
Winning in the New Reputation Economy

2019 Global RepTrak®

7 March, 2019



Focus For Today



- RepTrak Methodology
- Setting the Scene: New Era for Reputation
- Big Picture: Year-on-Year Trends
- Digging Deeper: Creating Assurance
- Reveal of the 2019 Global RepTrak® 100
- Reputation Spotlights: Learning From Key Companies
- Beyond the Global RepTrak® 100

Introducing Reputation Institute

“Global leader in reputation intelligence.”

- Founded in 1997 we have been measuring reputation for more than 20+ years
- Our proprietary reputation measurement system is **RepTrak®**
- We measure more than 7,600 companies per year, across 50 countries, and 20+ different industries
- We help organizations answer the following three key questions:
 1. What is my reputation and how does it compare?
 2. How can I improve and protect my reputation?
 3. What is the business impact of better managing my reputation?



Gauging Reputation: RepTrak®

THINK

REPTRAK® DIMENSIONS Cognitive Consideration

PRODUCTS & SERVICES
INNOVATION
WORKPLACE
GOVERNANCE
CITIZENSHIP
LEADERSHIP
PERFORMANCE

FEEL

REPTRAK® PULSE Emotional Connection



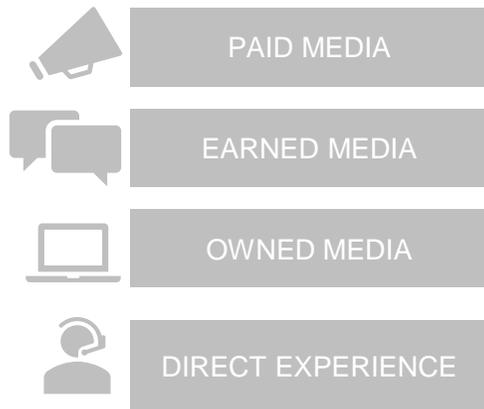
DO

BEHAVIORIAL INTENTIONS Reputation Outcome

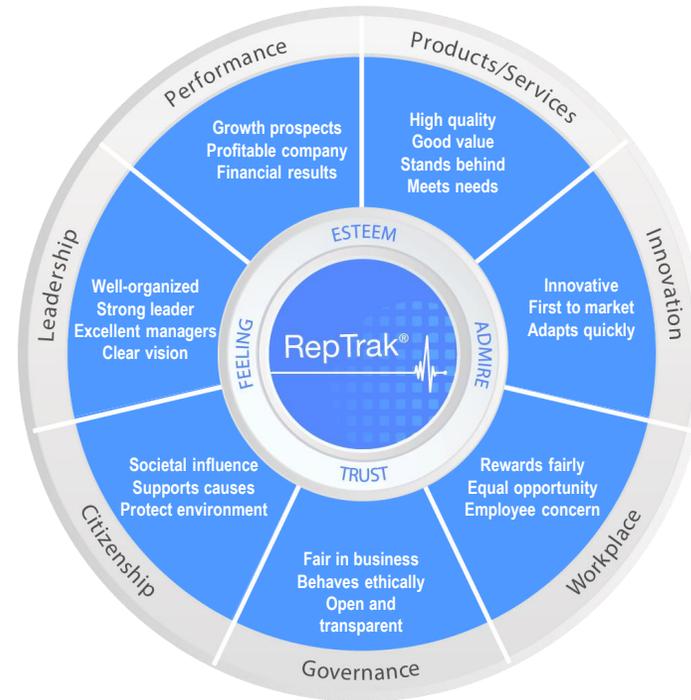
PURCHASE
ADVOCATE FOR
ACCEPT
DEFEND
WORK FOR
INVEST IN

How Media Impressions Impact Reputation

IMPRESSIONS



PERCEPTIONS



INTENT



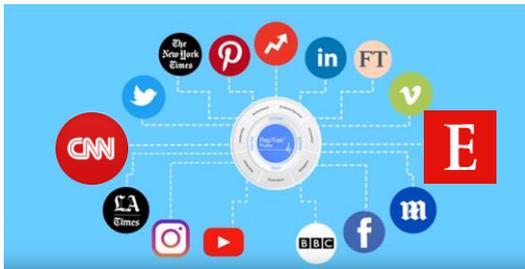
KPIs



Need to Understand the Media Narrative

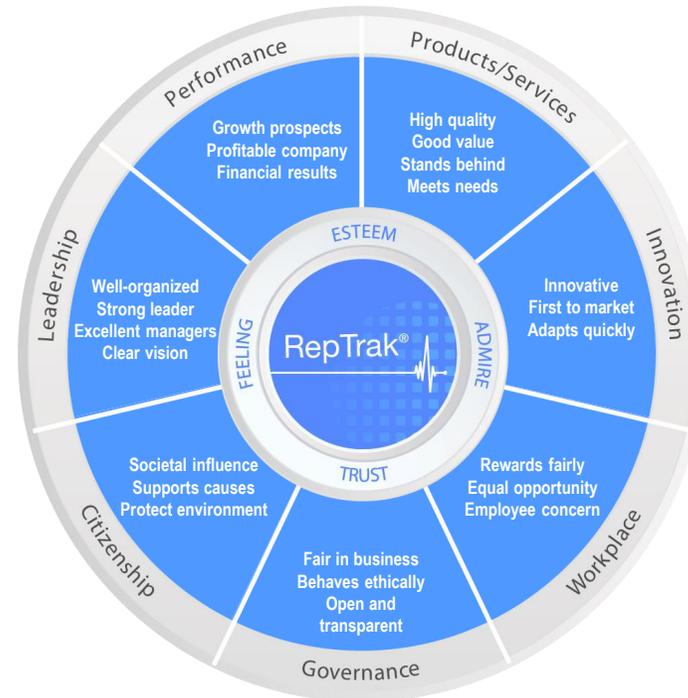
IMPRESSIONS

Media RepTrak® Mining



Impact of media pressure

PERCEPTIONS



INTENT



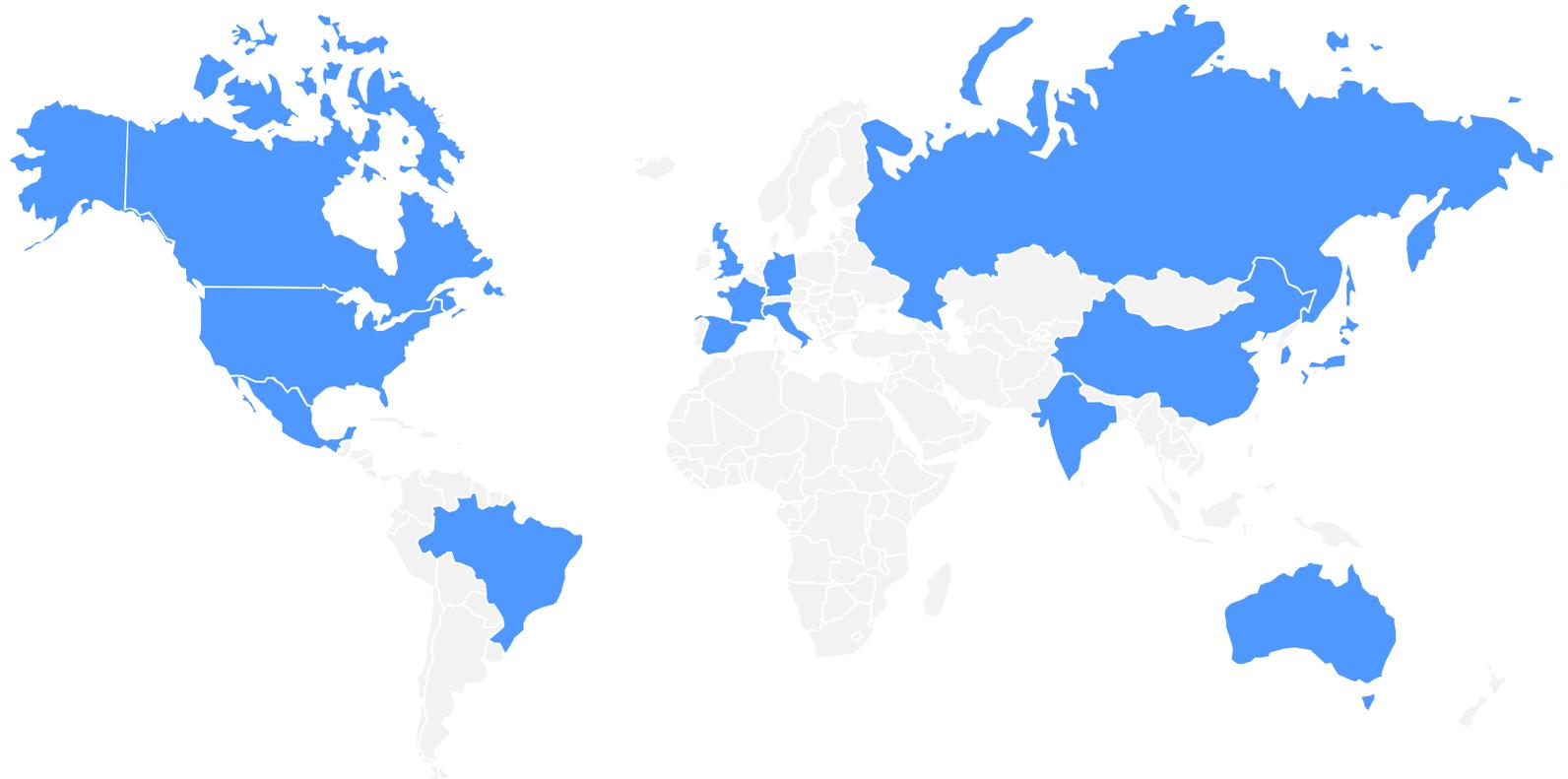
KPIs



Gauging Reputation: Global RepTrak®



AUSTRALIA • BRAZIL • CANADA • CHINA • FRANCE • GERMANY •
INDIA • ITALY • JAPAN • MEXICO • RUSSIA • SOUTH KOREA •
SPAIN • THE UNITED KINGDOM • THE UNITED STATES



2019 Global RepTrak® 100

230,000+

Individual ratings

140+

Nominated Companies

Informed
General Public

Somewhat or very familiar

Familiarity

Overall familiarity of > 20% and
> 20% familiarity 5+ markets

2 months

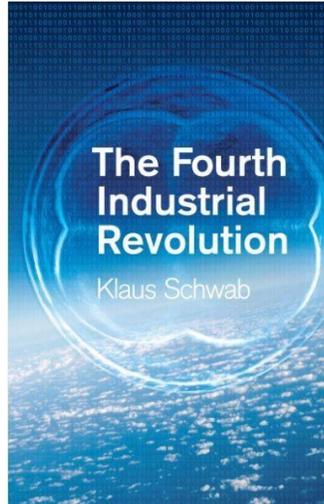
January-February 2019

“The largest normative database on corporate reputation in the world.”



Setting the Scene: *New Era for Reputation*

We're in a New Age for Reputation



“**The Fourth Industrial Revolution** is disrupting almost every industry in every country and creating massive change in a non-linear way at unprecedented speed.”



Bernard Marr
Forbes:
“The 4th Industrial Revolution Is Here - Are You Ready?”
August 2018



An Era of Elevated Reputation Risk



We are at a global strategic inflection point.

The internet of things, cyber physical systems, AI, the environment, global trade tension, changing human values, and desire for enhanced connectivity are fueling change.

There is increased risk to companies.

Implications: Reputation Judgement Day

Following last year's reputation decline in trust, companies are on trial in the court of public opinion.

It's a time of “**reputation judgement day**” when companies are scrutinized on all aspects of their company – ethics, leadership, values, and beyond.

To avoid risk, companies must know how to proactively manage reputation, deliver on stakeholder expectations, and mitigate against risk by **delivering on reputation assurances**.



Judgement is Passed Publicly and Quickly



“...all large institutions of any kind, whether they be government agencies, nonprofits, universities, and certainly including *big corporations, deserve to be inspected and scrutinized.* It’s normal.”

Jeff Bezos, Amazon CEO



“*Nike’s stock falls after Duke star is hurt as his sneaker comes apart*”

CNN



The Penalty For Loss of Reputation is Severe

Uber

*“We know from the underreporting of incidents by CNN and others as just one example, **the cost to the brand and reputation** of Uber by a single case can cost the company **millions of dollars in lost revenue** from riders who hold a lasting impression that we are unsafe and not worthy of their **trust**.”*

Source: Internal Uber memo on incident caseloads



Big Picture: *Year-on-Year Trends*

Reputation Change in 2019: Global RepTrak® 100

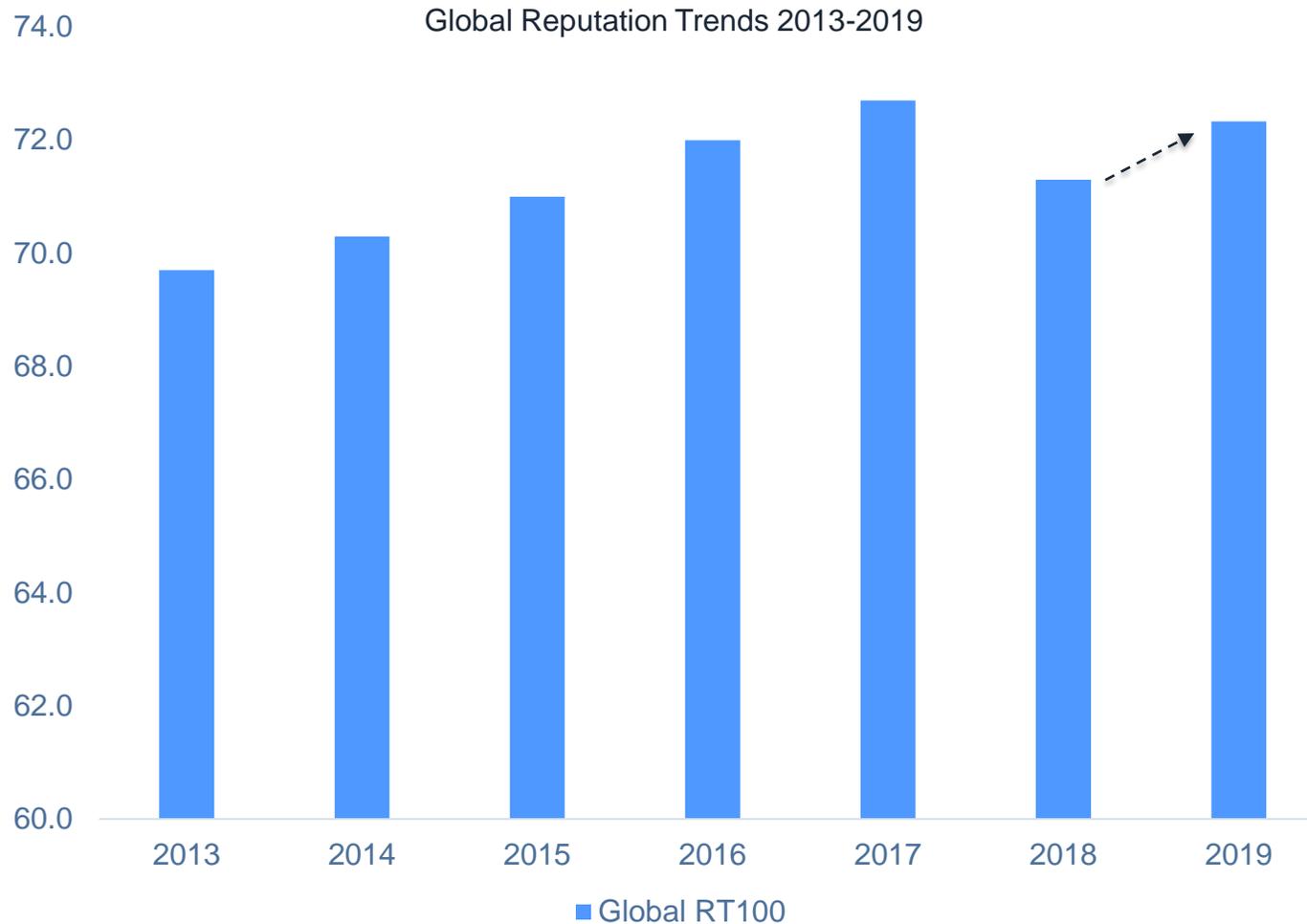


There was an increase in reputation
versus the previous year:

+1.0 pts

Significant difference > 0.9

Trendline in Global RepTrak® 100

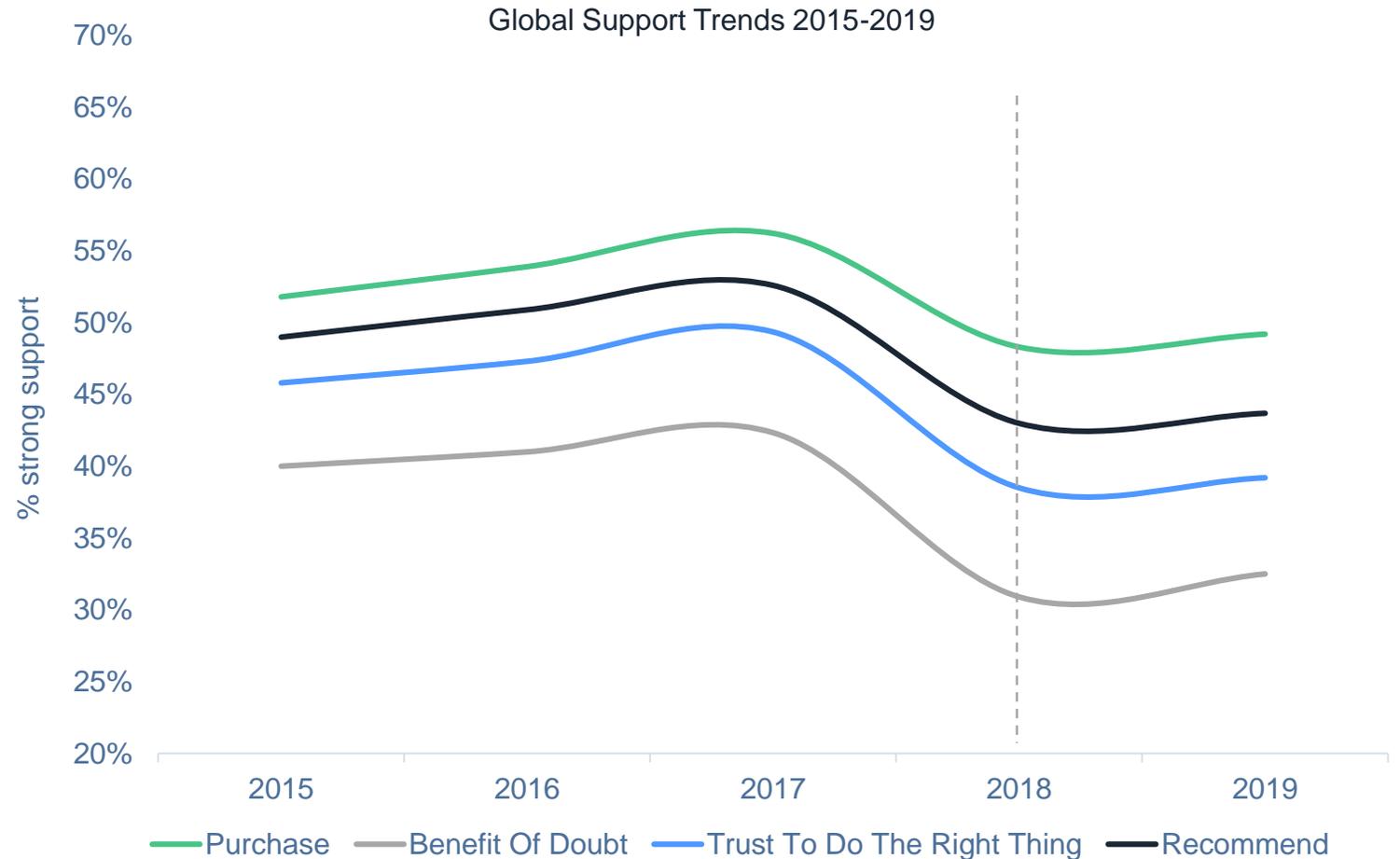


Despite economic and geo-political uncertainty there are early **signs of reputation recovery** – the threat of a reputation recession is averted.

