

The most challenged brands in 2019 and issues impacting brand perception

There have been many self-inflicted brand reputation hits in 2019. The CMO Council has selected a few notable names experiencing hard knocks and has also listed what made them punching bags for media, regulatory, customer and market detraction.



Image supplied.

From tech titans such as Facebook and Uber to traditional stalwarts such as Boeing and PG&E, many brands took a beating over recent months and will be limping into the new year. For them, the New Year's resolution is clear and immediate: fix brand dings and dents.

The Chief Marketing Officer (CMO) Council in a new pictogram and listicle, *Bruised, Battered and Embattled Brands*, has chosen 20 of the most challenged brands and 15 of the most critical issues impacting brand perception. Marketers can learn by example what actions have done the most harm to brands.

Today, information spreads like wildfire over social networks, text messages and email. Even the slightest misstep can derail brands. The CMO Council highlights some of the more egregious errors, such as advertising and marketing snafus, corruption and embezzlement, health and safety concerns, data privacy and service delivery failures, among others.

Brand fallout from these missteps is often sudden and unforgiving. Here's a sample of brands that made The CMO Council's list of most challenged brands:

- Capital One. Last summer, a hacker accessed personal information from 106 million credit card customers and applicants. A few months later, technical issues disrupted service and prevented customers from accessing their accounts.
- Carnival Cruise Lines. Two Carnival cruise ships collided resulting in minor injuries to six passengers. The brand also faces criticism and fines for environmental pollution, such as dumping plastic waste into the ocean.
- WeWork. Plagued by huge financial losses, WeWork withdrew from its planned IPO and announced it will lay off 2,400 workers. Meanwhile, employees criticized former CEO and co-founder Adam Neumann for receiving an exit package worth roughly \$1bn.

"Marketers face a Herculean task safeguarding brand trust and integrity," notes Donovan Neale-May, executive director of The CMO Council. "Brand reputation missteps and compromises can come from multiple fronts, such as hard-hitting news stories, poor stock performance and IPO rankings, general controversy around operational problems, safety issues, security breaches, sales declines and financial losses."

The new pictogram and listicle reflects the sense of chaos and danger encircling some notable brands. Many of the incidents and issues are beyond the control of marketers but require adept recovery and reassurance of concern and commitment. Nevertheless, marketers will find themselves in the centre of the controversy as the caretaker of the brand and should have contingency plans in place.

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