

Global Reputation Pulse 2010

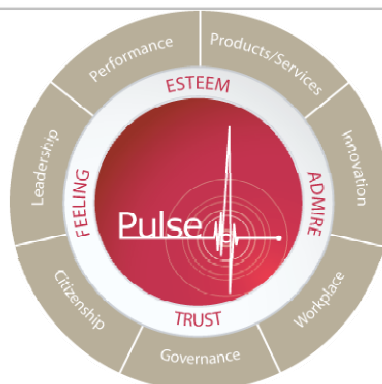
Top Line Report of the Most Reputable Companies in the World



The Most Reputable Companies in the World: A Study Across 24 Countries

The Global Reputation Pulse 2010:

The Most Reputable Companies in the World



The Global Reputation Pulse Study Measures Corporate Reputations Worldwide

In 2010, Reputation Institute (RI) set out to conduct the first ever truly global study designed to identify the best corporate reputations around the world.

The study was conducted in two parts. In January 2010, Reputation Institute measured the reputations of the world's 600 largest companies in their home countries. The highest rated companies in each of 32 countries were then selected as candidates for a second study that also rated the world's most visible and valuable corporate brands provided they had above average home country reputations.

The purpose of the second study was to create a final roster of global companies that were well regarded at home but had also successfully exported their reputations around the world.

In May 2010, consumers were invited to rate 54 finalists in each of 24 countries. The study provides a first ever assessment of the global reputation landscape—the companies that are most liked, trusted, and respected by the public across more than twenty international markets.

Defining Reputation

Research by Reputation Institute since 1999 shows that strong reputations are based on four key concepts: Admiration, Trust, Good Feelings and Overall Esteem.

The Reputation Pulse Model

The Reputation Pulse Model measures the admiration, trust, and good feeling that stakeholders have towards a company. The Reputation Pulse is the beating heart of a company's reputation, providing an overall assessment of the health of a company's reputation calculated by averaging perceptions of the four indicators of trust, esteem, admiration, and good feeling.

Reputation Institute's research indicates that a company's reputation is built on seven dimensions from which a company can create a strategic platform for communicating and engaging with its stakeholders. These seven dimensions were found from qualitative and quantitative research to explain the reputation of a company.

In the Global Reputation Pulse, Reputation Institute measures not only perceptions of companies on the core Reputation Pulse attributes but also asks respondents to rate the companies on the seven key dimensions and supportive behaviors.

Survey Methodology

The Global Reputation Pulse 2010 was conducted online in all countries. Each respondent rated a maximum of five randomly assigned companies from the list with which they were familiar, using Reputation Institute's standardized Reputation Pulse.

In interpreting results, all Global Reputation Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level.

Over 181,000 reputation ratings were obtained in this study, and each company received an average of 3,360 ratings across the 24 countries.

Data collection was powered by Survey Sampling International.

Questionnaire

The Global Reputation Pulse 2010 questionnaire is a ten minute online survey that invites respondents to describe their perceptions of companies. Through rigorous statistical analysis, Reputation Institute connects the Reputation Dimensions with the Reputation Pulse scores as well as with a measure of overall public support, in order to identify the drivers of corporate reputation. Doing so enables companies to understand what matters to the general public.

The World's Most Reputable Companies 2010



Executive Summary – Global Reputation Pulse 2010

Google and Sony Earn Top Spots for Global Corporate Reputations

- **Google** and **Sony** share the top spot of the world's most reputable companies, followed closely by **The Walt Disney Company** and **BMW**.
- A total of 28 companies earned strong global reputation scores above 70 and therefore membership on Reputation Institute's list of the World's Most Reputable Companies.