Significant difference > 0.9

Recovery Translates Into Slight Increase in Support

Lack of assurance meant that overall company support did not bounce back to the high levels of 2017.



Companies Are Slow to Regain Assurance

Marginal increase in support when it comes to “benefit of the doubt”:

+1.6% pts

Benefit of the doubt



% point difference is the 2019 vs 2018 T2 box (respondents who give a score of 6 or 7 on a 1-7 scale)

Purchase Loyalty is Even Slower to Recover

With recovery there is a
only a marginal increase
in purchase intent:

+0.9% pts

Willingness to purchase



% point difference is the 2019 vs 2018 T2 box (respondents who give a score of 6 or 7 on a 1-7 scale)

Company Recommendation Increase is Negligible



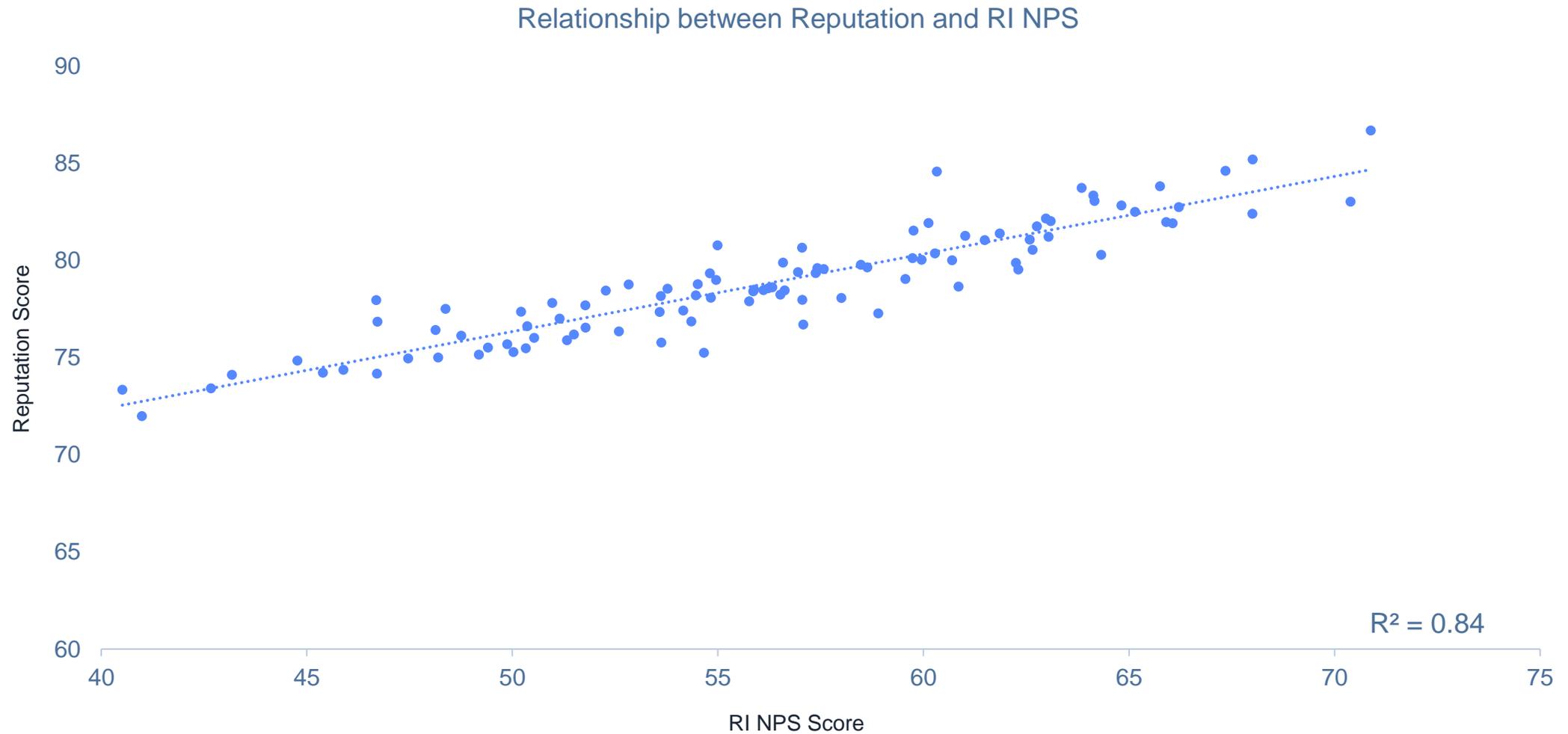
Slight increase in levels of
company recommendations:

+0.7% pts

Willingness to recommend

% point difference is the 2019 vs 2018 T2 box (respondents who give a score of 6 or 7 on a 1-7 scale)

Relationship Between Reputation and NPS



Lack of Reputation Assurance Inhibits NPS Increase



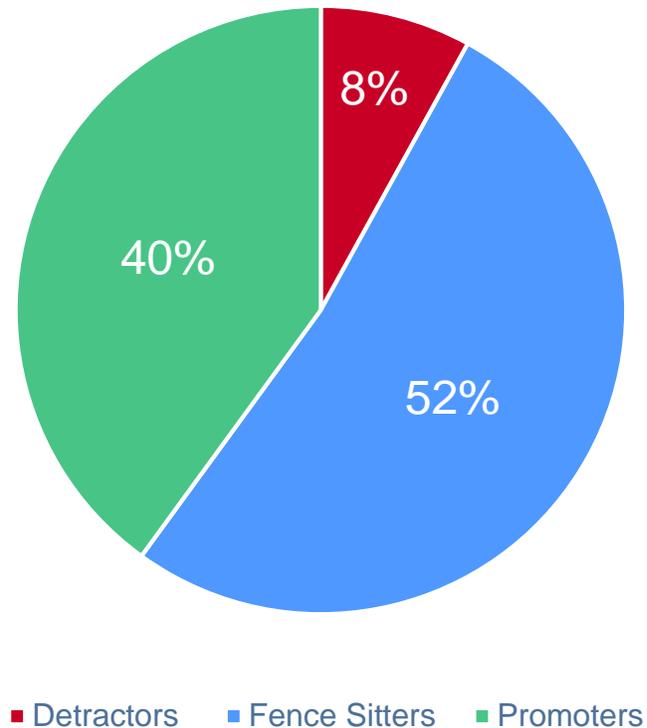
The overall NPS score of companies measured:

+0.8 pts

RI NPS Score YoY change

Majority of the World is Doubtful of Companies

Global Levels of Detractors, Fence Sitters and Promoters (2019)



52% are “fence sitters”
– they are less likely
to give companies
benefit of the doubt.

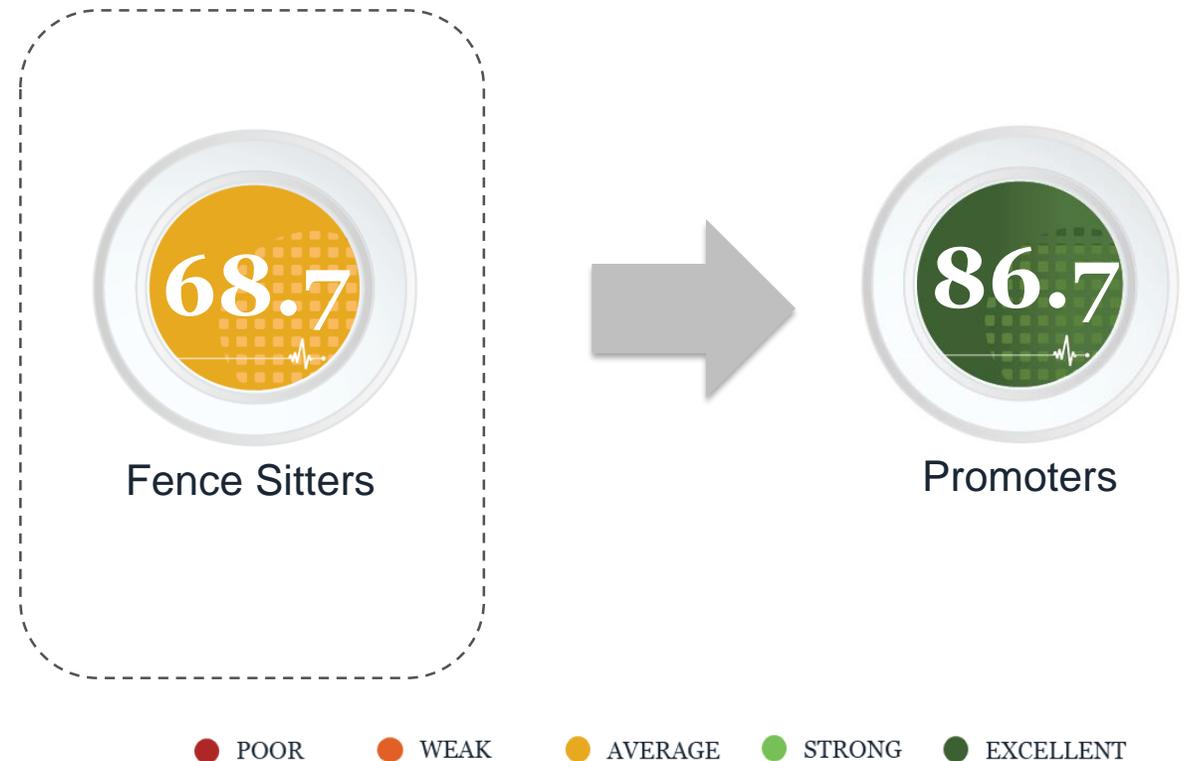
Note: Fence Sitters are those who are unsure and/or neutral in their support

Building Assurance Among Fence Sitters Pays Dividends

Generating assurance to reduce doubt and create promoters pays reputation dividends:

+18.0 pts

Pulse Overlay- Impact of Benefit of the Doubt



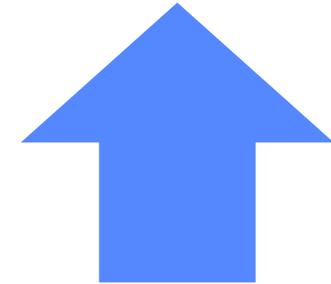
Note: Fence Sitters are those who are unsure and/or neutral in their support Significant difference > 0.9

*Digging Deeper:
Creating Assurance*

Opportunity to Create Reputation Assurances



- Focus on Enterprise
- Deliver on CR
- Leveraging Leadership
- Express Your Story
- Put Humanity First
- Engage Market Influencers

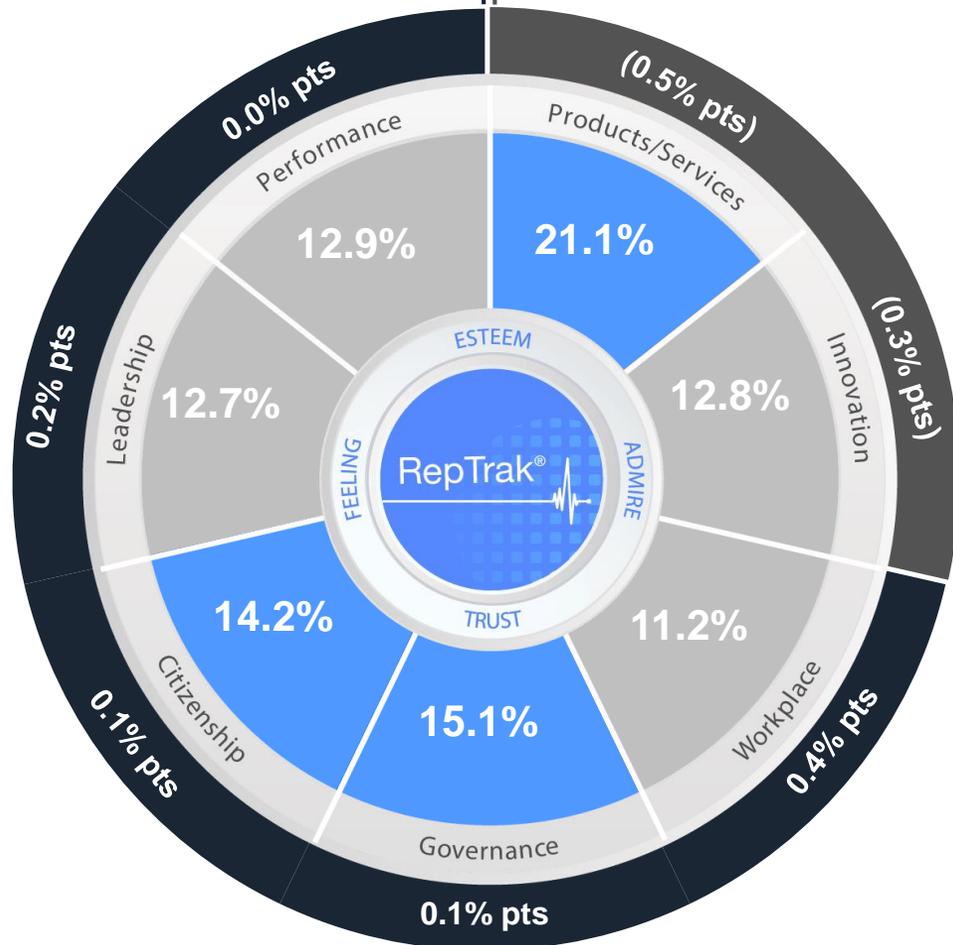


Focus on Enterprise

Who you are matters more than what you sell

Can't Win on Reputation on Just Products/Services

66.1% Enterprise • **Product 33.9%**



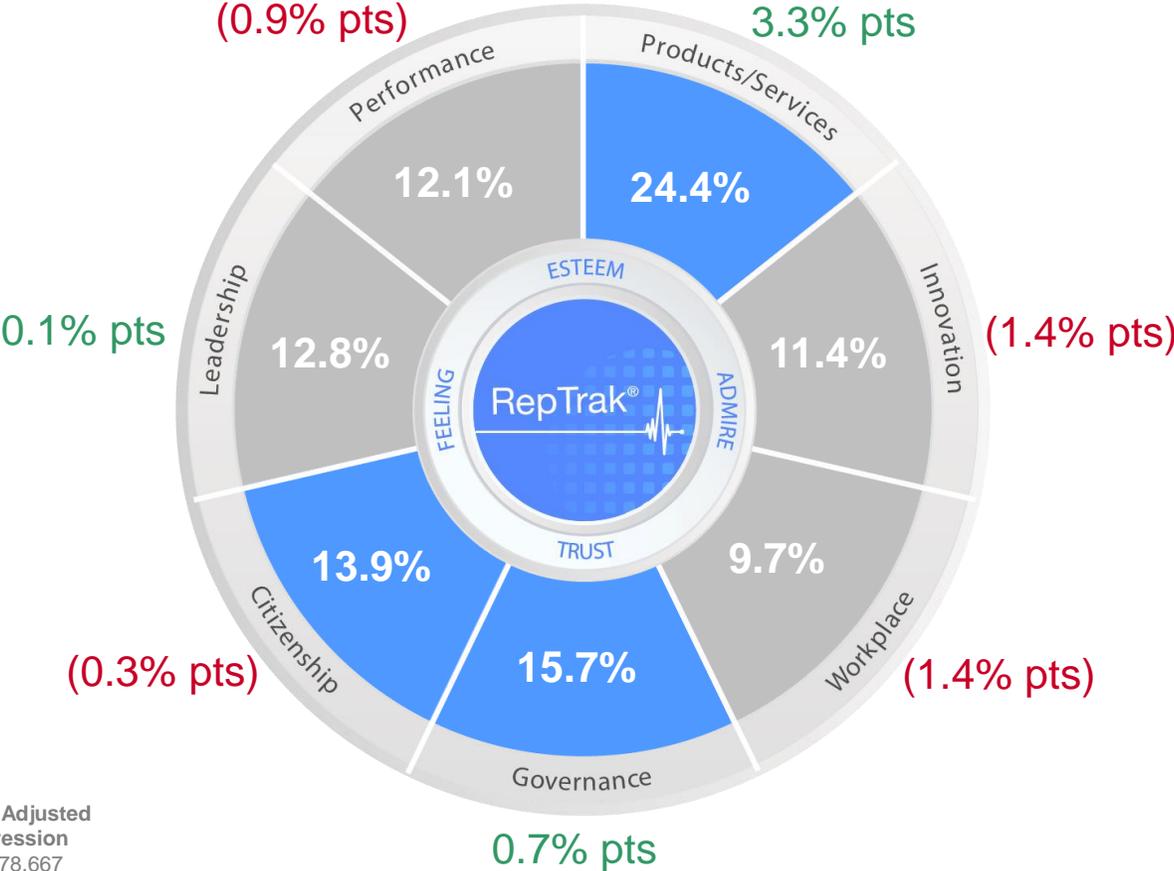
Enterprise dimensions are increasing in importance – while product related dimensions are declining.

In 2019, perceptions of enterprise – who you are – drives two thirds of corporate reputation vs. what you sell which accounts for only a third.

Factor Adjusted
Regression
N = 149,965
Adj-R² = 0.66

Governance, Citizenship, and Products/Services Are Key

2019 Global Drivers for Fence Sitters
(vs. All Respondents)



Factor Adjusted
Regression
N = 78,667
Adj-R² = 0.40

For Fence Sitters:
Delivering on the dimensions
of good Governance and
Citizenship and Products /
Services is highly important.

