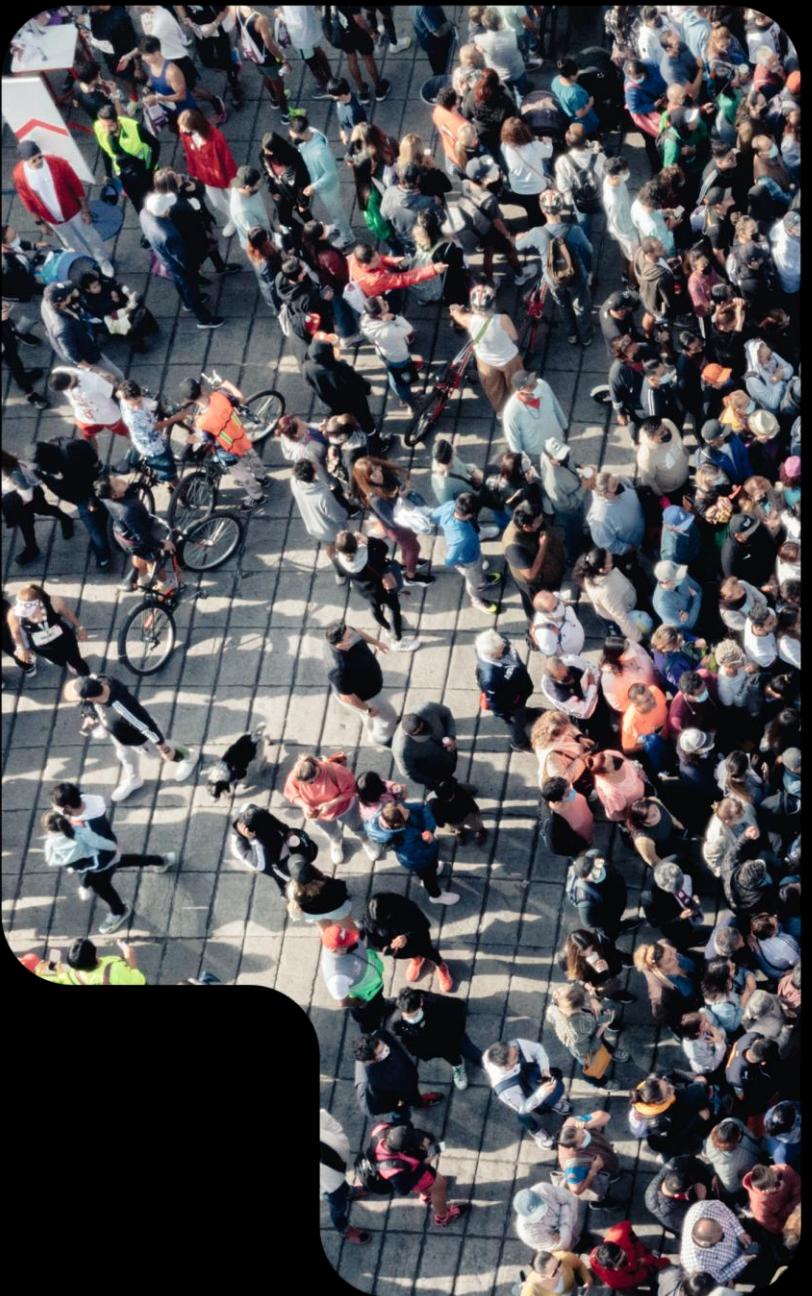




RISK, REPUTATION AND REWARD: A GLOBAL TRENDS REPORT



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EXECUTIVE SUMMARY

With 2025 in the rearview mirror, business leaders are now firmly focused on the year ahead.

Many of the likely challenges can, with some degree of confidence, be predicted. Others will take us by surprise.

Grayling's Global Trends Report aims to highlight some of the risks, and opportunities, confronting businesses in today's volatile and hyper-connected world – and help to hone corporate and media strategies.

It highlights how geopolitical tensions, notably Russia's war on Ukraine, the US/China rivalry and US ambitions in South America and beyond, will continue to weigh on the global economy while the policies of governments, especially across the EU, will add to the backdrop of rising costs and fiscal uncertainty.

The reputational risks posed by our ever-growing reliance on artificial intelligence adds another dimension of risk while a rapidly evolving and increasingly fragmented media landscape will elevate the need for agile and focused strategies.