A Balanced Regional Reputation Drives Global Reputation Strength

- Top rated **Google** and **Sony** were consistently strong around the world, with **Sony** scoring among the top five in all regions and **Google** in four of the five regions. **Google** did not make it into Asia's top five due to only an average reputation in China.
- Regional winners did not make the top 10. **Johnson & Johnson** (North America winner), and **Nestlé** (Central and South America winner) placed 12th and 20th respectively on the global list showing that having a strong reputation in one region is not enough to build a top global reputation.

Exporting a strong home country reputation is difficult

- One thing is to be trusted and admired in your home country. Another thing is to build this emotional bond with consumers around the world. No companies break the 80 reputation pulse score on a global scale which is the threshold for excellence.
- Of the 28 companies with strong reputations, 10 companies have global reputations that are on par with or slightly better than their home country reputations. **Google, Sony, The Walt Disney Company, Daimler, Apple, Nokia, Volkswagen, Intel, Microsoft, and IBM** are all able to maintain the same high level globally which gives them a competitive advantage in the increasingly global marketplace.

Perceptions on Products/Services, Innovation, and Governance drive reputations globally

- Delivering high quality products and services is the number one driver of trust, admiration and respect. This dimension stands out as the most direct link to strong reputations with a weight of more than 20%.
- Being seen as innovative as well as a company that is fair, open and transparent comes in next as the most important dimensions for consumers in general across all companies in 24 countries. However, what matters most will vary by industry so each company must understand its specific reputation landscape in order to develop the right strategy.
- All 7 dimensions have a significant impact on reputation. Any one dimension has a weight of more than 12%, indicating that companies cannot neglect any one driver of reputation in order to have a strong global reputation.

7 rational dimensions drive the emotional reputation bond

- To break into the top 10 on the Products/Services dimension you have to earn a score of 78 or higher, leaving no room for failure in delivering high quality, excellent products and reliable services to the global public. **BMW, Volkswagen, Sony, Apple, Google, Intel, and Nokia** lead within this dimension with excellent scores above 80.
- High tech companies lead global perceptions of Innovation with **Apple, Google, and Sony** placing in the top three spots.
- Governance proves to be a difficult dimensions to differentiate on—only three points separate the top scoring company, **Google**, and the 10th ranked company in this dimension, **Intel**.
- Perceptions of corporate Citizenship are lower with the global public than other dimensions. **Google**, the top scoring company, doesn't break 70, indicating an overall lack of confidence in the ability of global companies to be good corporate citizens.

The World's Most Reputable Companies 2010

Rank	Company	Reputation Pulse Score
1	Google	78.62
2	Sony	78.47
3	The Walt Disney Company	77.97
4	BMW	77.77
5	Daimler (Mercedes-Benz)	76.83
6	Apple	76.29
7	Nokia	76.00
8	IKEA	75.60
9	Volkswagen	75.55
10	Intel	75.39
11	Microsoft	74.47
12	Johnson & Johnson	74.12
13	Panasonic	73.67
14	Singapore Airlines	73.54
15	Philips Electronics	73.31
16	L'Oreal	73.17
17	IBM	73.03
18	Hewlett-Packard	72.67
19	Barilla	72.45
20	Nestlé	72.37
21	Ferrero	72.36
22	Samsung Electronics	71.62
23	FedEx	70.84
24	Honda Motor	70.82
25	The Coca-Cola Company	70.40
26	Carlsberg	70.31
27	Procter & Gamble	70.21
28	UPS	70.07

Google and Sony Most Reputable Global Companies

Of the 54 companies measured in the Global Reputation Pulse 2010 Study, **Google** and **Sony** enjoy the most trust, admiration, respect and good feelings from the general public across 24 markets. With strong global Reputation Pulse scores of 78.62 and 78.47, respectively, these cutting-edge companies earn both emotional and rational appeal with consumers around the world. The strength of this appeal shows how innovative technology holds personal relevance to the average consumer in the 21st century.

These two top companies are quickly followed in reputation ratings by global brand powerhouses **The Walt Disney Company** and **BMW**. **Daimler**, **Apple**, **Nokia**, **IKEA**, **Volkswagen** and **Intel** round out the top 10, all with global scores above 75.