Deliver on CR

Be responsible in all aspects of your business

Increase in Corporate Responsibility Fueled Recovery

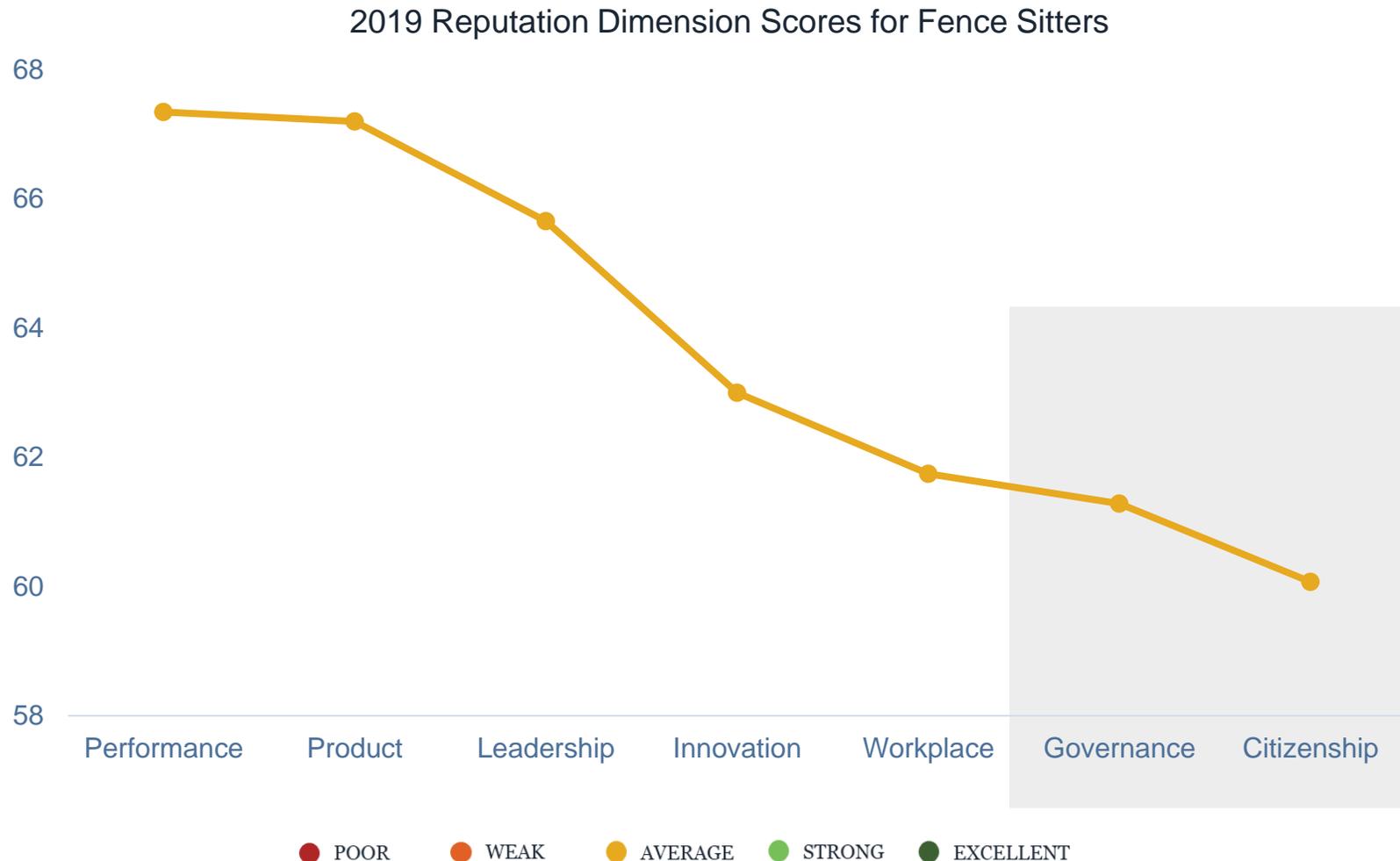


Reputation recovery is most driven by increases in Corporate Responsibility – Workplace, Governance and Citizenship; but most companies are average on CR indicating further upside opportunity.

Significant difference > 0.9

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Need to Increase Governance/Citizenship With Fence Sitters



For Fence Sitters:
Increasing perceptions of Governance and Citizenship can yield even higher returns – companies score lowest on these dimensions among Fence Sitters.

Opportunity to Enhance Governance and Citizenship Drivers

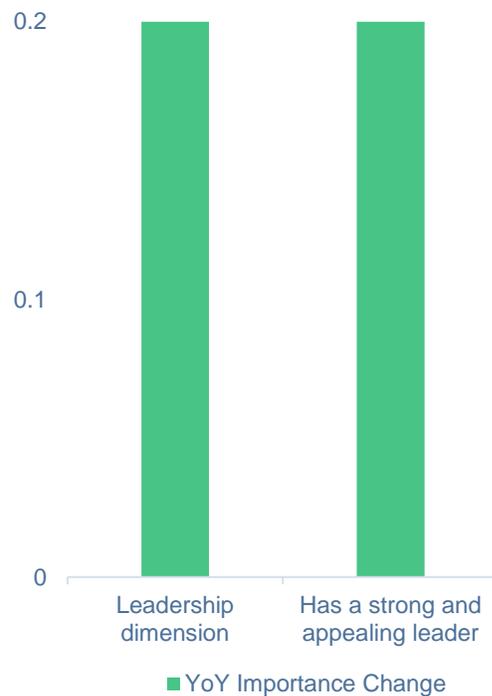


Leveraging Leadership

CEOs matter more and can establish assurance

Perceptions of Leadership are Amplifying Reputation

Leadership is becoming more important...



...as CEOs play a crucial role in shaping overall corporate reputation



CEOs Accelerate Reputation Recovery and Enhance Trust

Consistent with what matters most for reputation, the perceptions of CEOs as “responsible, ethical and caring” has globally increased **+ 3.0 points**



CEO Reputation	➔	+2.9 pts
CEO Leadership	➔	+1.5 pts
CEO Responsibility	➔	+3.0 pts
CEO Management	➔	+1.4 pts
CEO Influence	➔	+2.4 pts

Significant difference > 0.9

Express Your Story

Speak to your corporate brand purpose and values

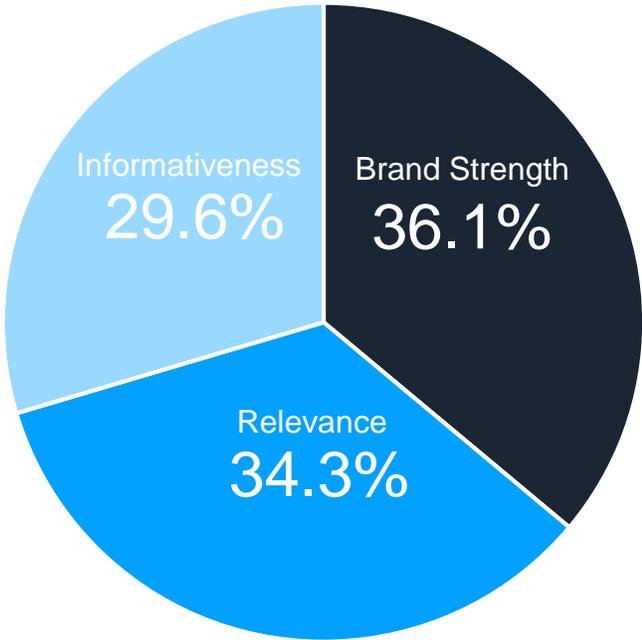
Let Your Brand Purpose Drive the Narrative

*“Every company needs a framework to navigate this difficult landscape...it must begin with **a clear embodiment of your company’s purpose** in your business model and corporate strategy. Purpose is not a mere tagline or marketing campaign; it is a company’s fundamental reason for being – what it does every day to create value for its stakeholders. Purpose is not the sole pursuit of profits but the animating force for achieving them.”*

Larry Fink, BlackRock CEO

Tap Into the Power of Brand Strength, Be Relevant

Expressiveness Weights

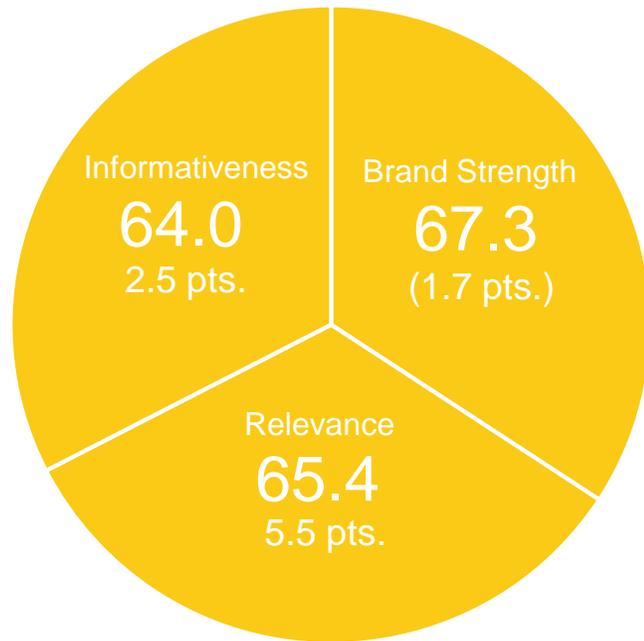


- **Brand Strength:** unique, consistent, genuine
- **Relevance:** relevant communication, open exchange, value alignment
- **Informativeness:** frequent / sufficient communication

The power of purpose and **expressing your corporate brand strength** in a unique, genuine, and consistent way can have the biggest impact on reputation – while being relevant also matters.

Most Companies Are Average in Brand Expression

Expressiveness Scores vs. YOY Change



● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

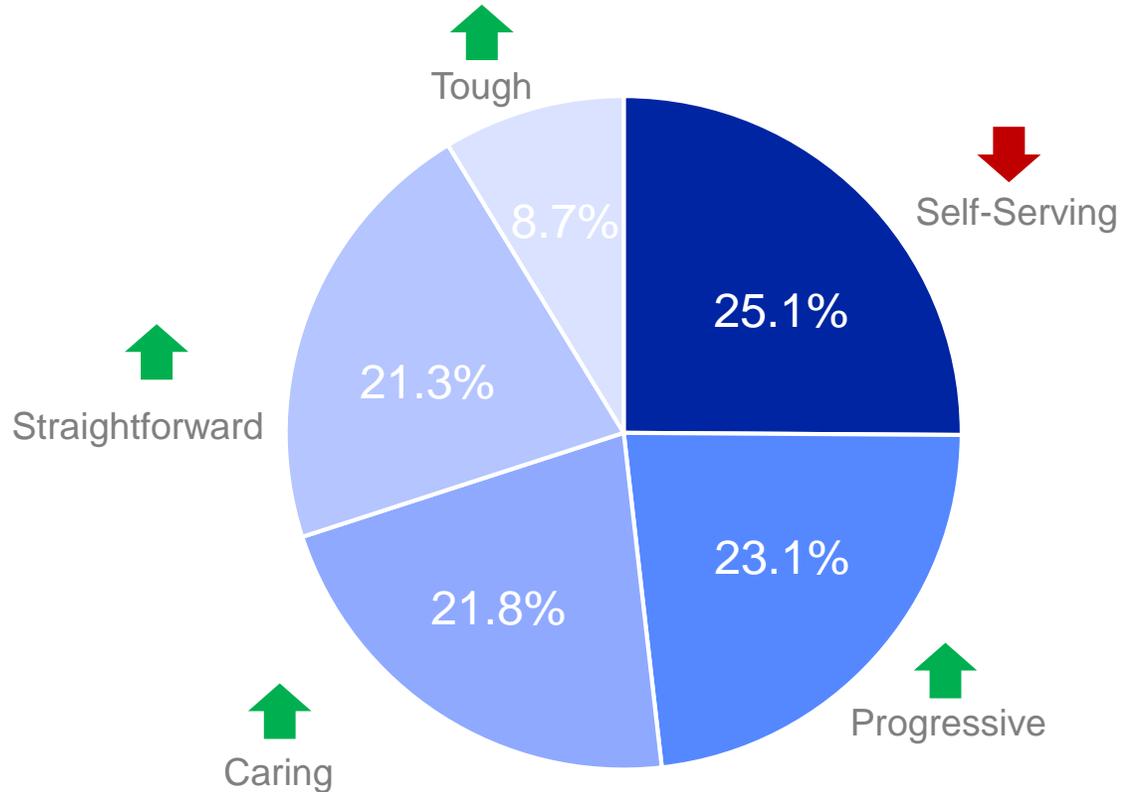
Overall few companies excel in effectively expressing their corporate narrative – while most have improved on relevance and informativeness, companies have **lost traction on brand strength.**

Put Humanity First

Caring and honest are qualities that breed success

Be Progressive, Embrace Humanity

Brand Persona Impact on Reputation Score



Progressive: tech-savvy, intelligent, modern

Caring: charming, nurturing

Straightforward: down-to-earth, fair

Tough: aggressive, daring

Self-Serving: greedy, arrogant

Self-serving platitudes have a negative impact on reputation – being viewed as progressive is the most resonant persona – caring and straightforward also matters.



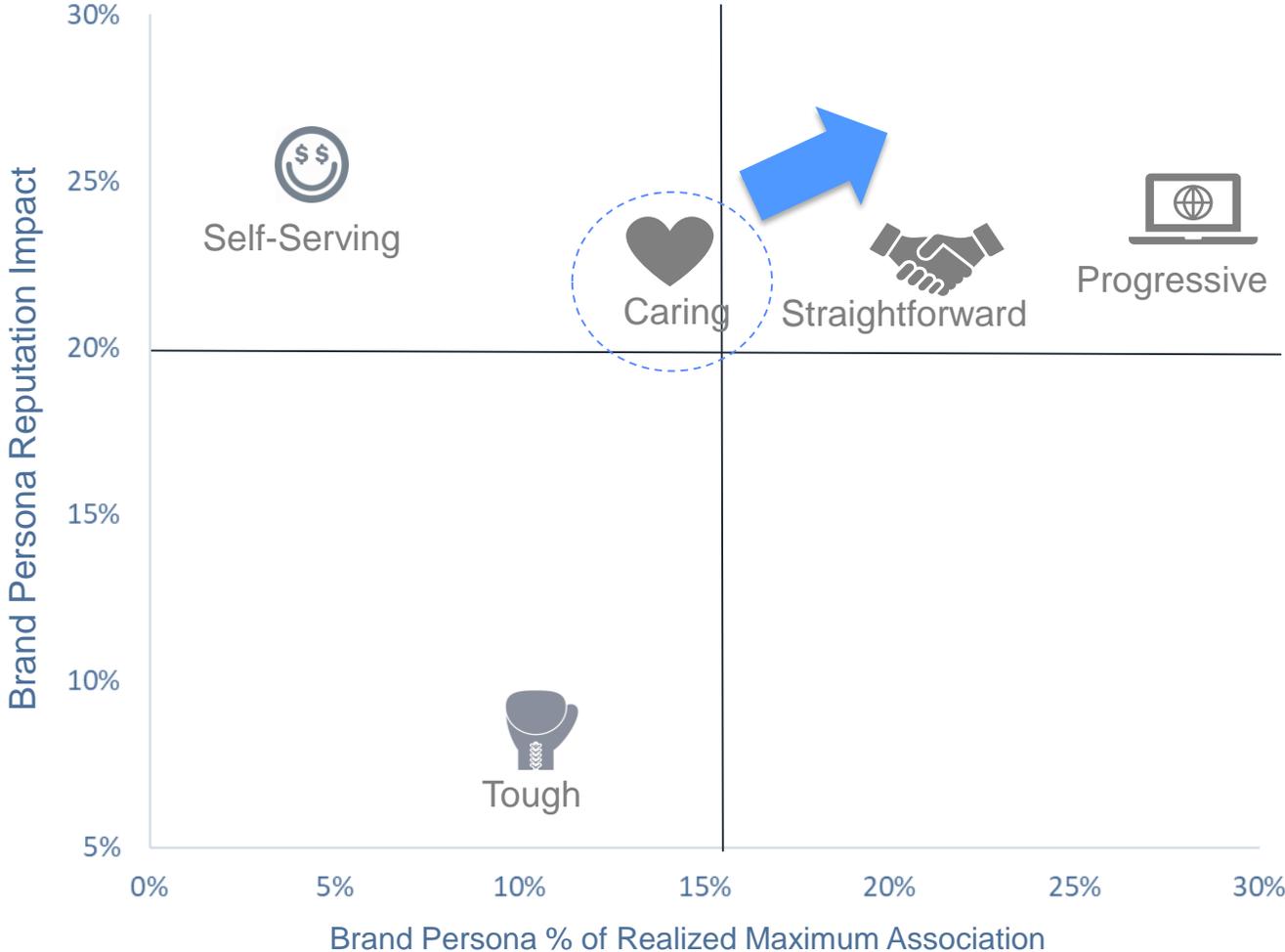
Positive impact on reputation



Negative impact on reputation

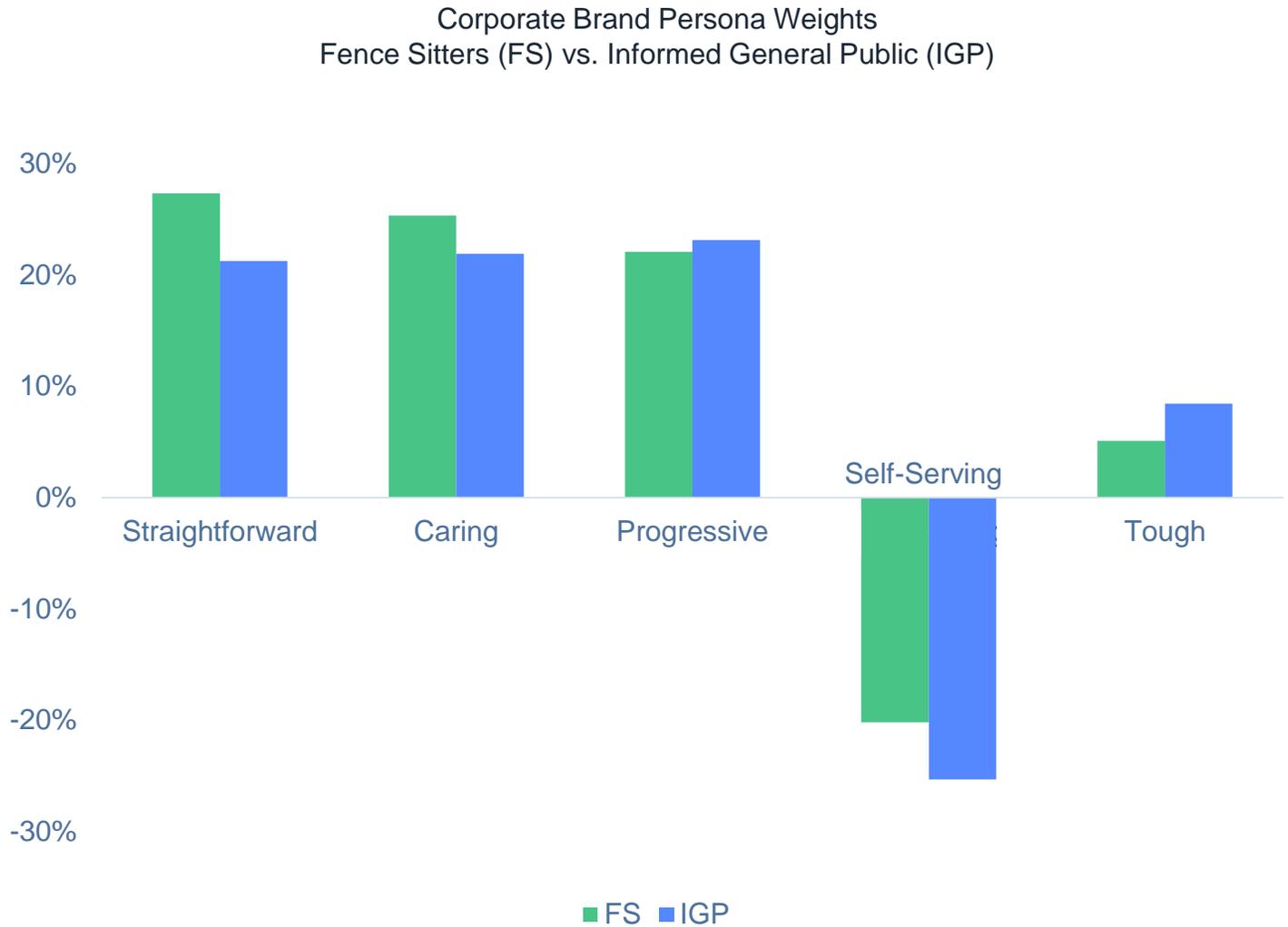
Companies Need to Especially Be More Caring

Corporate Brand Persona Weights vs. Association



Companies are most likely to be progressive. The highest opportunity exists to increase feelings of caring to further drive reputation increases.

