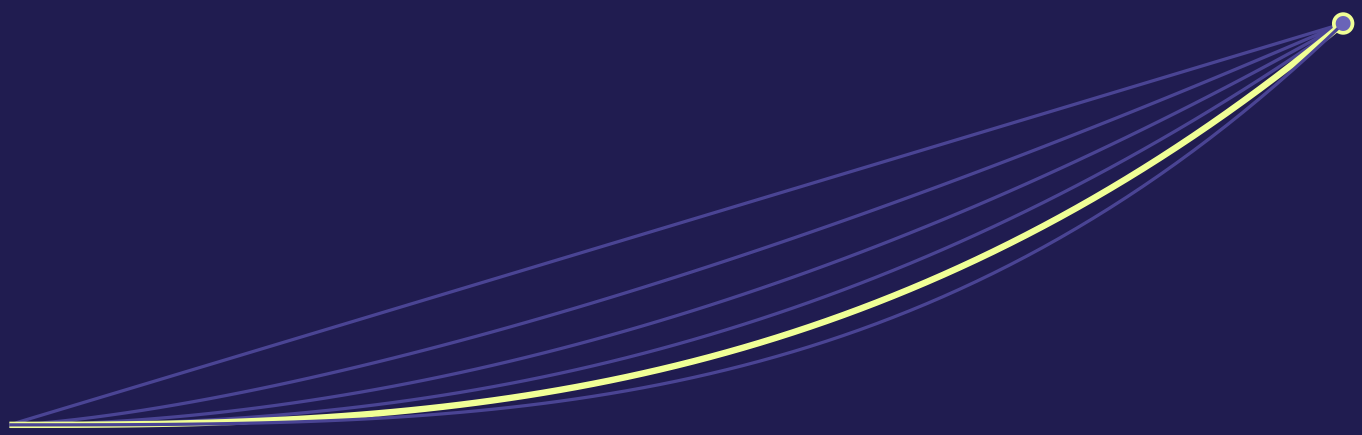
BRIEFING 01 · 2026

The 2027 Reputation Risk Outlook

Seven forces changing how institutions earn, lose and recover trust



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Campaign Intelligence + Strategic Communications

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In this briefing

Seven forces changing how institutions earn, lose and recover trust

HOW TO READ IT

A briefing, not a report: the executive brief carries the argument, the numbered sections carry the evidence and the method, and every external figure is attributed to its source.

ARTEFACT91 BRIEFING 01

Executive Brief

Reputation risk is becoming less episodic and more infrastructural. The central challenge for leaders is no longer simply whether an organization can respond well when a controversy becomes public. It is whether the organization can detect weak signals early, understand how different audiences may interpret the same event, make defensible decisions under uncertainty, and adapt before a narrative hardens into an operating constraint.

The external environment makes that harder. The World Economic Forum's Global Risks Report 2026 ranks misinformation and disinformation second on its two-year outlook and cyber insecurity sixth; adverse outcomes of AI rise sharply on the longer horizon. Edelman's 2026 global study finds 70% of respondents unwilling or hesitant to trust people who differ from them in values, facts, problem-solving approaches or cultural background. Reuters Institute's 2026 Digital News Report records global trust in news at 37%, its lowest level since measurement began in 2015, while social, video and AI-mediated discovery continue to grow.

For communications leaders, the implication is practical: reputation can no longer be managed primarily through media relations, content cadence or post-event sentiment. It requires an intelligence function connecting communications to strategy, operations, governance and risk.

SECTION 01

Reputation Risk Is Moving Upstream

A public controversy is often the visible end of a much longer chain. Before the headline there may have been a service failure, employee concern, policy dispute, customer complaint, activist signal, regulator question, executive remark, data anomaly or unresolved operational issue. Traditional monitoring tends to privilege what is already visible. Strategic reputation intelligence asks what is becoming consequential before it is widely visible.

Artefact91 therefore distinguishes between an event, a signal and a risk. An event happened. A signal changes what we know about the environment. A risk exists when that signal could materially affect stakeholder behaviour, institutional legitimacy, operating freedom or strategic objectives.

The practical shift is from “What are people saying about us?” to “What is changing around us, who could act on it, and what decision may soon be required?”

SECTION 02

Seven Forces to Watch

1. Trust fragmentation. Audiences increasingly locate trust in smaller, familiar networks. A message that is credible in one network may be rejected in another. Broad awareness is therefore a poor proxy for persuasion.

2. Synthetic information. AI lowers the cost of producing convincing text, audio, images and video. Organizations need authentication protocols and response thresholds before a manipulated asset appears.

3. AI-mediated discovery. Search results, AI summaries and chatbots increasingly sit between institutions and the people trying to understand them. Reputation now includes what machines retrieve, summarize and omit.

4. Employee-to-public permeability. Internal communications operate in a screenshot environment. Internal inconsistency can become external evidence within minutes.

5. Operational-reputational convergence. Cyber incidents, product failures, labour disputes, governance questions and regulatory actions become communications events because stakeholders experience the institution as one system.

6. Stakeholder coalition effects. A small issue can change category when journalists, employees, regulators, creators, investors, community leaders or organized advocates begin reinforcing one another.

7. Decision latency. In fast-moving situations, the reputational cost may come not from the original event but from slow escalation, unclear authority or contradictory action.

SECTION 03

What Leaders Should Measure

A modern reputation dashboard should distinguish volume from consequence. Artefact91 recommends five classes of indicator.

SIGNAL

unusual changes in conversation, search behaviour, complaints, stakeholder questions, creator activity, employee chatter or issue adjacency.

VELOCITY

how quickly the issue is moving across networks, geographies and stakeholder groups.

AUTHORITY

whether high-trust or high-consequence actors are entering the issue, including regulators, major journalists, institutional partners, executives, professional bodies and credible community voices.

EXPOSURE

which business objectives, relationships, permissions, revenues, people or strategic initiatives could be affected.

DECISION PRESSURE

whether the organization will soon need to choose, explain, correct, disclose, pause, escalate or change course.

Sentiment can remain one input, but it should not be treated as the decision itself.

SECTION 04

A 2027 Readiness Agenda

Boards and executive teams should ask for more than a crisis plan. They should require a reputation risk architecture.

First, establish an issue universe: the 10–20 developments capable of changing the organization's operating environment. Second, assign observable indicators and escalation thresholds. Third, map stakeholders by both influence and likely behaviour. Fourth, run scenario exercises in which information is incomplete and changes over time. Fifth, define decision rights before a crisis: who can approve a holding statement, operational pause, executive appearance, legal escalation or stakeholder outreach? Sixth, test whether public claims are supported by operational reality.

The objective is not prediction. It is preparedness for multiple plausible futures.

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Artefact91 Point of View

The organizations most resilient to reputation shocks will not necessarily be the organizations with the largest communications teams. They will be the organizations that reduce the distance between signal and decision.

Artefact91's working model is:

ARTEFACT91 WORKING MODEL

SIGNAL → INTERPRET → MODEL → DECIDE → ACT → MEASURE → ADAPT

Communications becomes more valuable when it helps leadership understand what is happening, what could happen next, what choices exist and how different stakeholders are likely to respond. The message comes after the decision architecture—not before it.

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Sources & Research Base

[World Economic Forum — Global Risks Report 2026]

[Edelman — 2026 Trust Barometer]

[Reuters Institute — Digital News Report 2026]

RESEARCH NOTE

This briefing synthesizes current public research and Artefact91 analysis. External statistics are attributed to their source. Strategic frameworks and recommendations are Artefact91's analytical interpretation and should be adapted to the facts, jurisdiction and risk profile of each engagement.