The company was established in 1864 and is fairly well known in Norway, not in least in light of a crisis involving corporate misconduct in 2002.

The purpose of Hval’s study was to see if exposure by the media of a top leader (CEO) had an impact on an organization’s image, and thus ultimately on its corporate brand value. A total sample of 200 persons was used (103 men and 97 women), mainly of students at the Norwegian School of Management between 20 and 24 years of age. The respondents were divided into two groups of 100 each and asked to answer a questionnaire after being presented a news article on Det Norske Veritas and its CEO. 100 of the respondents were presented a positive article, and 100 a negative. The negative story was from the financial daily *Finansavisen* published on April 20, 2002 (Jacobsen, 2002). Here it was pointed out that the then chairman of the board and the then President and CEO had secured the latter a compensation deal that was in violation of Norwegian law as it was not mentioned in the Annual Report as mandated.

The positive story was from the daily *Aftenposten* published on March 21, 2001 (De Lange, 2001). This story detailed how Veritas and the then President and CEO (the same person as in the negative story) took decisive action to force out 85 ships that did not meet the standard requirement for being awarded a Veritas classification. Some editing was conducted of both stories, mainly removal of irrelevant information, in order to emphasize the respectively negative and positive tone in the articles. A pretest was done on the questionnaire and this helped confirm these notions (Hval, 2002).
A correlation analysis was performed on the resulting data, followed by a factor analysis and discriminant analysis. It was possible to conclude from the analyses that there is a correlation between how a top leader is portrayed in the media and the resulting perceptions of the general public. The factor analysis also revealed four primary factors that impact perceptions: the current image of the firm held by the respondents, knowledge of the firm, the credibility of the media, and the influence of the top leader portrayed in the media. All but credibility of the media were found to be significant (Hval, 2002).

An analysis of the RepTrak results from 2009 also reveals some interesting tendencies. Of the 29 firms with good to excellent reputations, six scored highest on leadership. In other words, respondents ranked the leaders of these firms higher than the firms’ products and services and other attributes. Each of these firms has a leader who is highly visible in the media: Norwegian, Aker, Olav Thon Gruppen, Choice, Microsoft and Kiwi. Both the airline firm Norwegian and the hotel chain Choice are active in using their leaders in the companies’ profiling. The question is if obtaining a rating of leaders that is higher than products and services is a sustainable strategy. If the ratings for the firms were adjusted and leadership received a score in line with how people felt about them on their other qualities, Norwegian drops five places and Choice about 10 in the ranking. This corresponds to other research that indicates Norwegian losing ground in customer satisfaction and where Choice has hard competition in both customer satisfaction and loyalty.

While there is a lack of research in Norway regarding agenda-setting research, the study presented above does support the second level affective agenda-setting hypothesis; media coverage of leaders impact people’s impressions of organizations. This research also indicates that while blaming the media for negative impressions may be naïve, there seems to be some truth to the notion.

**Conclusion**
Research on corporate reputation and the news media is still in its infancy in Norway, but it is growing. This chapter has presented a short overview and given some insights into how corporate reputation is understood in Norway, as well as pointed out some peculiarities of the Norwegian media systems, business news, and public relations industry. It is argued that media coverage has an influence on the public’s opinion, something that was also illustrated by a study where the respondents were exposed to negative and positive news coverage of a particular company. Regarding other aspects of the agenda-setting hypotheses, however, some caution should be shown, as the research is rather inconclusive.


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Norway


Norway


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Table 1


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<tr>
<th>Name</th>
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Table 2


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Table 3

*Frequency of the Word ‘Reputation’ (‘Omdømme’) in Norwegian News Media 1995–2008*

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