Caring/Straightforward is Crucial for Fence Sitters



Being perceived as more Straightforward and Caring is critical in driving positive impact among Fence Sitters.

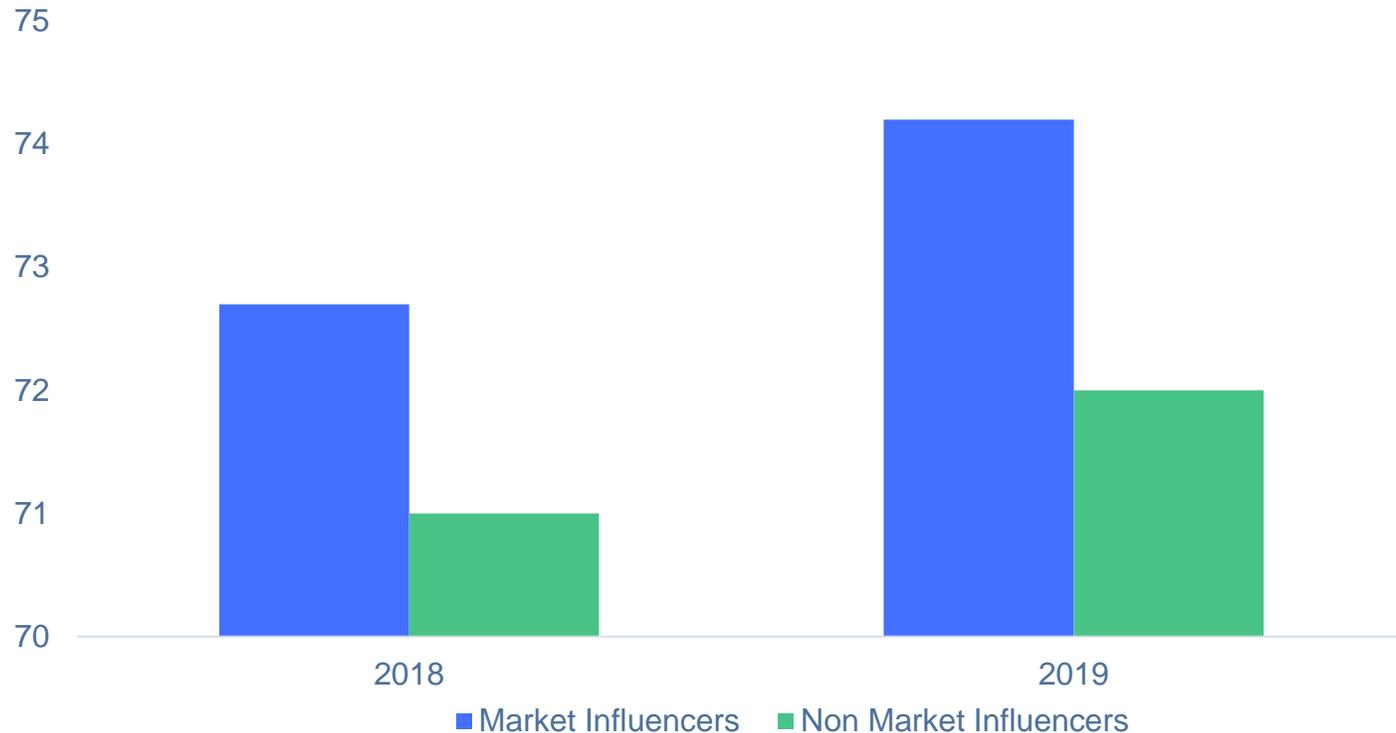
Engage Market Influencers

Influence the influencers to spearhead reputation recovery



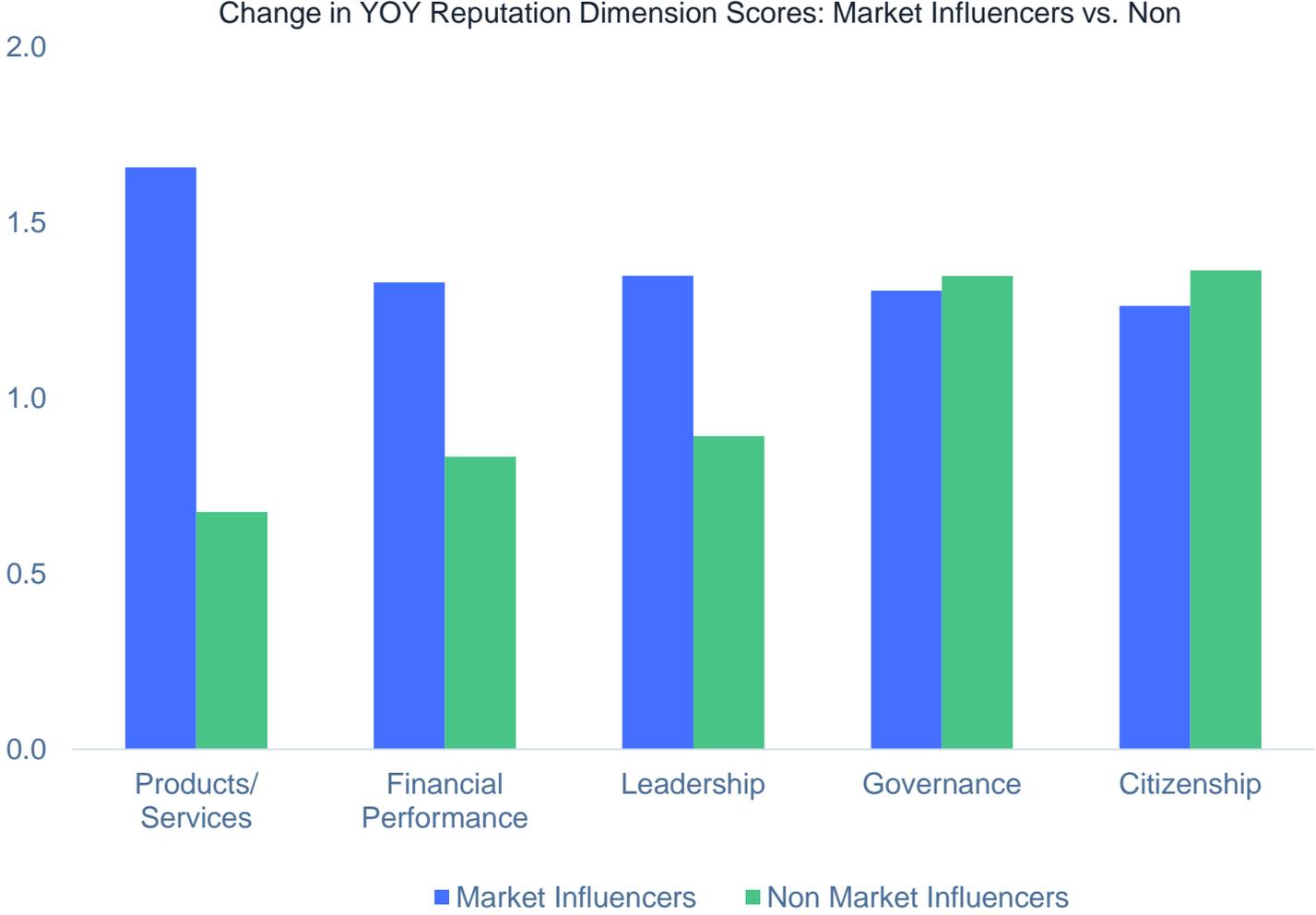
Market Influencers are Leading Indicators of Reputation

Company Reputation Scores: Market Influencers vs. Non Influencers



Market Influencers lead the way in driving the overall positive change for GRT100 companies, as **the tipping point** for reputation.

Perceptions of Governance and Citizenship Lag



Market Influencers:
Evident improvement on Products and Services, Financial Performance, and Leadership – but upside opportunity to do better on good Governance and Citizenship.

*RepTrak® 100:
Reveal of the 2019 Global RepTrak® 100*

2019 Global RepTrak® Top 10 Companies

Embargo Until
March 7th

Rank	2019
1	 ROLEX
2	 LEGO
3 	 DISNEY
4 	 adidas GROUP
5 	 Microsoft
6	 SONY
7 	 Canon
8 	 MICHELIN
9 	 NETFLIX
10 	 BOSCH

- Rolex and The LEGO Group maintain leading position.
- Netflix jumps from #24 into the top 10 at #9 while Michelin moves up to #8.
- The BMW Group, formerly #9, and Google, formerly ranked #3, are no longer in the top 10.

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

2019 Global RepTrak® 100

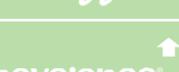
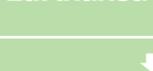
Embargo Until
March 7th

1	 ROLEX	2	 LEGO	3	 DISNEY	4	 adidas GROUP	5	 Microsoft	6	SONY	7	 Canon	8	 MICHELIN	9	NETFLIX	10	 BOSCH
11	 intel	12	 Nintendo	13	LEVI STRAUSS & CO.	14	Google	15	 NIKE	16	VISA	17	 ROLLS ROYCE	18	PHILIPS	19	FERRERO	20	BRIDGESTONE
21	 hp	22	3M	23	 PIRELLI	24	GIORGIO ARMANI	25	 IBM	26	Marriott INTERNATIONAL	27	TOYOTA	28	BMW GROUP	29	GOODYEAR	30	 COLGATE-PALMOLIVE
31	 Barilla <small>The Italian Food Company Since 1877.</small>	32	 IKEA	33	 Kellogg's	34	RALPH LAUREN	35	 mastercard	36	CATERPILLAR	37	 CISCO	38	LAVAZZA <small>TORINO, ITALIA, 1895</small>	39	LVMH <small>MOÛT HENNESSY - LOUIS VUITTON</small>	40	 DANONE <small>THE FARMY, THE HEATH</small>
41	 BOEING	42	 Lufthansa	43	havaianas	44	 INTERCONTINENTAL HOTELS & RESORTS	45	 DELL	46	HONDA	47	 Hilton	48	 LG	49	L'ORÉAL PARIS	50	BOSS HUGO BOSS
51	 Whirlpool CORPORATION	52	SAMSUNG	53	ESTÉE LAUDER COMPANIES	54	Panasonic	55	HERSHEY	56	amazon	57		58	KraftHeinz	59	DAIMLER	60	SIEMENS
61	 FedEx	62	 natura	63	Emirates	64	FUJIFILM	65	AIRBUS	66	Heineken	67	 Electrolux	68	Honeywell	69	MARS	70	xerox
71	 Nestlé	72	Campbell's	73	ORACLE	74	 Kimberly-Clark	75	 Carlsberg Group	76	TOSHIBA	77	NOKIA	78	 Ford	79	SAP	80	 DHL
81	BRITISH AIRWAYS	82	Johnson & Johnson	83	P&G	84	Roche	85	AIR FRANCE KLM	86	FUJITSU	87	BACARDI	88	Virgin	89	UPS	90	 Unilever
91	 BAYER	92	The Coca-Cola Company	93		94	ebay	95	PSA GROUPE	96		97	H&M	98	ABInBev	99	 gsk	100	HITACHI

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

*Reputation Spotlights:
Learning From Key Companies*

Spotlight: Rolex

1		2		3		4		5		6		7		8		9		10	
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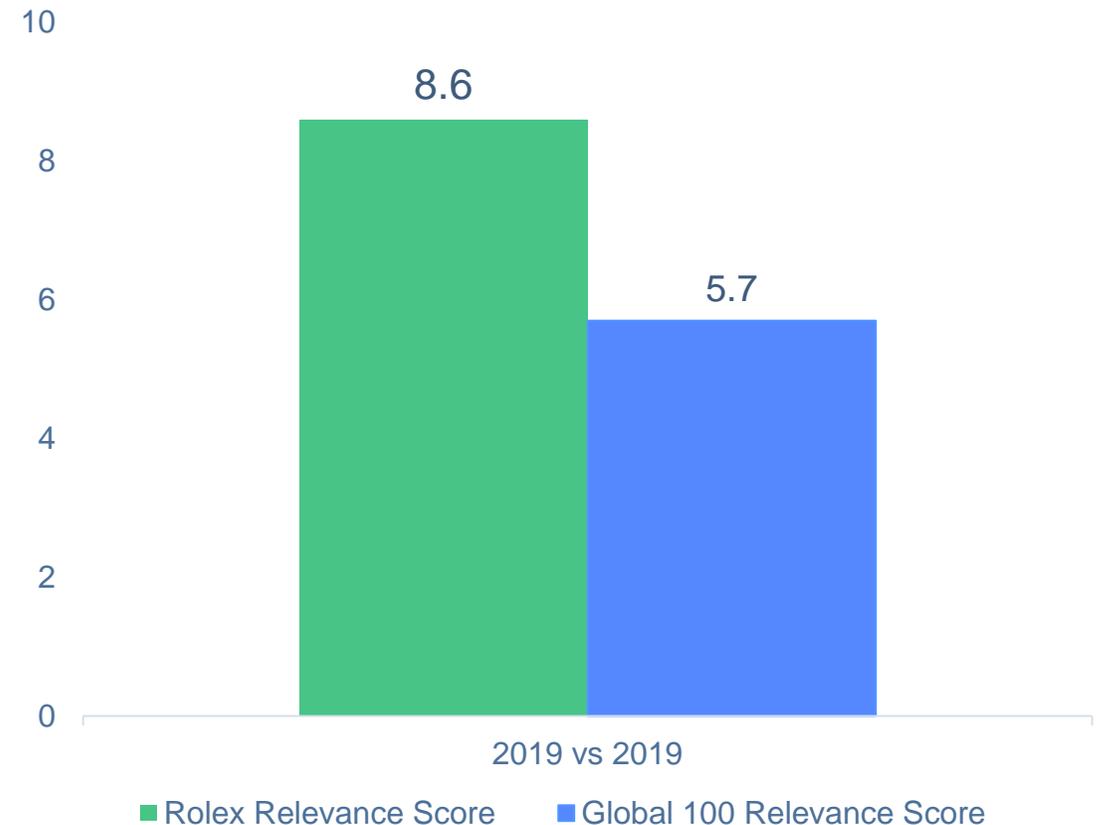
● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Building Assurance Through Timeless Excellence



- Rolex has been the most reputable company worldwide for the past 4 years.
- While Rolex's reputation stayed consistent, its brand relevance score has increased by 8.6 points (2.9 points higher than the global average).
- Rolex's history of timeless excellence has secured its place as one of the most respected companies in the world – it ranks #1 and has an excellent score when it comes to the quality of its products.

Rolex vs. Global 100 Brand Relevance Score



Significant difference > 0.9

Rolex is Enhanced by Symbolic Spokespeople

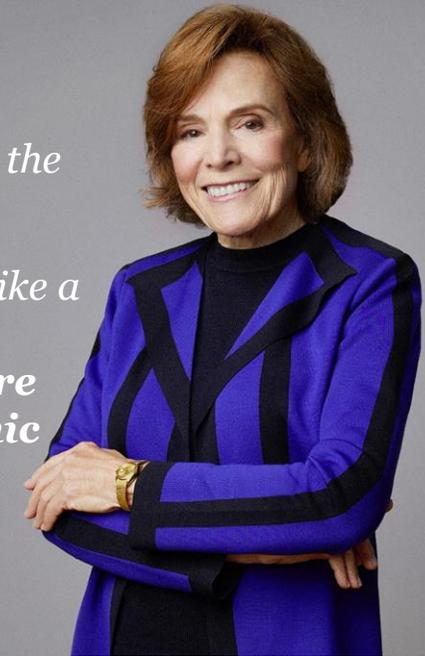


- Rolex sponsors world-renowned marine biologist Sylvia Earle.
- Her story, the significance of her Rolex, and its deeper meaning, is linked to ocean exploration and protecting ecosystems.
- Longtime spokesperson Roger Federer is symbolic of Swiss excellence – his story is linked to moments success and the resilience it takes to be one of the most admired athletes in the world.

“The concept of Rolex is supporting exploration, conservation, the arts and the best that humans can be.

*So for me, wearing it, it’s like a signature, you care about those things too, **you share something with the ethic of caring.**”*

— Sylvia Earle



Spotlight: Microsoft

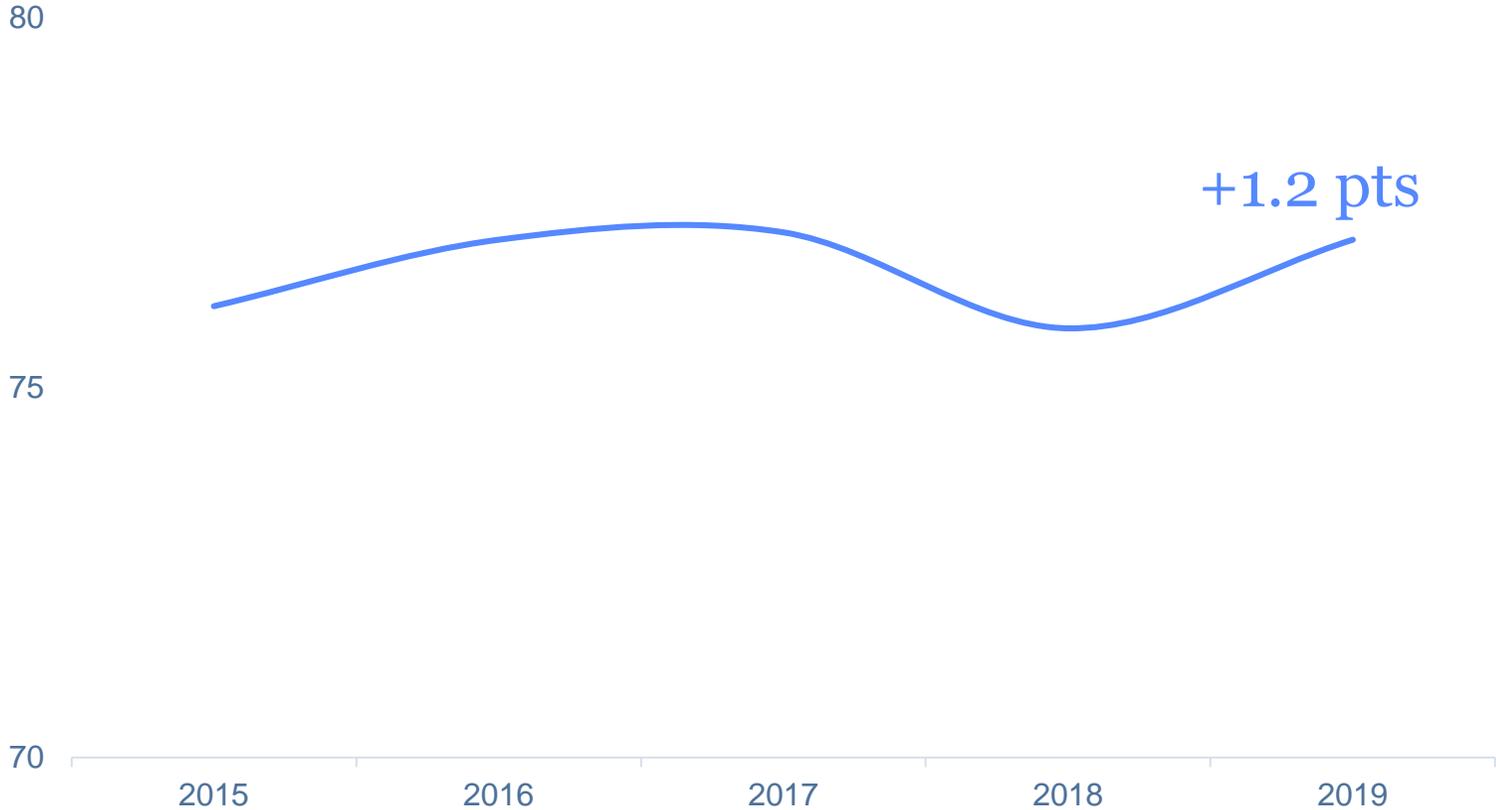
1 ROLEX	2 LEGO	3 Disney ↑	4 adidas GROUP	5 Microsoft ↑	6 SONY	7 Canon ↓	8 MICHELIN ↑	9 NETFLIX ↑	10 BOSCH ↓
11 intel ↑	12 Nintendo ↑	13 LEVI STRAUSS & CO. ↑	14 Google	15 NIKE	16 VISA ↑	17 ROLLS ROYCE	18 PHILIPS ↑	19 FERRERO ↓	20 BRIDGESTONE
21 hp ↑	22 3M ↑	23 PIRELLI ↑	24 GIORGIO ARMANI ↓	25 IBM ↑	26 Marriott INTERNATIONAL ↑	27 TOYOTA	28 BMW GROUP ↓	29 GOODYEAR ↓	30 COLGATE-PALMOLIVE ↑
31 Barilla ↑ <small>The Italian Food Company Since 1877</small>	32 IKEA ↑	33 Kellogg's ↑	34 RALPH LAUREN ↑	35 mastercard ↑	36 CATERPILLAR ↑	37 CISCO ↑	38 LAVAZZA ↑ <small>TORINO, ITALIA, 1895</small>	39 LVMH ↑ <small>MOÛT HENNESSY - LOUIS VUITTON</small>	40 DANONE ↓ <small>THE FARMY, THE HEATH</small>
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61 FedEx ↓	62 natura ↑	63 Emirates ↓	64 FUJIFILM ↓	65 AIRBUS ↓	66 Heineken ↓	67 Electrolux ↑	68 Honeywell ↑	69 MARS ↑	70 xerox ↑
71 Nestlé ↓	72 Campbell's ↑	73 ORACLE ↓	74 Kimberly-Clark ↑	75 Carlsberg Group ↑	76 TOSHIBA ↑	77 NOKIA ↓	78 Ford ↓	79 SAP ↑	80 DHL ↓
81 BRITISH AIRWAYS ↓	82 Johnson & Johnson ↓	83 P&G ↓	84 Roche ↑	85 AIR FRANCE KLM ↓	86 FUJITSU ↑	87 BACARDI ↑	88 Virgin ↑	89 UPS ↑	90 Unilever ↓
91 BAYER ↓	92 The Coca-Cola Company ↑	93 GE ↓	94 ebay ↓	95 PSA GROUPE ↑	96 Starbucks ↑	97 H&M ↑	98 ABInBev ↑	99 gsk ↑	100 HITACHI ↓