German Automakers Take The Lead

German rooted BMW (77.77), **Daimler** (76.83), and **Volkswagen** (75.55) each headline as one of the top ten global corporate reputations. One other automaker, **Honda** (70.82) makes the list as number 24 proving that you can have an strong reputation as a car company despite the issues in the industry. **Toyota**, **Ford**, **Nissan**, and **Peugeot** all have average reputations across the 24 markets.

Rivals in Reputation—who has the reputation advantage?

Industry rivals—connected in much of the general public's minds through their competition—saw some separation in their global reputation scores. **Apple** (76.29) edges industry peer **Microsoft** (74.47) while **Dell** and **Lenovo** could not match **HP's** (72.67) strong reputation.

FedEx (70.84) edges out **UPS** (70.07) globally in a close race for leadership in their industry.

The Coca-Cola Company (70.40) makes the list of Most Reputable Companies but rival **PepsiCo** does not. **P&G** (70.21) makes the list while **Unilever** does not. Food giants **Barilla** (72.45), **Nestlé** (72.37), and **Ferrero** (72.36) earn top global ratings, but **Kraft Foods** doesn't make it on the list.

Excellent/Top Tier above 80
 Strong/Robust 70-79
 Average/Moderate 60-69
 Weak/Vulnerable 40-59
 Poor/Lowest Tier below 40

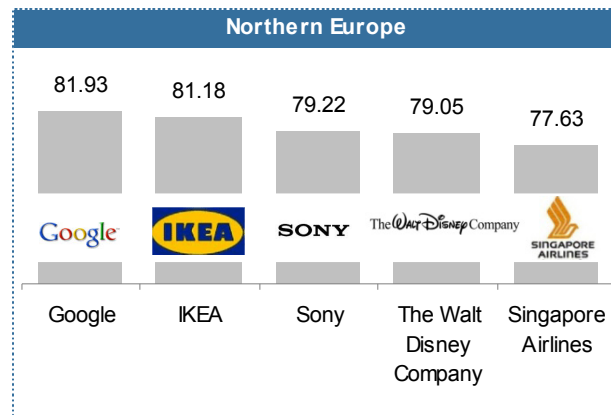
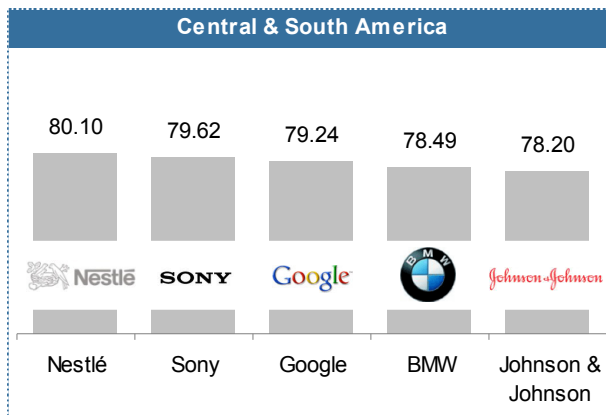
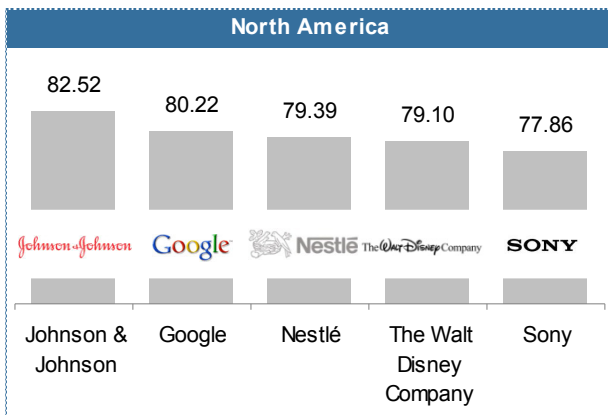
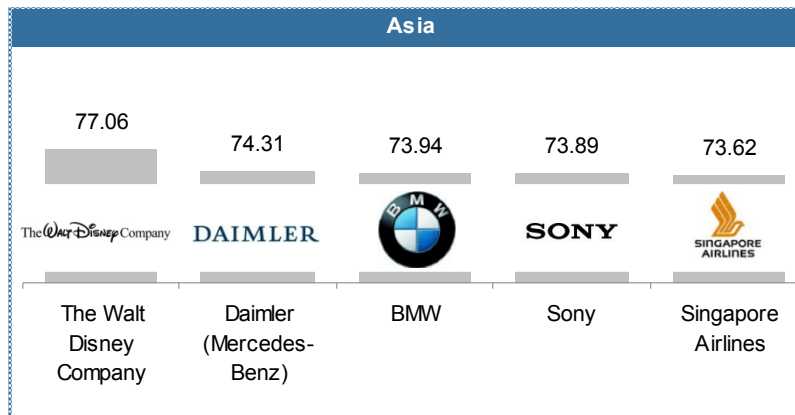
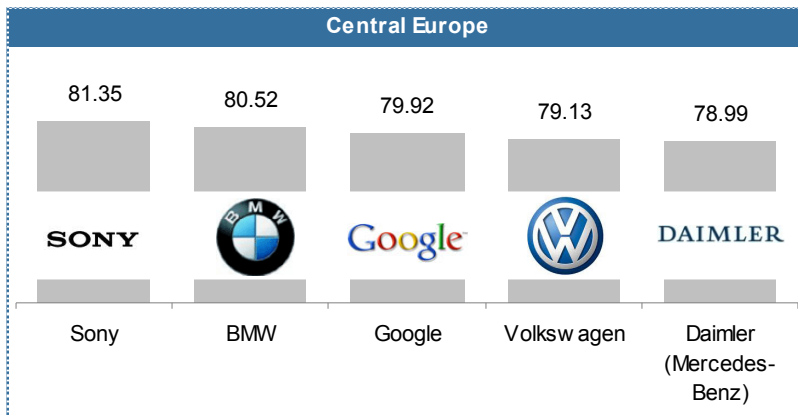
All Global Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level.