Meanwhile, after a year in which the crippling impact of cyber attacks was laid bare, research by Grayling shows that four in five business leaders remain deeply concerned about digital security.

It is interesting that 62% of business leaders believe threats to business will increase in 2026 and yet nearly 85% feel very or somewhat optimistic about their business's growth prospects, with those in the UK, Spain, Germany and US among the most bullish.

I hope that this year's Trends report helps to inform and shape your strategy in the coming year and please do not hesitate to get in touch with any questions or comments.

Wishing you a successful year,

Richard Jukes



The outlook is complex and despite acknowledgement of risk businesses remain optimistic they will grow - focus, reputation and resilience will define how true that turns out to be.

Richard Jukes
Global CEO, Grayling

POLITICAL RISK

GLOBAL PERSPECTIVE

From geopolitical tensions and military conflicts to economic instability and social unrest, perhaps the only certainty in 2026 is uncertainty.

Businesses face a suite of ever-evolving risks and it will be crucial to look ahead, anticipate threats and plan accordingly. On the international stage, expect the shifting tectonic plates of geopolitics to contribute to further volatility in supply chains and costs.

Russia's war in Ukraine will continue to weigh on the global economy, while the potential for escalating conflicts in regions such as the Middle East and South America and growing tensions between China and Japan over Taiwan could further undermine global stability. When it comes to the US and China, the dust has settled on a tussle over tariffs but the threat to international trade will continue to evolve as strategic competition plays out in 2026 and beyond.

Across Europe, Grayling sees a shifting political landscape that is likely to become more fragmented amid signs of social unrest. The rise of far-right and far-left parties and an increasingly divisive tone of political discourse point to potential upheaval in the regulatory environment in which businesses operate.

In short, politics matters, and the need to anticipate change with a clear plan is non-negotiable for businesses.





55%

of business leaders
feel their current
government is
supportive of
business

18%

a notable minority in
both the US (18%)
and France (17%)
report no perceived
regulatory uncertainty

33%

of business leaders
cite government
regulatory and policy
changes as a top
threat to business in
2026 (highest-ranked
threat overall)

“

Europe’s political environment is more fragmented, cost-sensitive and exposed to shocks than in previous cycles. For business, effective public affairs engagement is now essential to manage regulatory uncertainty and uneven implementation across the EU.

Jessica Brobald

Managing Director, Grayling Brussels

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48%

of business leaders consider that government regulatory and policy changes pose a significant threat to their business in 2026

28%

of business leaders view political instability as the most significant threat to business

53%

are confident in their business' ability to navigate these threats in 2026

UK MARKET PERSPECTIVE

The UK enters 2026 in a period of heightened political fragmentation. The rise of Reform has reshaped political debate, amplifying demands for economic sovereignty, rapid policy delivery and visible enforcement. Even without parliamentary power, this influence is changing expectations of government and business.

Pressure on government to demonstrate economic progress quickly is increasing. Regulated sectors, including energy, infrastructure, technology and financial services, should expect greater intervention, closer scrutiny and stronger expectations of partnership. Businesses that align with national and local priorities will be better placed to secure support.



A whitewash in May will likely lead to a change at the top of the Labour party, while we will also have new governments formed in Scotland and Wales and the 'devolution revolution' continuing at a regional level. 2026 will undoubtedly be a year of great change and opportunity.

**Alan Boyd-Hall,
Head of Public Affairs, Grayling UK**



MEDIA LANDSCAPE

GLOBAL PERSPECTIVE

Media fragmentation has fundamentally changed how influence is built and tested.

Journalists remain important, but online creators, podcasters, and platform-native voices now shape public narratives at scale, often setting the agenda before traditional outlets respond. There's another critical factor: algorithms that now determine what content surfaces, and what spreads, with speed often outpacing verification.

In response, many organizations are optimising for reach and efficiency to remain visible in crowded feeds. But visibility alone no longer sustains influence. Credibility, trust, and message consistency are increasingly fragile as misinformation spreads and context erodes.

Success in 2026 will depend on balancing scale with credibility, and earning influence through clarity, consistency, and disciplined engagement rather than volume alone.





44%

of business leaders state expanding reach across online media channels as a media strategy goal

20%

only 1/5 believe **traditional** print media is the most effective channel for communicating to their key audiences

9%

less than 1/10 business leaders globally say building strong relationships with journalists is a key media goal for 2026

“

Media fragmentation is widely understood, but the priority is clear: organisations must think beyond reach to ensure they are discoverable, credible, and consistent in environments shaped by media and algorithms.