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Microsoft's Reputation Moves it Into the Global Top 5



Microsoft's Global Trend in Reputation 2015-2019



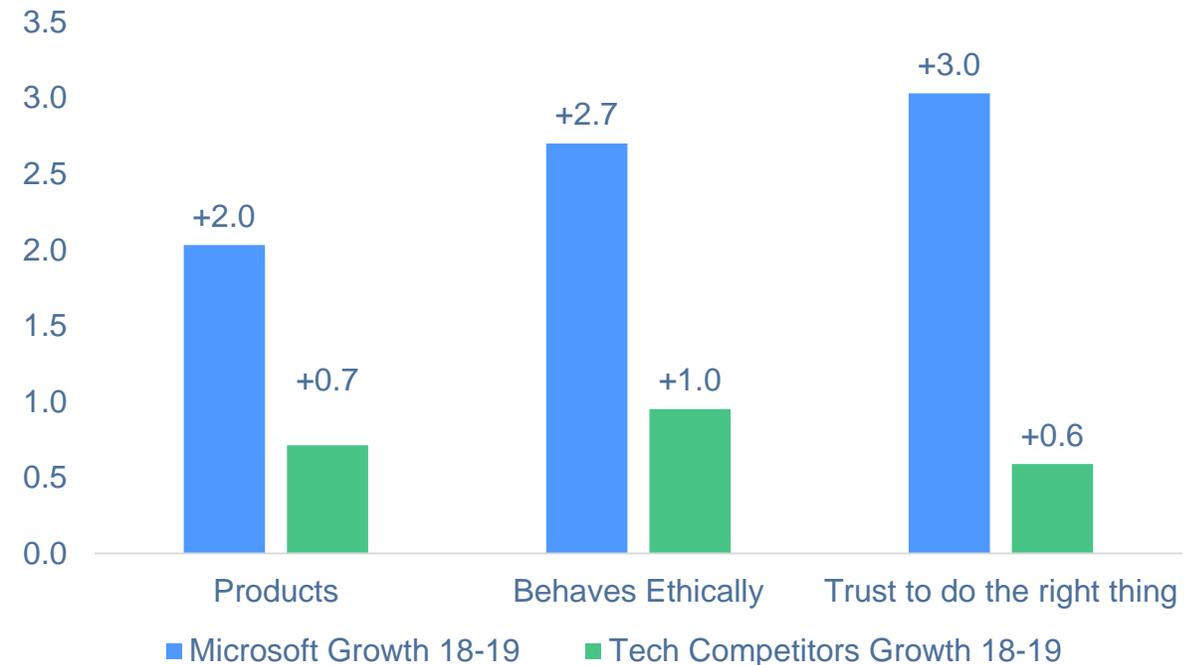
Microsoft's reputation increases at a higher rate from 2018-2019 than the global average.

Microsoft Leads the Way in the Tech Industry



- While the tech industry has been negatively portrayed in the media across 2018, Microsoft has bucked the trend and is now #5 in the global rankings.
- Microsoft recorded significant improvement by effectively tying its Products/Services to purpose and good ethics.
- A focus on developing a product portfolio at competitive price points helped improve its top line– and its reputation.

Microsoft's YoY Performance Change vs. Competitors



Significant difference > 0.9 for dimensions and 1.8 for attributes

Microsoft Builds Trust Through Ethical Behavior



- Microsoft was able to deftly navigate the challenges faced by the tech industry in 2019.
- By remaining transparent in the face of product bugs and updates, Microsoft was able to improve reputation while best empowering its customers.
- This in turn helped Microsoft retain public trust in the face of increasing skepticism towards tech companies.

“We are humbled to be recognized amongst the five most reputable global brands as it reflects our commitment to ethics, transparency and corporate responsibility. Every day, our employees around the globe are acting upon our mission of ‘empowering every person and organization on the planet to achieve more’ and it’s rewarding to see the impact of their work recognized through the Global Reputation Ranking”.

Steve Clayton, General Manager, Microsoft

Spotlight: Netflix

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51 Whirlpool CORPORATION	52 SAMSUNG	53 ESTÉE LAUDER COMPANIES	54 Panasonic	55 HERSHEY'S	56 amazon	57 Apple	58 KraftHeinz	59 DAIMLER	60 SIEMENS
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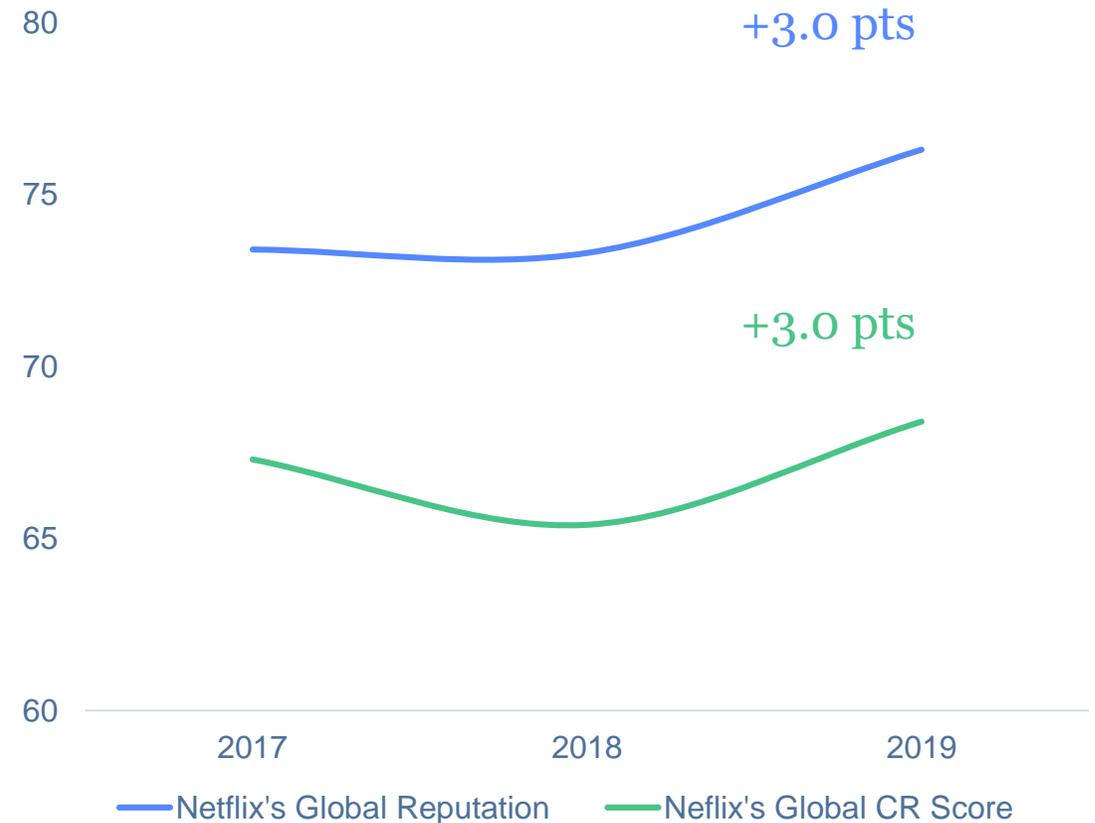
● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Netflix Becoming A Globally Relevant Brand

NETFLIX

- Netflix has grown into a global power brand with almost a 139 million subscribers worldwide.
- With its global expansion, Netflix's reputation increased by **+3.0 pts** in 2019.
- Netflix also increased in corporate responsibility by **+3.0 pts**.

Netflix's Reputation and Corporate Responsibility (2017-2019)



Significant difference > 0.9

Doing What's Right, No Matter the Cost

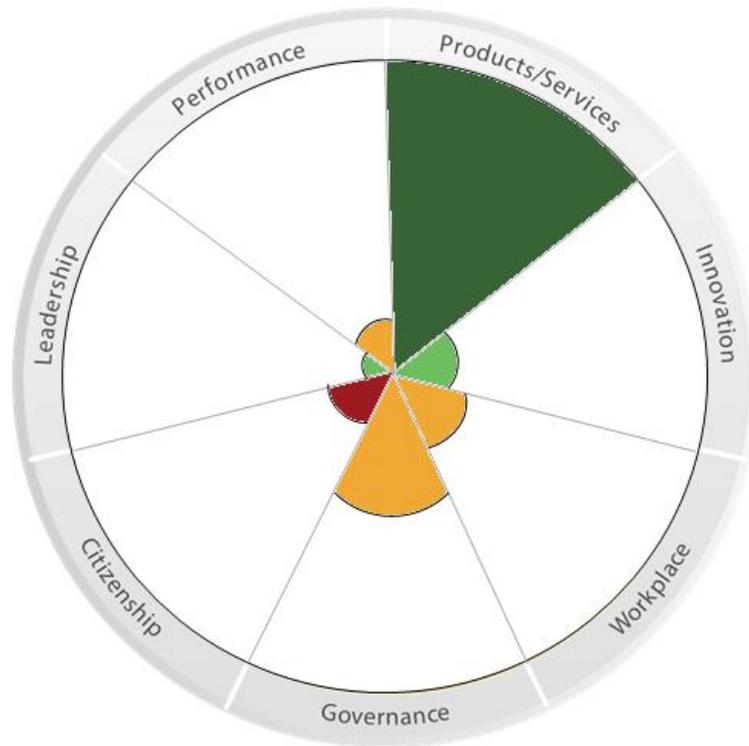
NETFLIX

Netflix took transparent and decisive action to remove Kevin Spacey from its hit show “House of Cards” following sexual harassment allegations, despite the show’s popularity.



Product Drives Conversation for Netflix

2018 Media Conversation Volume and Sentiment for Netflix



● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

- In 2018, conversations are generally excellent and mainly focused on Netflix's expanding business footprint and rising number of subscribers globally.
- Emerging positive sentiment on Innovation and Leadership reflect Netflix's role as a positive disrupting force in the media landscape.
- Netflix's ability to retain a respectable score on Governance during a challenging year for the media industry is a testament to its ethical endeavors .

Spotlight: Google

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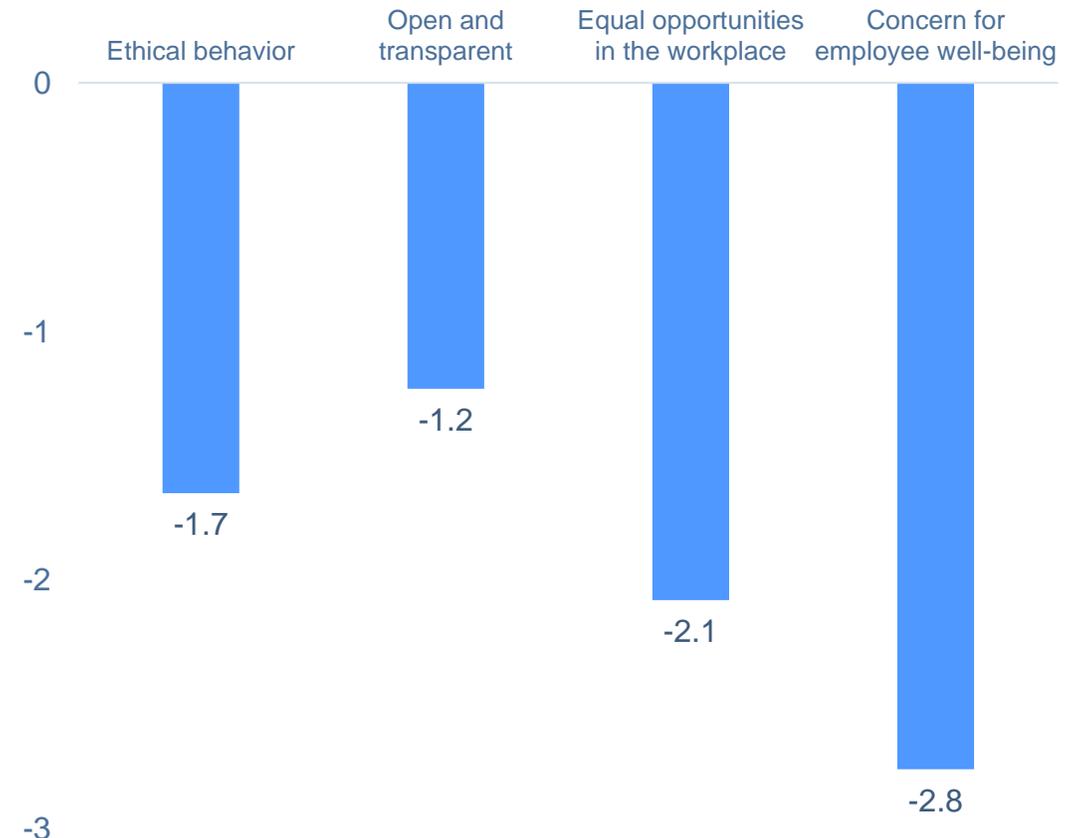
● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Google's Governance and Workplace Challenge



- Google's ranking drops from #3 to #14 on the Global 100.
- Google's actions across the past year have caused a decline in their perception across all aspects of Google's business – especially Workplace with a 2.4 point drop.
- Drivers of Google's reputation decline are around its ethical behavior, lack of transparency, and how those concepts are linked to its workplace practices.

Google YOY Change in CR Attribute Scores



Significant difference > 1.8

Loss of Assurance Based on a Broken Promise



- The company that promised to “*Do no evil*” was increasingly being judged:
 - Employee Walkout over sexual harassment and gender inequality
 - Data breaches potentially exposing 52.5 million Google Plus users’ personal info
 - Congressional hearing on company Governance practices and transparency



Spotlight: Estée Lauder

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● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Estée Lauder is Building Assurance Through Relevance

ESTÉE
LAUDER
COMPANIES

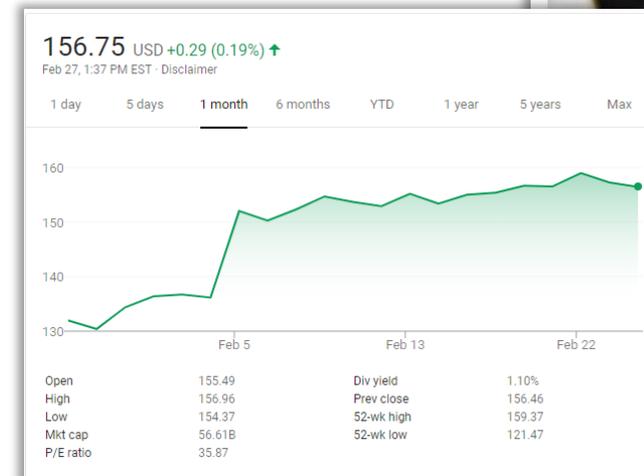
- The Estée Lauder Companies, a global house of brands with more than 25 brands, increased its reputation **+2.3 points**.
- The Estée Lauder Companies is improving its reputation by enhancing brand relevance, which increased **+8 points**.
- The Estée Lauder Companies rely on influencer outreach to connect with consumers and to enrich brand experience.



Significant difference > 0.9

Global Reputation Relevance Yields Business Results

- By increasing its reputation, the cosmetics company has seen increased bottom-line business results.
- In early February 2019, The Estée Lauder companies reported its first ever \$4 billion quarter– which brought a **12% surge to its stock market evaluation.**
- The Estée Lauder Companies reported its strongest sales came from the Asia/Pacific region, highlighting how reputation gains are global.