Pulse scores are based on questions measuring Trust, Admiration & Respect, Good Feeling and Overall Esteem (captured in the Pulse score on a 0-100 scale).

Top 5 Companies in Each Global Region

Overall Reputation Leaders Google and Sony Have Broad Regional Support

Top companies **Google** and **Sony** showed broad, consistent support across the five regions—with Google ranking in the top five in four of the five regions and Sony ranking in the top five of them all. The **Walt Disney Company** and **BMW** also both performed well by ranking in the top five of three regions—including their respective home regions. **Johnson & Johnson** is the only company to win in its home region. **Singapore Airlines** was the only native Asian company to rank in the top five in Asia.



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How Does Reputation Change with Consumers?

Global Reputation Pulse vs. Home Country Reputation

Rank	Company	Home Country	Home Country Pulse	Global Reputation Pulse	Home Country Pulse Advantage
1	Google	US	77.05	78.62	-1.57
2	Sony	Japan	77.28	78.47	-1.19
3	The Walt Disney Company	US	78.29	77.97	0.31
4	BMW	Germany	80.18	77.77	2.42
5	Daimler (Mercedes-Benz)	Germany	77.85	76.83	1.02
6	Apple	US	74.71	76.29	-1.58
7	Nokia	Finland	77.04	76.00	1.04
8	IKEA	Sweden	85.03	75.60	9.44
9	Volkswagen	Germany	77.55	75.55	2.00
10	Intel	US	76.61	75.39	1.22
11	Microsoft	US	75.92	74.47	1.45
12	Johnson & Johnson	US	81.21	74.12	7.09
13	Panasonic	Japan	80.24	73.67	6.57
14	Singapore Airlines	Singapore	83.69	73.54	10.14
15	Philips Electronics	Netherlands	78.03	73.31	4.72
16	L'Oreal	France	77.61	73.17	4.44
17	IBM	US	74.57	73.03	1.54
18	Hewlett-Packard	US	74.94	72.67	2.28
19	Barilla	Italy	83.53	72.45	11.07
20	Nestlé	Switzerland	69.50	72.37	-2.88
21	Ferrero	Italy	82.81	72.36	10.45
22	Samsung Electronics	South Korea	75.45	71.62	3.84
23	FedEx	US	77.56	70.84	6.72
24	Honda Motor	Japan	78.93	70.82	8.11
25	The Coca-Cola Company	US	74.23	70.40	3.83
26	Carlsberg	Denmark	79.28	70.31	8.97
27	Procter & Gamble	US	75.98	70.21	5.77
28	UPS	US	77.18	70.07	7.11

Companies Have Higher Regard At Home

Of the 28 companies only 10 companies have global reputations that are on par with or better than their reputation in their home country. **Google, Sony, The Walt Disney Company, Daimler, Apple, Nokia, Volkswagen, Intel, Microsoft, and IBM**

The largest home field advantage for reputation is held by fellow Italians **Barilla**, with a positive difference of +11.07 points, and **Ferrero** (+10.45) in Italy. This indicates a major opportunity for these companies as they grow more global.

American Reputation Icon **Johnson & Johnson** is not able to match its stellar reputation in the U.S. with consumers around the world, coming in 7 points short on a global level.

A Wining Global Reputation

As the fight for global market share increases, the companies who are able to build strong emotional connections outside of their home countries will be in a very favorable situation to capture consumer support.

Exporting a home-grown reputation requires a deep understanding of what matters to consumers around the world and the ability to be relevant through actions and communications—the results show, that even the best companies have not mastered this yet.

Excellent/Top Tier above 80
Strong/Robust 70-79
Average/Moderate 60-69
Weak/Vulnerable 40-59
Poor/Lowest Tier below 40

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Pulse scores are based on questions measuring Trust, Admiration & Respect, Good Feeling and Overall Esteem (captured in the Pulse score on a 0-100 scale).

What Drives Reputation around the World?

Each of the Seven Dimensions of the RepTrak™ Model Drive Corporate Reputation

To earn trust, admiration, good feeling and support companies need to address all seven dimensions of reputation. Globally, each dimension alone accounts for over 12% of reputation.

Products/Services, Innovation, and Governance are Key Drivers

The most influential dimension on reputation is Products/Services, followed by Innovation and Governance. If companies can make the general public perceive them well on these dimensions overall reputation and support will improve. If companies do not perform well in these areas stakeholder support will suffer.