Esty Pujadas

CEO, North America, Grayling

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Trust is earned by sounding human, not institutional. Equip leaders to communicate clearly, quickly, and with vulnerability, while strengthening newsroom and creator capabilities.

James Clothier

Head of Crisis, Grayling UK



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44%

believe LinkedIn is the most important media channel for communicating business news to audiences

48%

consider expanding reach across online media channels as the primary focus for their media strategy in 2026

9%

of business leaders do not have a media strategy in place for 2026

UK MARKET PERSPECTIVE

The UK media environment is defined by mistrust, information overload, and fractured attention.

Audiences consume more content than ever but trust far less, turning to influencers, podcasters, and online creators for immediacy and authenticity, especially Gen Z, who favour human-led storytelling and AI tools over traditional outlets. For businesses, this creates reputational risk: wide reach comes with exposure to misinformation, misinterpretation, and deepfakes. Success demands transparency, clarity, speed, and partnerships with credible voices to engage disengaged audiences and earn trust.

ARTIFICIAL INTELLIGENCE

GLOBAL PERSPECTIVE

The global evolution of AI gathers pace and while mainstream integration of the technology is set to expand in 2026, the rate and depth of adoption will vary significantly between countries.

In the US, the Trump administration has made it a priority to lead and win the AI race to protect economic competitiveness and national security, with huge investments in key sectors, including technology and energy.

Grayling research suggests the vast majority (87%) of business leaders are trialling or integrating AI into their business amid expectations that the technology will fundamentally change their industry's competitive landscape by 2029.

However, concerns over privacy, impact on jobs, and ethical use of the technology look set to temper AI adoption with integration in sensitive areas such as digital identification delayed across the EU until December 2027.

Regardless of where in the world you operate, artificial intelligence will transform how businesses and brands reach and engage their audience.

Ranking high in AI recommendations as SEO evolves into Generative Engine Optimization must become a priority, alongside being ready for heightened scrutiny when it comes to ethical use of AI and striking the right balance between AI-generated and original content.





87%

of business leaders claim to be trailing or implementing AI in some way into their business, with a belief that AI will fundamentally change their industry's competitive landscape in the next 3.5 years, on average.

41%

cite integrating AI into legacy systems (41%) as the top barriers to larger-scale AI adoption include, followed by skills gaps (35%)

62%

feel concerned about the reputational risks AI poses to their business.

“

The greatest AI risk isn't getting it wrong — it's moving too slowly.

In a moment of rapid change, complacency looks like leadership failure, and that's the reputational cost businesses can't afford.

Nathan Kemp

Global Chief Innovation Officer, Grayling

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Trust in AI comes from transparency and accountability. Establish cross-functional governance, publish clear policies, and communicate openly about how AI supports people and drives better outcomes.

Billy Partridge,
Chief AI Officer,
Grayling UK

”



UK MARKET PERSPECTIVE

AI is reshaping work, communication, and business expectations in the UK, yet public trust in AI outputs remains low.

Companies face a paradox: move too slowly and risk falling behind, adopt too fast without transparency and risk credibility. Regulators, investors and younger audiences demand accountability, explainability, and human oversight. Organisations that lead responsibly - publishing clear principles, engaging openly, and demonstrating fairness - will earn trust, strengthen reputations, and gain a competitive edge in a rapidly evolving AI-driven landscape.

46%

consider regulatory uncertainty to be the biggest barrier preventing AI adoption

39%

of business leaders think that skills gaps remain a barrier

46%

believe AI will transform their industry within 1-2 years

CONSUMER TRUST & BRAND LOYALTY

GLOBAL PERSPECTIVE

The relationship between brands and customers has arguably never been more fragile and as we head into 2026, building and maintaining trust is one of the biggest challenges for businesses.

The cost-of-living crisis has placed a new premium on price and brands are under the microscope like never before as supply chains, working conditions and environmental impact are scrutinised by customers.

Those that connect with their audience on a firm footing of shared values and transparency, driven by campaigns that tap into genuine, human-centric experiences, stand the best chance of success.