Spotlight: Carlsberg

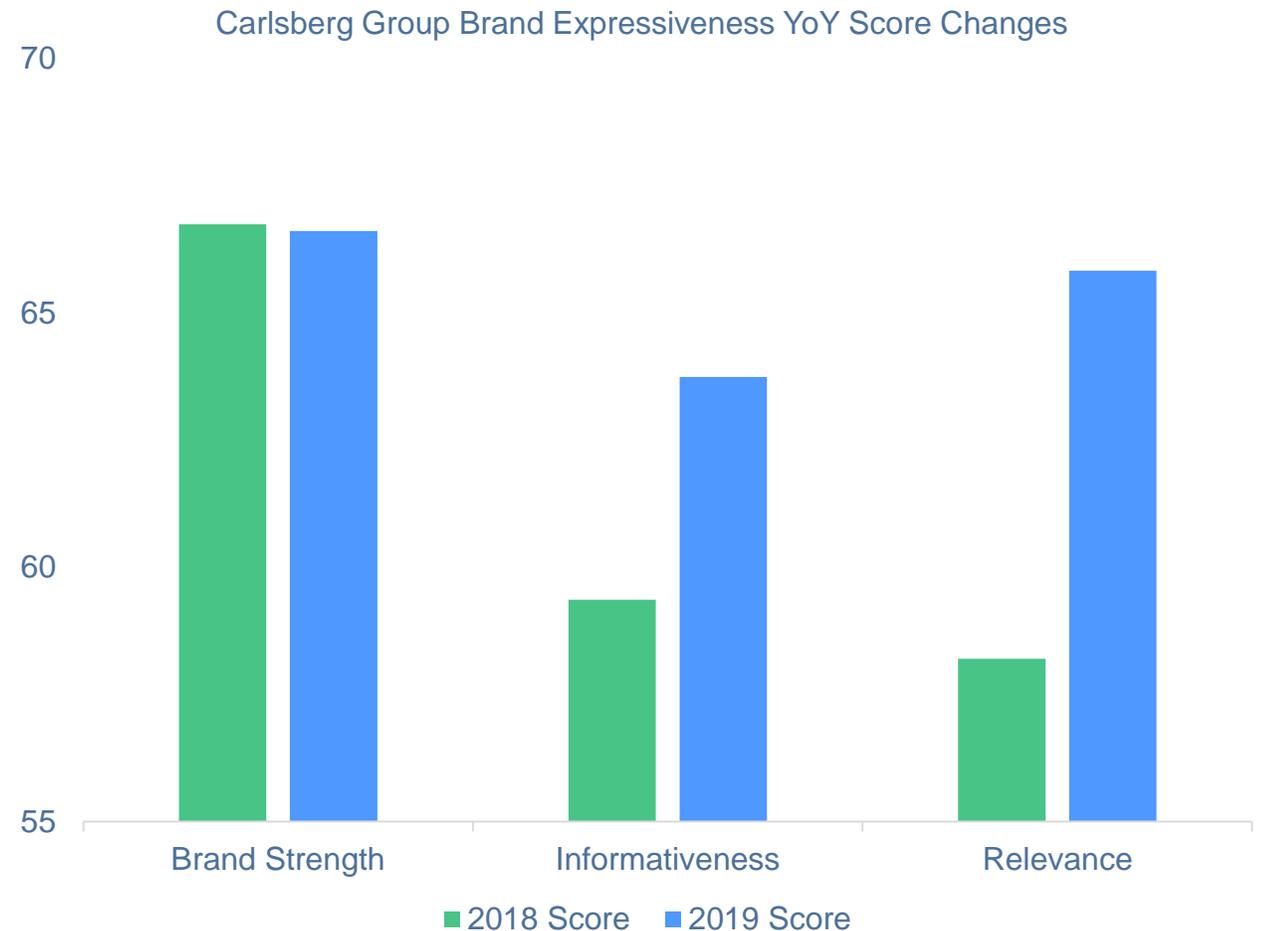
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● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Carlsberg Group Benefits from Brand Expression



- Carlsberg Group jumped in rank from #93 to #75 -- and its reputation increased + 3 points.
- Reputation has rebounded since 2018 decline, as Carlsberg has managed to grow on key corporate brand strength aspects, informativeness, and relevance.



Significant difference > 0.9

Carlsberg Group Links Brand With Purpose

- Carlsberg is a **leading brewery in reducing its carbon footprint**
 - The company is committed to being completely carbon neutral and reduce their water consumption by 50% by 2030
 - Carlsberg has eliminated plastic rings on cans by using glue
- Due to this, Carlsberg has **increased its citizenship rank 22 points from 2018**; matching the rise in brand expressiveness.



Significant difference > 0.9

Linking Marketing With Corporate Narrative

- Carlsberg builds on its Danish heritage and company history through the launch of its 2017 *The Danish Way* ad, starring Danish actor Mads Mikkelsen.
- The series of messages connects Carlsberg with the quirks of Danish life such as happiness, work-life balance, nature, and the feeling of hygge.



Outside of Global RepTrak®100

Lessons learned from companies under reputation distress

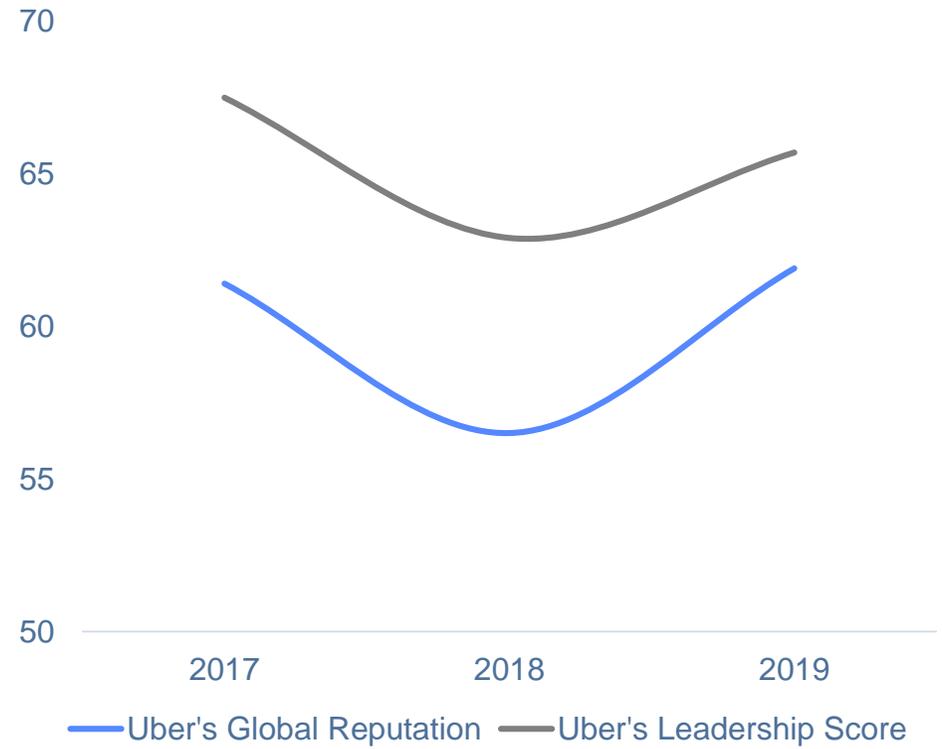
Former CEO Left Uber With a Reputation Challenge



In June 2017, former CEO Kalanick, leaves Uber with a toxic environment and a history of scandals.

Uber

Uber's Global Reputation and Leadership Score



New CEO Dara Khosrowshahi, introduces Uber's new chapter and ethical commitment to stakeholders, through Uber's *Moving Forward* promise.

Cultural and Workplace Assurances On the Rise

Uber

- New CEO Dara Khosrowshahi has contributed to **Uber's rise in workplace** by providing assurances about positive culture changes in the media, in interviews, and on Uber.com.
- In his first two months as CEO, **he crowd-sourced new company values** (what he calls “cultural norms”) from the company's employees.
- His commitment to the new Uber direction, contributes to the company's overall increase in reputation.



“I am by no means telling you that we are where we want to be. But I know that we're improving as a company. And one year from now, we're going to be much, much better than we are today.”

– Dara Khosrowshahi on culture change at Uber, 2018

Uber Sees Largest Improvements in Workplace

Uber

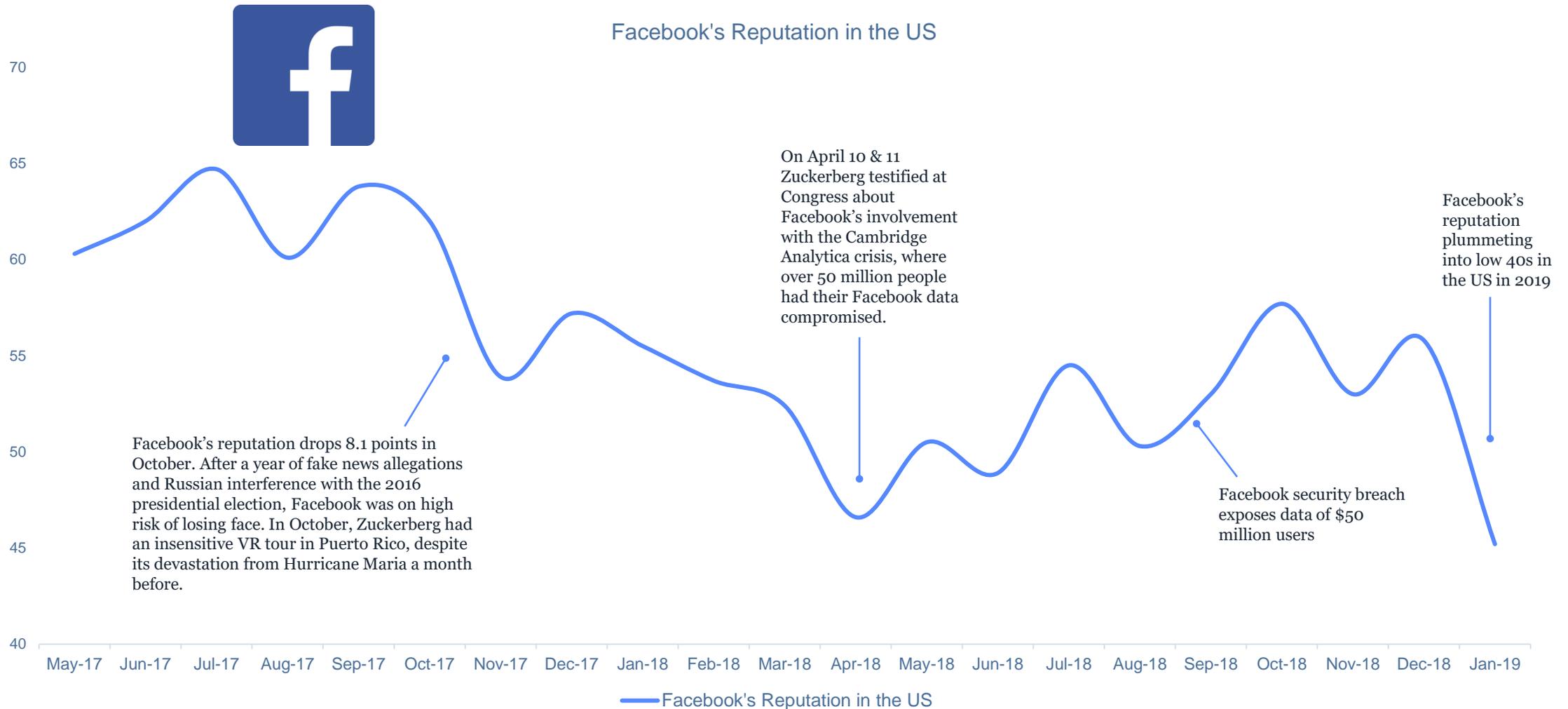
- Uber is on the rise: in 2019 it had the highest reputation increase globally **+5.5 points**.
- The new CEO has had a positive impact on the workplace dimension; it rose **+4.5 points** in 2019 outpacing the average increase for the top 100

Uber vs. RT100 Workplace Attribute YoY Score Changes



Significant difference > 1.8

A Challenging Few Years for Facebook

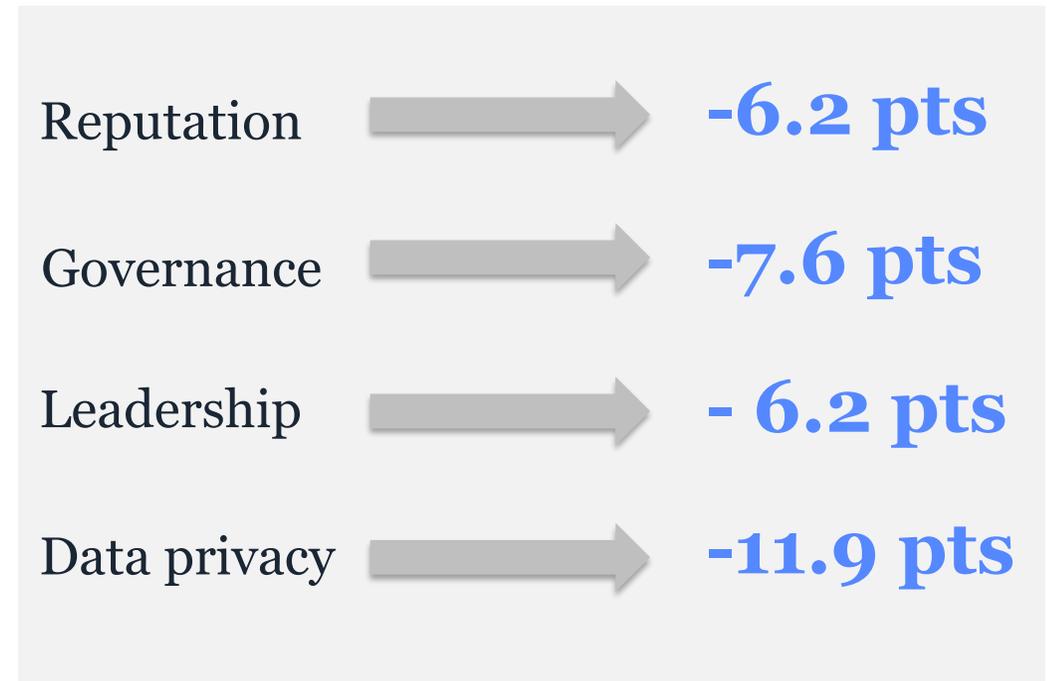


Facebook's Loss of Face Translates Globally



- Facebook had the biggest overall decline in reputation in 2019 - declines for Facebook are driven by a systematic failure to deliver on Governance and Leadership.
- This decline is directly tied back to the data privacy breaches and Cambridge Analytica crisis.
- Facebook's Leadership has taken a significant hit - Zuckerberg, who claimed that *"Facebook stands with many technology companies to protect you and your information"*, is seen to have broken his promise.

Facebook Reputation and Dimension Scores YoY Change



Significant difference > 0.9 for reputation and dimensions; >1.8 for data privacy

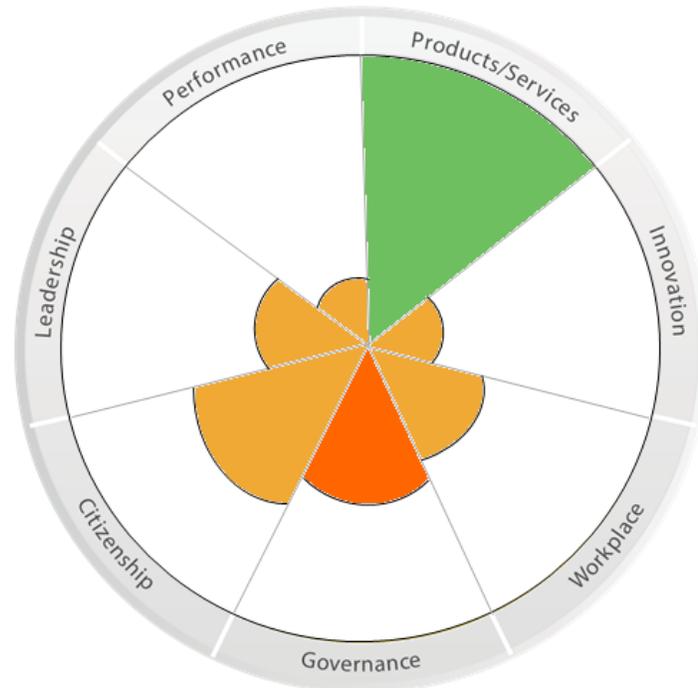
From Fake News to Lack of Transparency

- Major transgressions in 2018 in **data privacy** and **company transparency**.
- In 2018, Facebook CEO Mark Zuckerberg testified in front of Congress concerning **data privacy**, election meddling, **fake news**, hate speech in Myanmar.
- Facebook has not been able to separate its brand from growing mistrust and public wariness of its overall affairs.



Remains Strong on Product, Punished on Governance

2018 Media Conversation Volume & Sentiment for Facebook



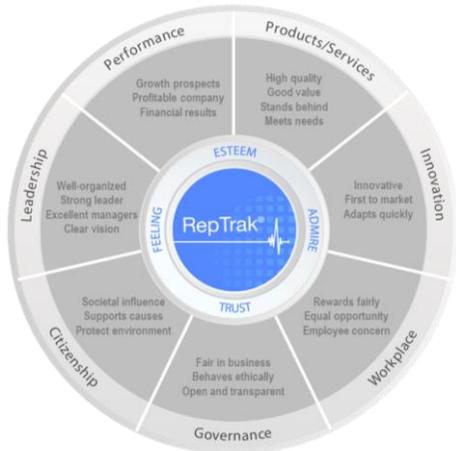
● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

- In 2018, half of the media impressions were centered around Facebook's Products and half around the remaining aspects of its business.
- Despite the relatively positive conversations around Product, Facebook's deepening shortcomings on Governance have accelerated its overall reputation decline.
- Facebook's stagnating performance on the broader enterprise dimensions is also cause for concern.

Becoming Reputation Ready: *Join the RepTrak program*

Join the RepTrak® Program

A GLOBAL MEASURE OF REPUTATION



- You can **measure your reputation** in **any country around the world**
- You can measure with **any stakeholder** that you like
- You can measure your reputation through **stakeholders surveys** or **media coverage**
- You will get **integrated lens** to evaluate and manage your reputation
- You can measure your reputation on a **daily, weekly, monthly, quarterly, or annual basis**
- You can get **self service** or **in-depth reputation advice** depending on your needs
- You can get **inspiration from leading companies** as part of the Reputation Leaders Network

Thank You

www.reputationinstitute.com

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@Reputation_Inst

Appendices:
Other support slides

Observation: High Risers and Fast Fallers

Company	Rank	Rank Change
Havaianas	43	35
Virgin Group	88	22
Honeywell	68	20
Hilton	47	19
Carlsberg	75	18

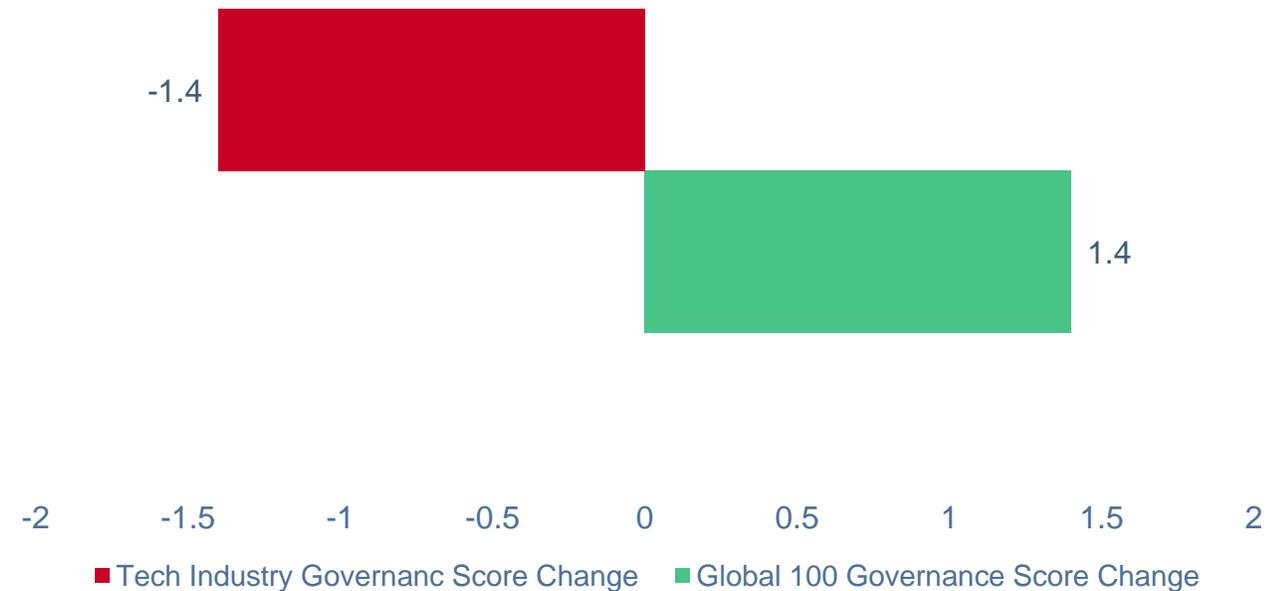
Company	Rank	Rank Change
Nestlé	71	(38)
Amazon	56	(33)
Samsung	52	(26)
Panasonic	54	(25)
Nissan	115	(20)

- Highest risers are a mix of consumer, hospitality, and beverage companies.
- Three fast fallers are linked to technology industry.
- Nissan dropped out of the top 100 -- while the Virgin Group made its way into the 100.