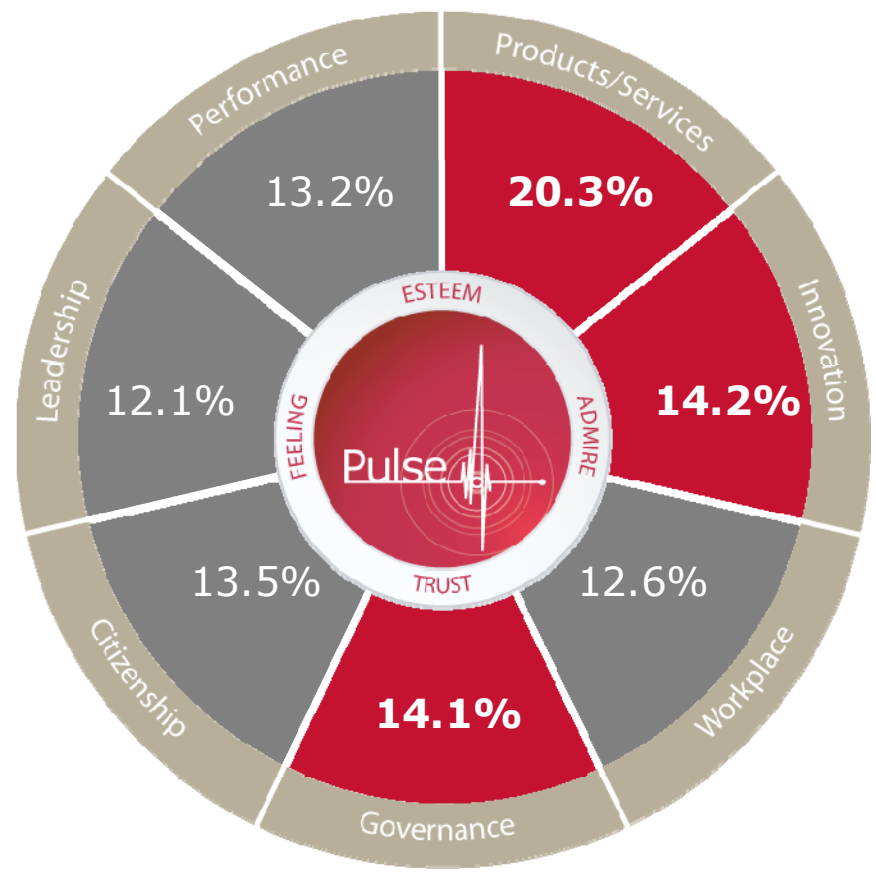
Different Drivers Around the World

Regionally, Governance was more of a focus in North America and Northern Europe, while Central & South America and Central Europe were more strongly influenced by Innovation when determining a company's reputation.

This indicates that companies need to adapt to local needs in order to build excellent reputations and only the companies that understand how to be relevant on a local level will build strong reputations on a global scale.

Building a Broad Reputation Platform

Since all dimensions of reputation impact corporate reputation, top companies must exhibit strength in all seven areas. The future reputation battle will be fought on a platform that has more than just a focus on price and quality of products and services. Consumers want to understand companies behind their brands; and telling the corporate story leads to support.