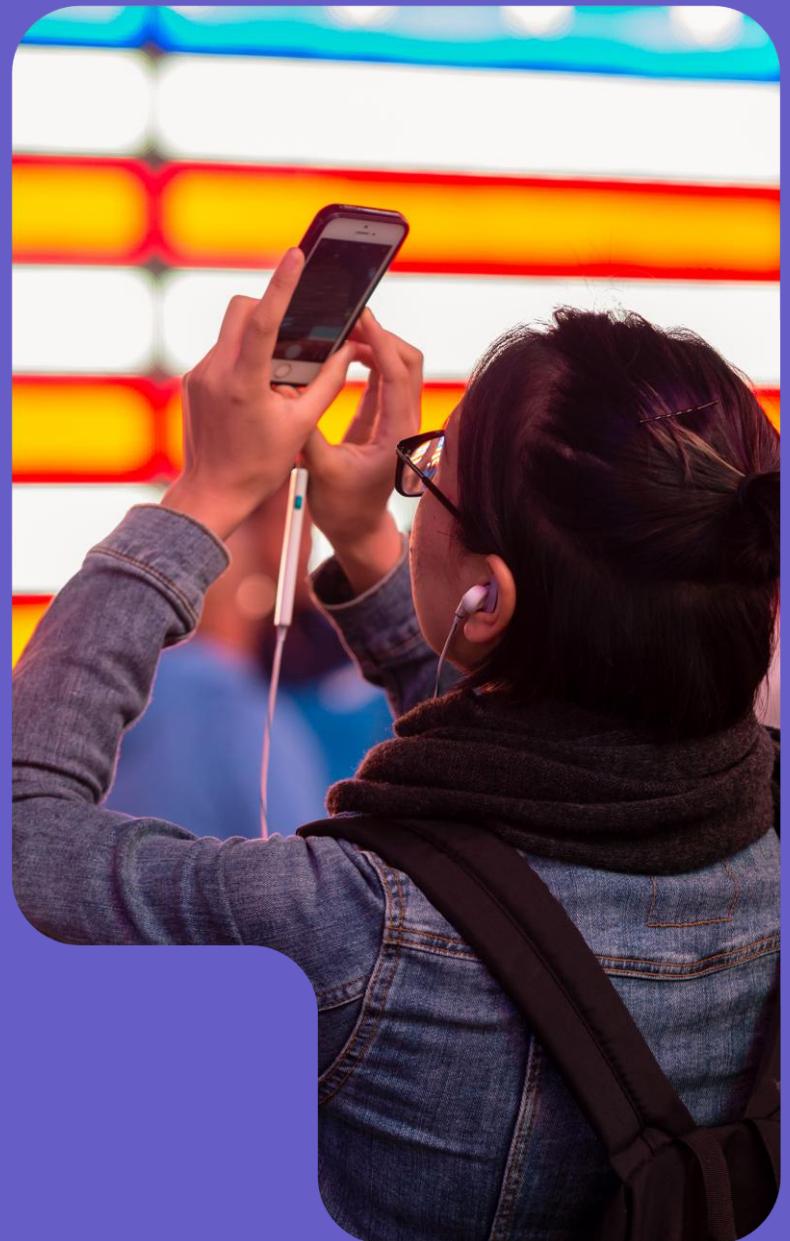
But rhetoric alone will not be enough.

Companies need to ensure full alignment between business practices and brand messaging to succeed in a market where consistency and accountability are non-negotiable.

In addition, AI technology is profoundly shaping how consumers discover and engage with brands in the digital space with optimised searches that recommend the most trustworthy and reputable.

As ever, a balance will need to be struck.

With reputation driving revenue, companies must balance technology with ethical, consistent, and human storytelling to gain a competitive edge.



90%

of business leaders say reputation has a direct impact on their bottom line

45%

business leaders cite customer ratings/reviews as the top factor for strong brand reputation, followed by business ethics (42%)

69%

agree that consumers are swayed by companies' leaders' when judging their reputation