The Tech Industry Has An Ethics Problem

- The top 100 companies increased in **governance** score by **+1.4** points, whereas the tech industry showed an average decline of **-1.4** points
- The biggest decline in governance within the tech industry was **Google**, which declined 39 places in the rankings, followed by **Huawei**, which declined 10
 - **Facebook** only decreased 3 places in the rankings, but its **score decreased by 7.6 points**

Tech Industry vs. RT 100 Governance Changes: 2018 - 2019



Significant difference > 0.9

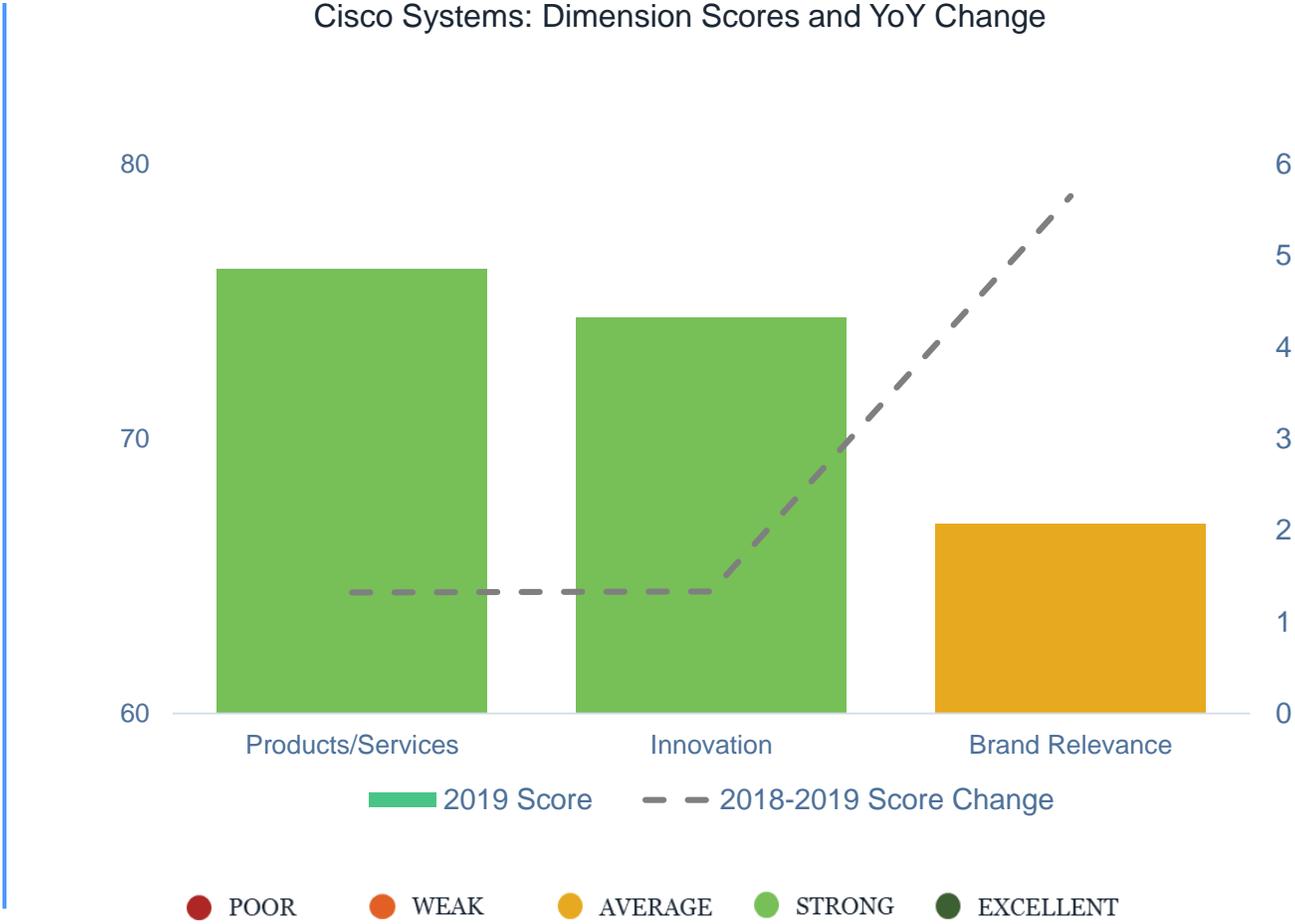
And Has Failed to Build Assurance

- Tech giants were marred with **transparency** and **data privacy** controversies in 2018
- Facebook's Cambridge Analytica scandal, Huawei's spy threat, and Google Plus' data breach
- **Microsoft** was able to buck the industry trend by aligning its **products** with **fulfillment if good ethics**



Cisco Attains Product Relevancy to Improve Reputation

Cisco Systems rose 8 spots in the reputation rankings and is now the 35th most reputable company worldwide, with a *strong* reputation globally

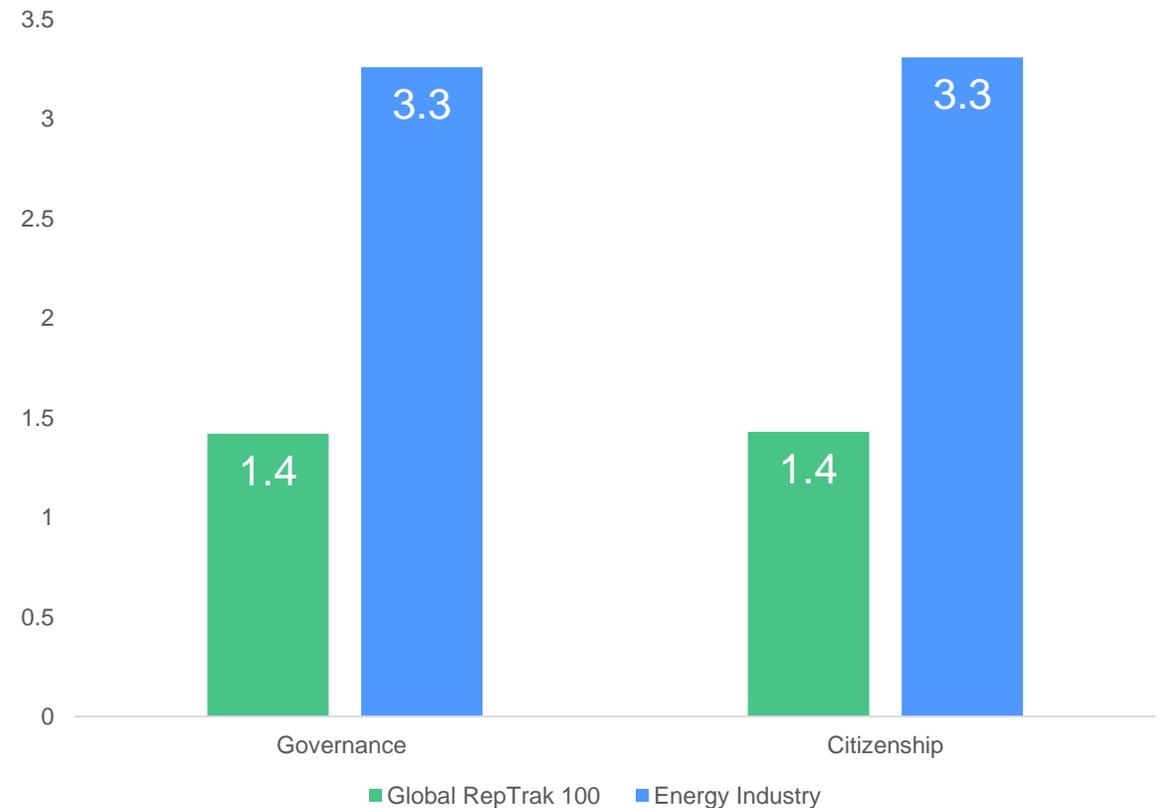


Energy Sector Sees Largest Reputation Recovery

No energy company made it into the Global RT100, but...

- As a whole, the energy industry saw an above average increase in its score for Citizenship and Governance when compared to the Global RT100.
- The score for “Acts responsibly to protect the environment” increased on average 4.0 points compared to the average change in the Global RT100 of 1.6 points.

Energy Sector vs. RT100 YoY Score Changes



Significant difference > 0.9

Energy Recovery Lead Through CR Initiatives

- In recent years, the energy industry has begun to take a more progressive stance towards climate change and sustainability
- ExxonMobil, Chevron, BP, Shell, and Total have all joined the Oil and Gas Climate Initiatives to curb the impact of climate change
- The energy industry should continue to craft its message on climate change while aligning its actions to these values

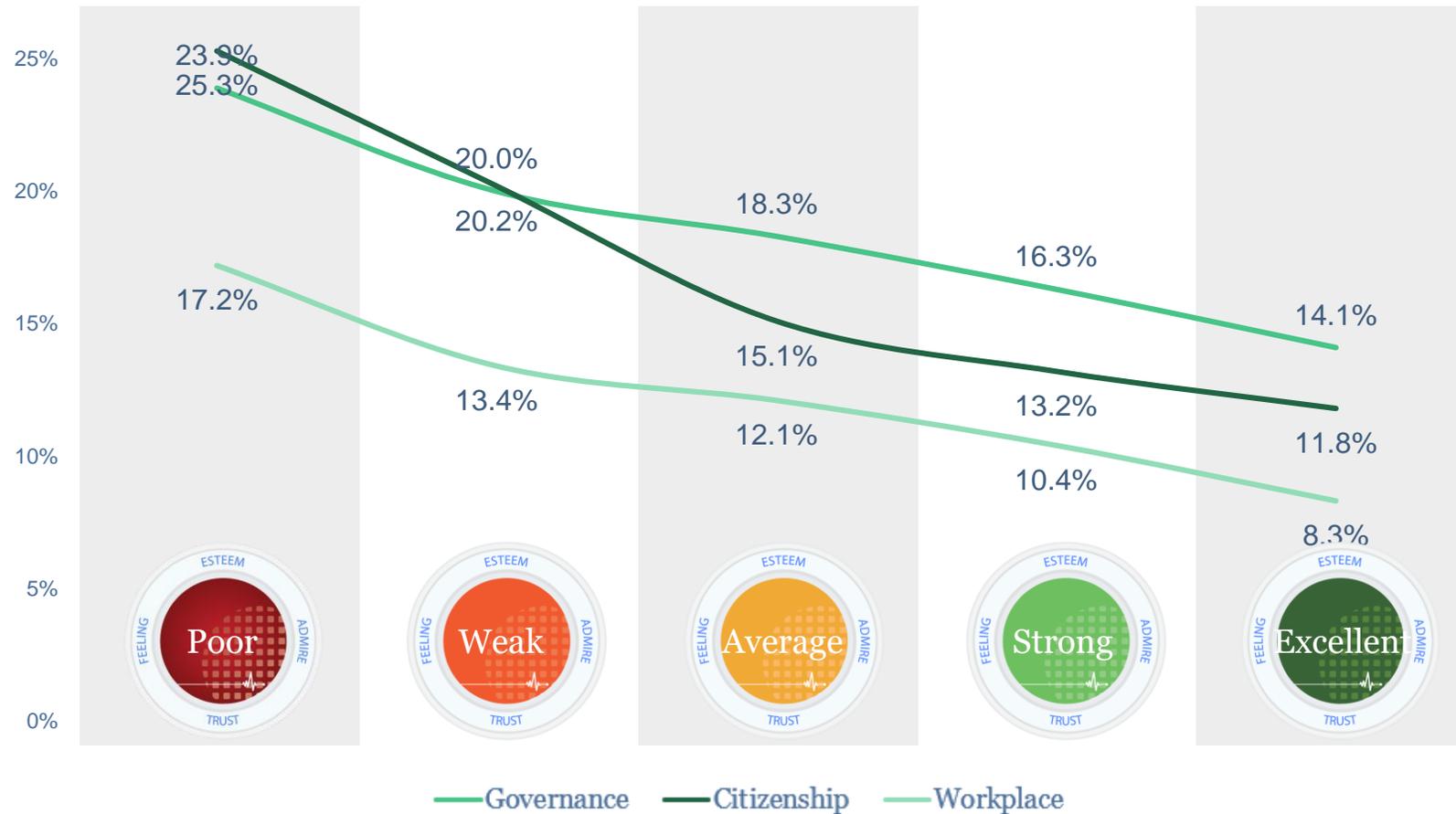
“What you see in our strategy and the new targets we have set is is focused on meeting the due challenge of more energy with fewer emission. And, when we all work together towards a common goal, there’s nothing we can’t achieve.”

Bob Dudley, Group Chief Executive, BP



CR Dimensions Key To Build Reputation Assurance

Dimension Importance by Reputation (Pulse) Range

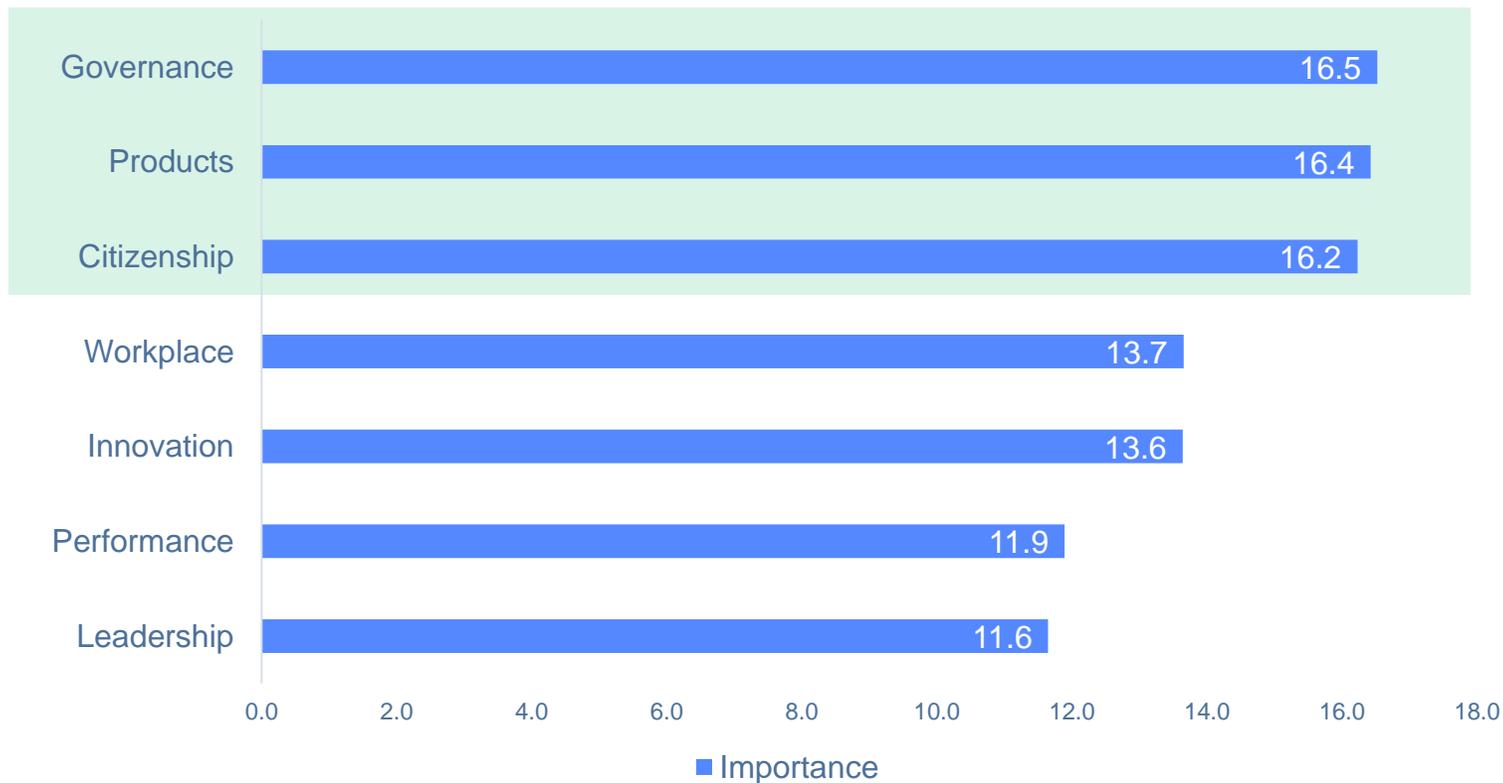


CR dimensions are three most important drivers among companies with a poor reputation; and are among the key drivers for companies with weak to strong reputations.

It is only when a company reaches a strong or excellent reputation, and delivers on CR that other dimensions such as products, innovation or performance emerge as key focus areas.

Focus on Corporate Responsibility and Products

What Drives Benefit of Doubt?