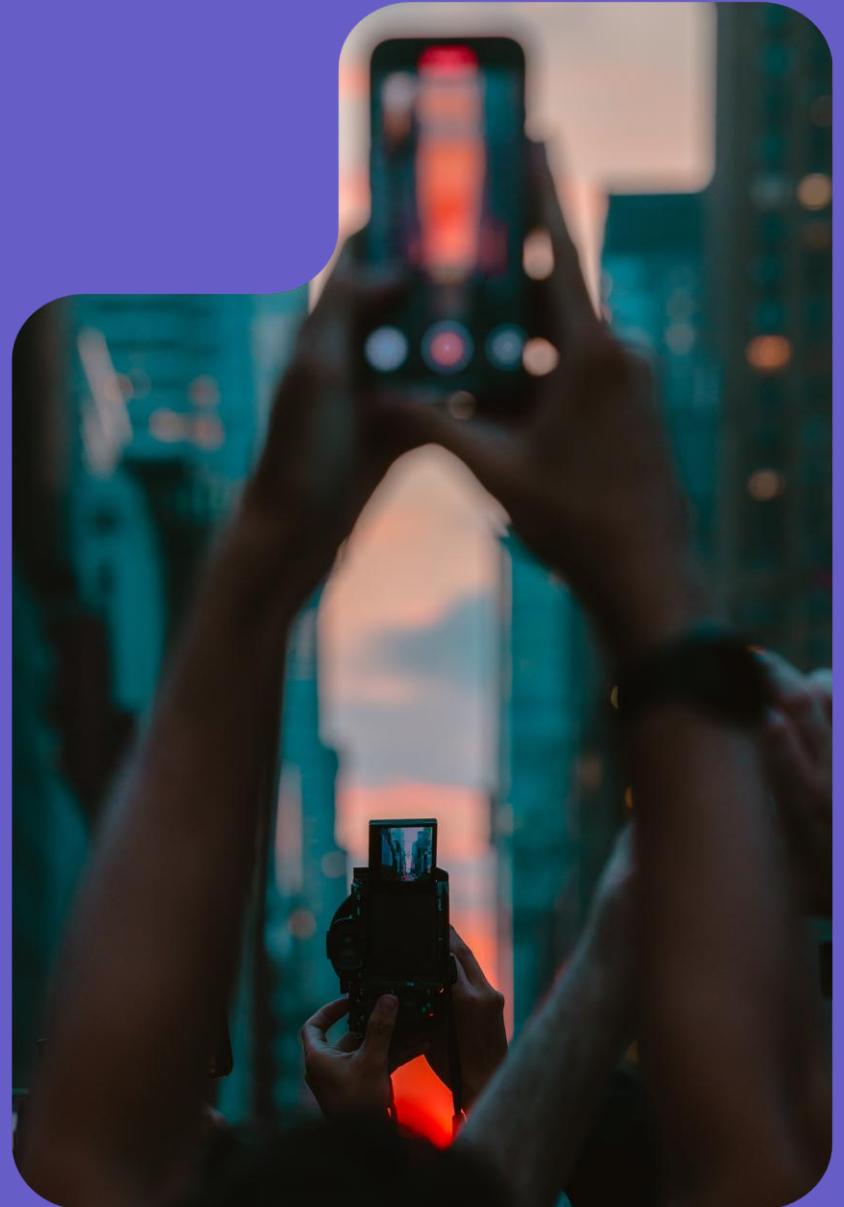
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Transparency and shared values are the currency of consumer loyalty. Brands that authentically align their actions with their promises - and can prove it - will thrive where others struggle to survive in today's scrutiny-driven marketplace.

Danny Tan

MD, Grayling Singapore

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Adopt radical clarity with measurable action. Build trust through transparency and consistency - showing your workings beats empty intentions.

Hollie Adamson

Head of Brand, Grayling UK

”

9%

consider recent crises as a factor determining how strong brand reputation is

69%

believe reputation influences customer decisions "Very much"

56%

strongly agree more time should be spent monitoring brand reputation

UK MARKET PERSPECTIVE

Consumer trust in the UK is fragile, shaped by economic strain, inconsistent information, and political volatility. Traditional loyalty mechanisms are weakening as audiences prioritise clarity, value, and transparency over heritage or polish.

Brands that simplify offerings, demonstrate genuine sustainability, and engage with communities build deeper loyalty. Organisations that communicate clearly, act with humility, and provide tangible evidence of their claims will earn trust, strengthen resilience, and outperform those relying on broad-purpose messaging in a market increasingly driven by honesty, relatability, and accountability.

ENERGY & SUSTAINABILITY

GLOBAL PERSPECTIVE

Businesses face elevated risks in the year ahead as governments juggle the renewable energy transition with grid capacity, energy price volatility and geopolitical tensions.

Russia's war in Ukraine is likely to continue to disrupt supply chains, threatening stability, operational reliability and long-term planning.