Ethical, caring and good products drive and build assurance

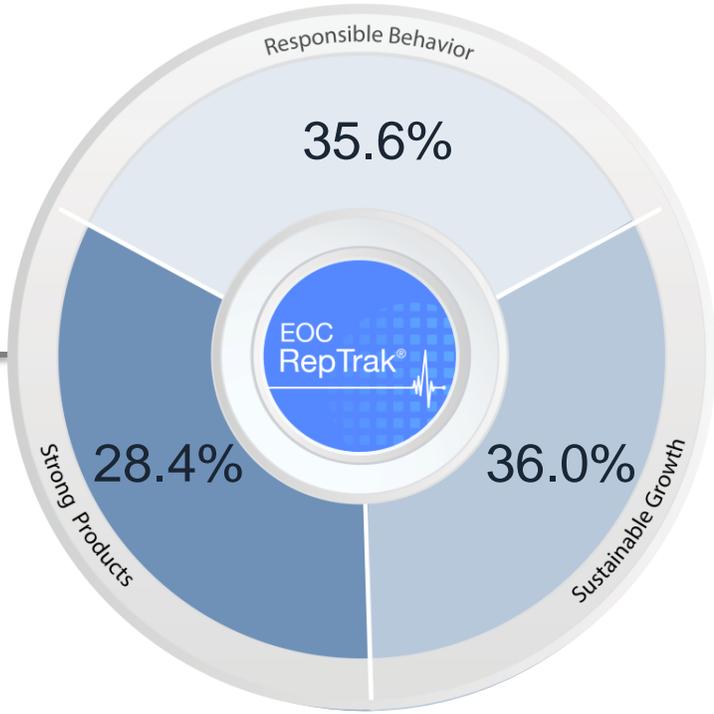
Workplace Culture

Build assurance with future and current employees

Creating Workplace Assurance is a Multi-Faceted Approach

2019 Employer of Choice Dimension Weights

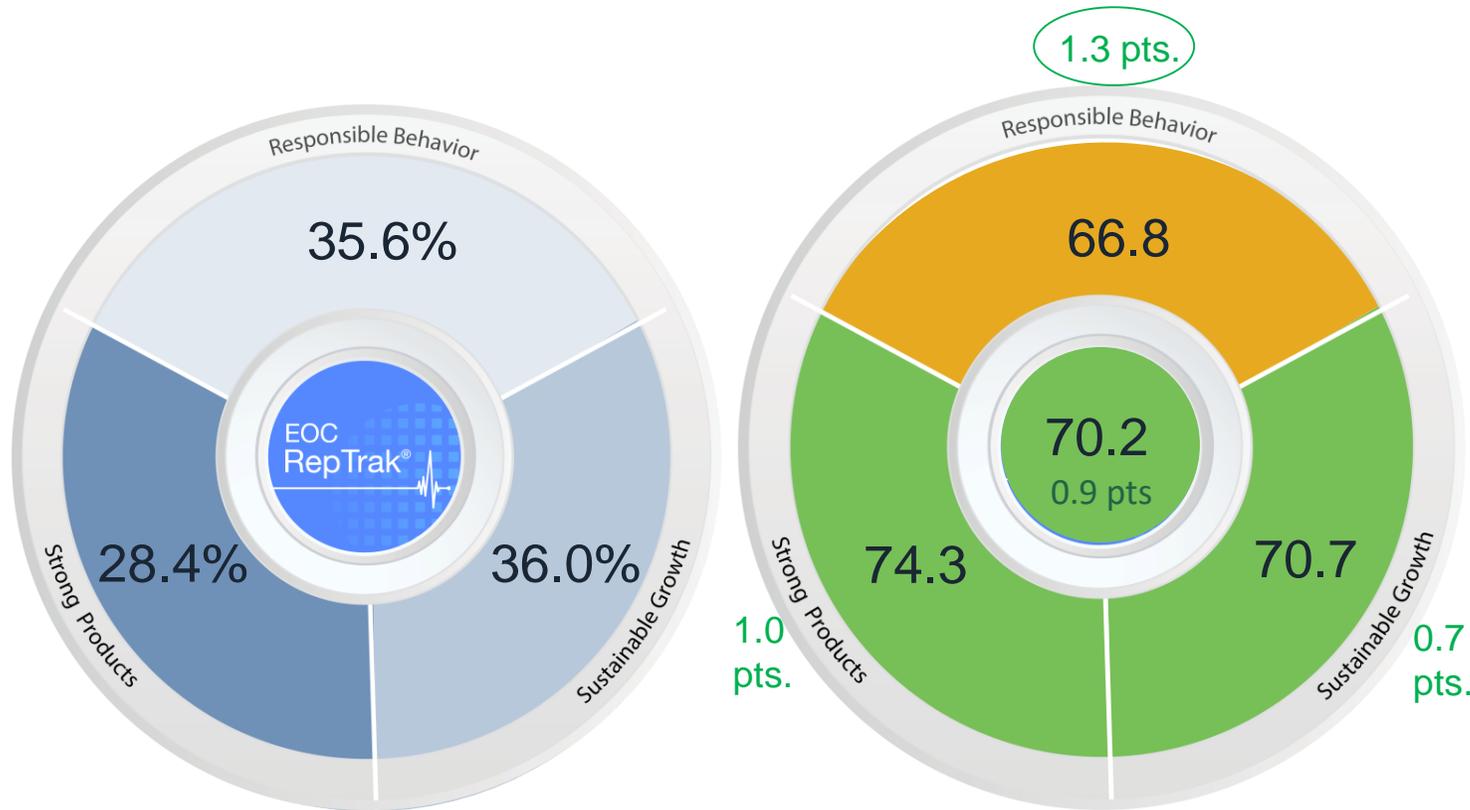
- High quality products/services
- Stand behind products/services
- Good value products/services
- Positive influence on society
- Concerned for employee well-being
- Ethical behavior
- Environmentally conscious
- First to market
- Strong prospects for growth
- Strong/appealing leader
- Innovative



- Reputation Dimension of Workplace is trending up
- Attracting talent is primarily driven by companies' responsible behavior and sustainable growth
- While products/services matter, the account for less than a third of what predicts one's willingness to work for a given business
- Employer of Choice weights have seen no significant change YOY

Companies are Regaining Trust as Future Employers

2019 Employer of Choice Dimension Weights and Scores



- Top 100 global companies increased their EoC score from *average* to *strong* YOY
- Perceived performance on EoC dimensions have also gone up – spearheaded by higher scores on responsible behavior
- Responsible behavior dimension is still biggest opportunity for companies to rebuild assurances as a good prospective employer
- EoC dimension weights have remained stable YOY

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Embrace Female Empowerment

Companies need to speak to equal opportunity



Women are Key to Reputation Recovery and Support



Higher Reputation Score



△ 25%

Greater increase in perceived corporate reputation for women vs. men

More Support



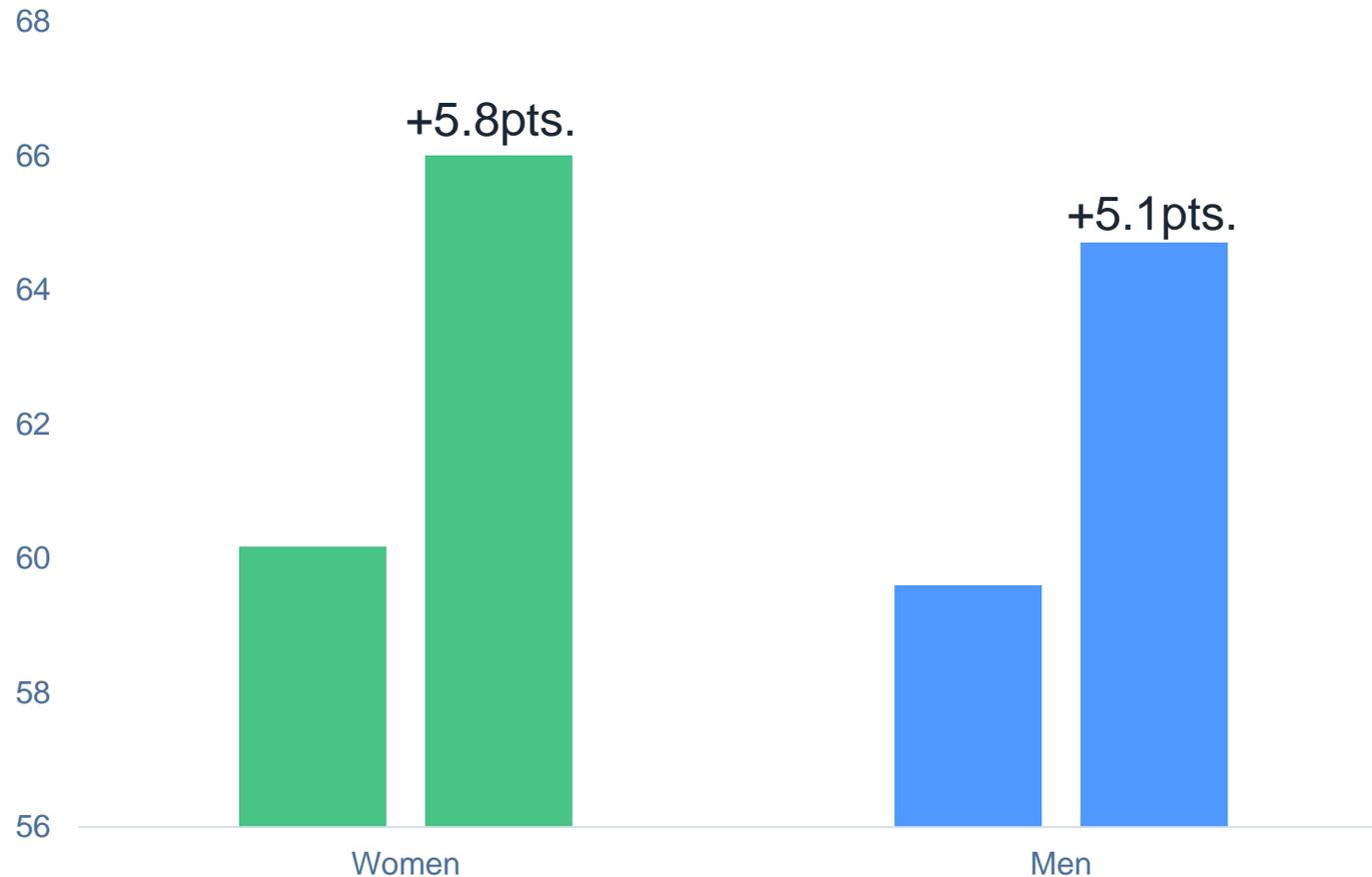
△ 1.3X

Higher propensity to support companies across variety of metrics in 2019 vs. 2018

Women have consistently rated companies higher on reputation, reputation dimension scores and have expressed greater support – suggesting a potentially quicker turnaround for this key demographic segment

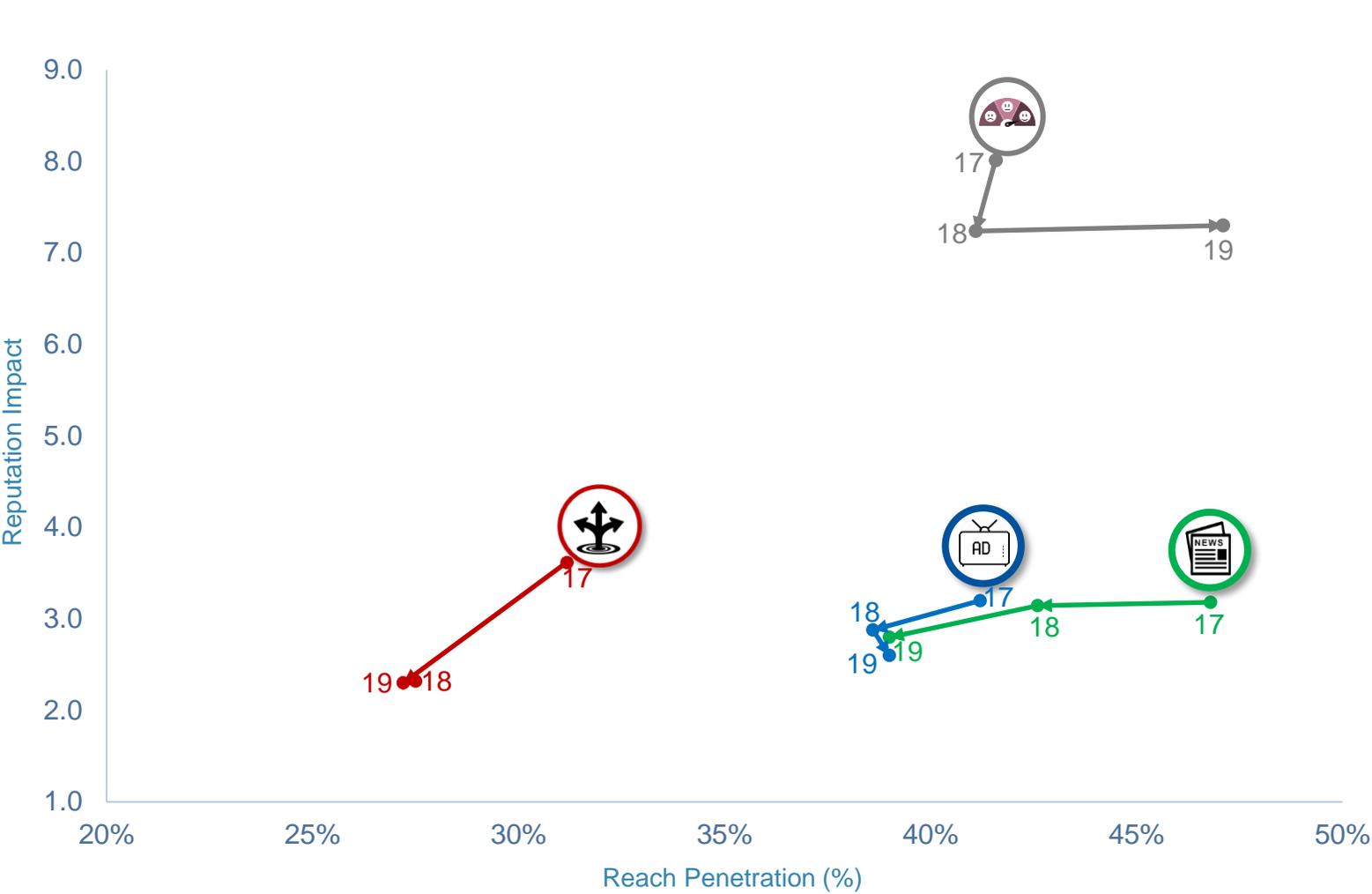
Businesses Are Taking Women's Issues Seriously

Change in YOY Expressiveness Relevance Score for Women vs. Men



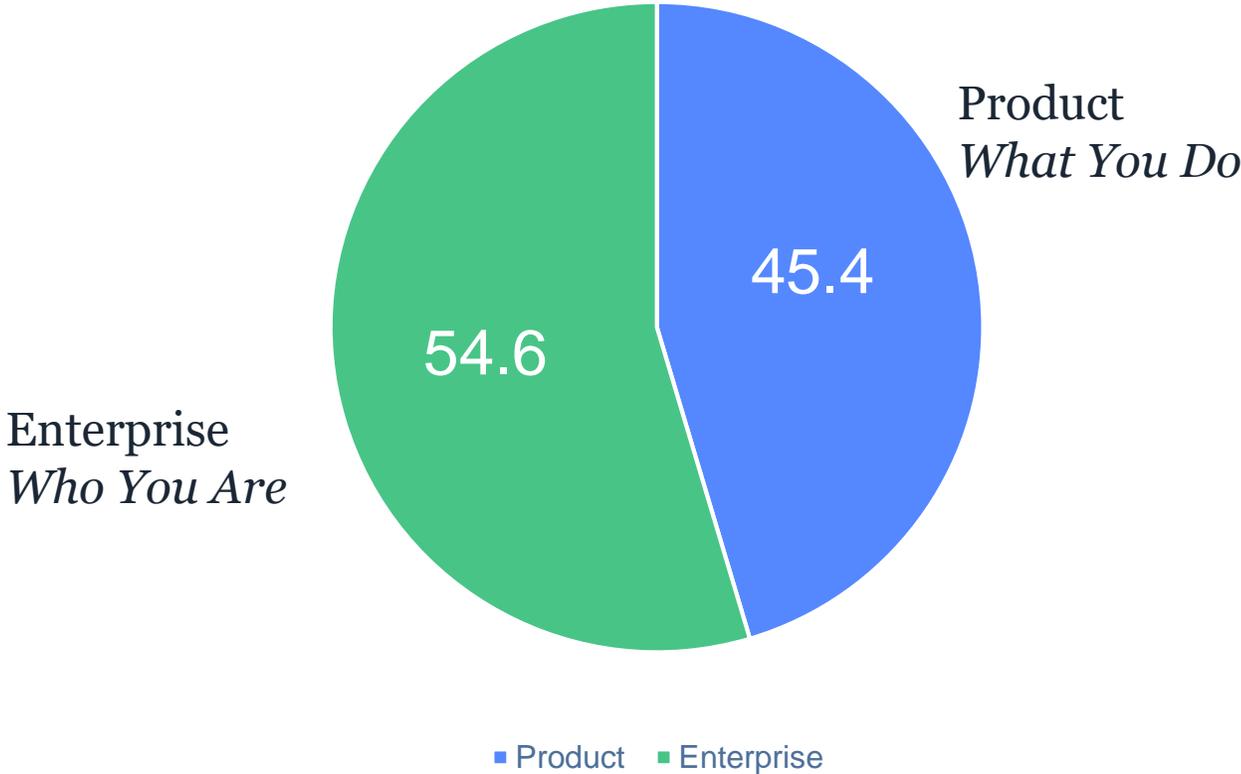
- Part of the budding recovery in assurance has been companies' renewed focus on making their actions and messaging more relevant
- In an environment of heightened awareness around gender dynamics, findings suggest that especially women give companies more credit for:
 - engaging in more open and equitable communication
 - providing them with more relevant information
 - aligning corporate values with their needs and priorities

Direct Experience Fueling Recovery



“Who You Are” Creates the Most Assurance

What Drives Benefit of Doubt?



In an era of fake news **defining who you are through transparency** creates higher benefit of the doubt for global leaders in reputation.

Enterprise = Workplace, Governance, Citizenship, Leadership, Performance;
Product = Products/Services, Innovation

Global Industry Dynamics in 2019

- Consumer industry still leads the way with a strong reputation.
- Transport and pharma remain in #9 and #10, respectively and have an average reputation.
- The hospitality industry moves into 2nd place, while retail drops to #6.

Rank		2019
1		Consumer
2	↑ +3	Hospitality
3	↓ -1	Automotive
4	↓ -1	Technology
5	↑ +1	Industrial
6	↓ -2	Retail
7	↑ +1	Food & Beverage
8	↓ -1	Airlines
9		Transport
10		Pharmaceuticals

● POOR ● WEAK ● AVERAGE ● STRONG ● EXCELLENT

Loco for Cocoa Sustainability

- Companies like Hersey, Mars and Ferrero are leading the way in the confectionary industry by focusing on more than just short-term profits.
- Sustainability programs are an important focus to align corporate brand purpose with the values its stakeholders hold to make their message more personally relevant while ensuring long term growth.
- There are many threats to the chocolate industry ranging from climate change, human rights for growers and supply chain transparency.
- These corporations symbolize how delivering a compelling corporate narrative provides a way to enhance reputation.

Confectionary Industry: In the News



Bloomberg

[Hersey to Spend \\$500 Million Making More Sustainable Kisses](#)

(06/19/18)



FORTUNE

[How the World's Largest Chocolate Maker Is Spending \\$1 Billion to Fight Climate Change](#)

(6/5/18)



TRIPLE PUNDIT

[Ferrero Pledges an Ethical And Sustainable Supply Chain in Latest CSR Report](#)

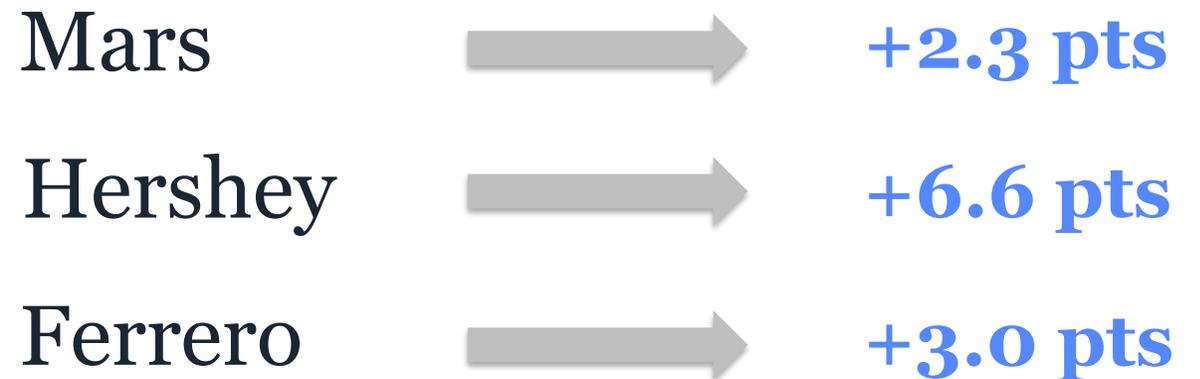
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The Importance of Having a Relevant Conversation

Reputation Sweetener:

The companies focus on having a timely and relevant conversations has created not only a lift in reputation but also a lift in their brand perception – especially when it comes to its relevance

Relevance Score YoY



Significant difference > 0.9