High energy costs are set to remain a challenge for many businesses in the year ahead, especially in countries such as the UK, Poland and Spain where levels of concern are among the highest.

Across much of Europe, however, the emphasis in 2026 will be scaling up infrastructure to accommodate the rise in green energy and electricity demands driven by the rapid growth of AI and data centres.

In many ways, it will be business as usual for firms; in a climate where trust in information is fragile, authenticity and clarity should be the cornerstone of communications.

The phased rollout of the EU's Corporate Sustainability Reporting Directive extends to small to medium companies in 2026 and will allow greater public scrutiny of companies' green credentials.

For corporate affairs professionals, the ability to integrate sustainability into core strategy, manage complex reporting requirements and demonstrate genuine resilience will be essential for maintaining competitiveness and a "social license to operate".





45%

of all business leaders,
said that
environmental
sustainability will be
more of a priority for
their corporate
communications in
2026

58%

of leaders cite
government policy as
the leading driver of
an increased focus
on environmental
sustainability in
communications

76%

of business leaders
are concerned
about the impact
of rising energy
costs and supply
instability

“

Energy volatility and regulatory expansion demand more than compliance, they require strategic foresight. Companies that transparently integrate sustainability into operations, not just communications, will secure both market position and stakeholder confidence in uncertain times.

Peter Fecko
Regional CEO, Grayling CEE

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UK MARKET PERSPECTIVE

The UK faces structural challenges in energy security, infrastructure resilience, and net-zero transition, with trust central to all. Support for clean growth is strong but conditional, requiring clear long-term planning, consistent policy, and predictable regulation.

Simplifying systems, improving coordination, and enabling faster, transparent decision-making are seen as essential for investment, particularly in renewables and grid modernisation. Public confidence depends on authenticity and clarity: people expect economic opportunity, local engagement, resilience, and lower long-term costs, reinforcing that credibility and transparent communication are more important than ambition alone.



56%

of government policy drove prioritisation changes in environmental sustainability in 2026 comms

87%

of business leaders are concerned about energy costs and supply instability in 2026

36%

are very concerned about the impact of rising energy costs and supply instability

The UK is mid-transition with rising bills and new infrastructure straining the political consensus around net zero. To keep support, three tests must be met: affordable power, secure supply in an uncertain world and infrastructure that keeps pace with demand.

Ross McWilliams
Director, Grayling Energy

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CONCLUSION

The risks facing businesses in 2026 are, in many respects, broadly familiar.

Geopolitical tensions and the actions of governments will continue to disrupt economies, unsettle markets and breed uncertainty while the need for brands to act ethically and transparently under the glare of social media will only increase in the year ahead.

But in a world increasingly shaped and driven by technology, corporate reputations are perhaps more fragile than ever.

The adoption of artificial intelligence is set to accelerate with the promise of efficiencies but businesses that fail to embed robust governance or plan for worst-case scenarios, are vulnerable to reputational damage.

Additionally, the threat of cyber attacks and the significant harm that can be inflicted on brands rightly concerns many business leaders.

In a fast-changing world – and a risk landscape that is shifting with equal pace – corporate affairs leaders cannot afford to rely on reactive crisis management.

The need to think ahead and anticipate what might be around the corner has never been more important.

Strategic agility and the need for businesses to cultivate a strong, ethical culture with transparent communication, is an imperative.

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Reputation risk in 2026 demands strategic foresight. Businesses must proactively embed governance, anticipate technological disruption and ensure their ethical foundations are resilient enough to withstand unprecedented scrutiny and complexity.”

Heather Blundell
UK CEO, Grayling



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GET IN TOUCH

THANK YOU FOR READING OUR REPORT.

If you'd like to discuss how Grayling can support you in navigating these shifts and strengthening your reputation in 2026, please get in touch with:

Richard Jukes, Global CEO, Grayling:
Richard.Jukes@Grayling.com.

CONTACT US

GRAYLING
creating advantage

ABOUT GRAYLING

Grayling is the world's local communications agency. With 30 offices around the world, it has the reach, influence and infrastructure of a global agency, with the creativity, connections and cultural know-how of a boutique. Combining a breadth of expertise across consumer, corporate, public affairs, digital and creative services, with proprietary technologies and an inclusive culture, Grayling develops and delivers award-winning communications campaigns that create advantage for its clients. Grayling is part of Accordience, alongside Citigate Dewe Rogerson, Red, and Cirkle.

Find out more at www.grayling.com.