Factor Adjusted Regression

n = 172,875

Adj R² = 0.719

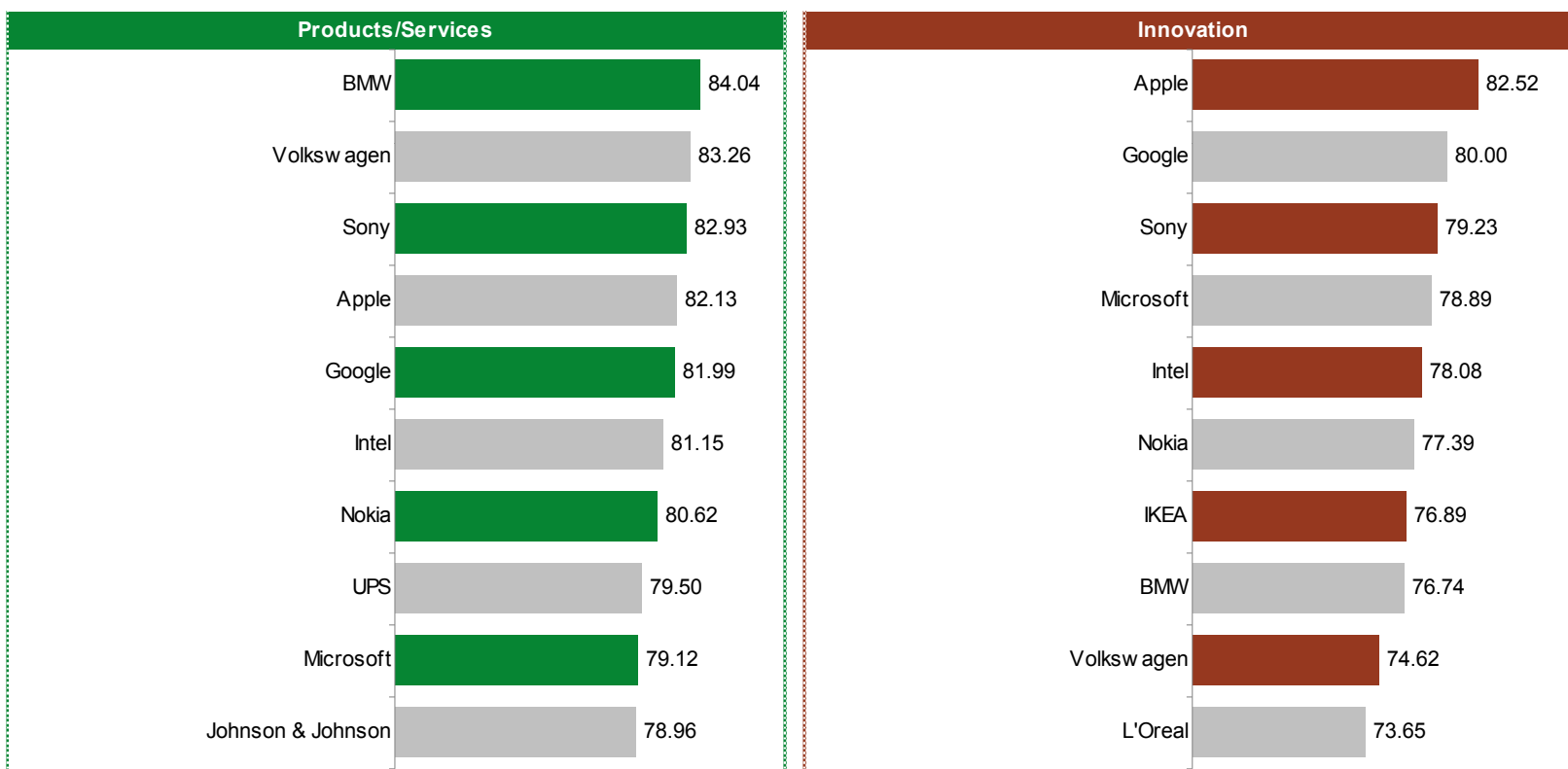
Q: Product/Services: 'Company' offers high quality products and services -- it offers excellent products and reliable services
 Q: Innovation: 'Company' is an innovative company -- it makes or sells innovative products or innovates in the way it does business
 Q: Workplace: 'Company' is an appealing place to work -- it treats its employees well
 Q: Governance: 'Company' is a responsibly-run company -- it behaves ethically and is open & transparent in its business dealings
 Q: Citizenship: 'Company' is a good corporate citizen -- it supports good causes & protects the environment
 Q: Leadership: 'Company' is a company with strong leadership -- it has visible leaders & is managed effectively
 Q: Performance: 'Company' is a high-performance company -- it delivers good financial results

Top 10 Globally within Products/Services & Innovation

BMW and Apple Lead Global Perceptions of High Quality Product/Services and Innovation

To break into the top 10 on the Products/Services dimension companies have to earn a score of 78 or higher, leaving no room for failure in delivering high quality, excellent products and reliable services to the global public. **BMW, Volkswagen, Sony, Apple, Google, Intel, and Nokia** lead this dimension with excellent scores above 80 paving the way for their strong reputations globally.

High tech companies lead global perceptions of Innovation with **Apple (82.52), Google (80.00), and Sony (79.23)** placing in the top three spots. Taking a divergence from the high-tech crowd, carmakers **BMW and Volkswagen** and retailer **IKEA** are three notable inclusions in the top 10 leaders in perceptions of global Innovation.



All Global Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level.

Q: Product/Services: 'Company' offers high quality products and services -- it offers excellent products and reliable services

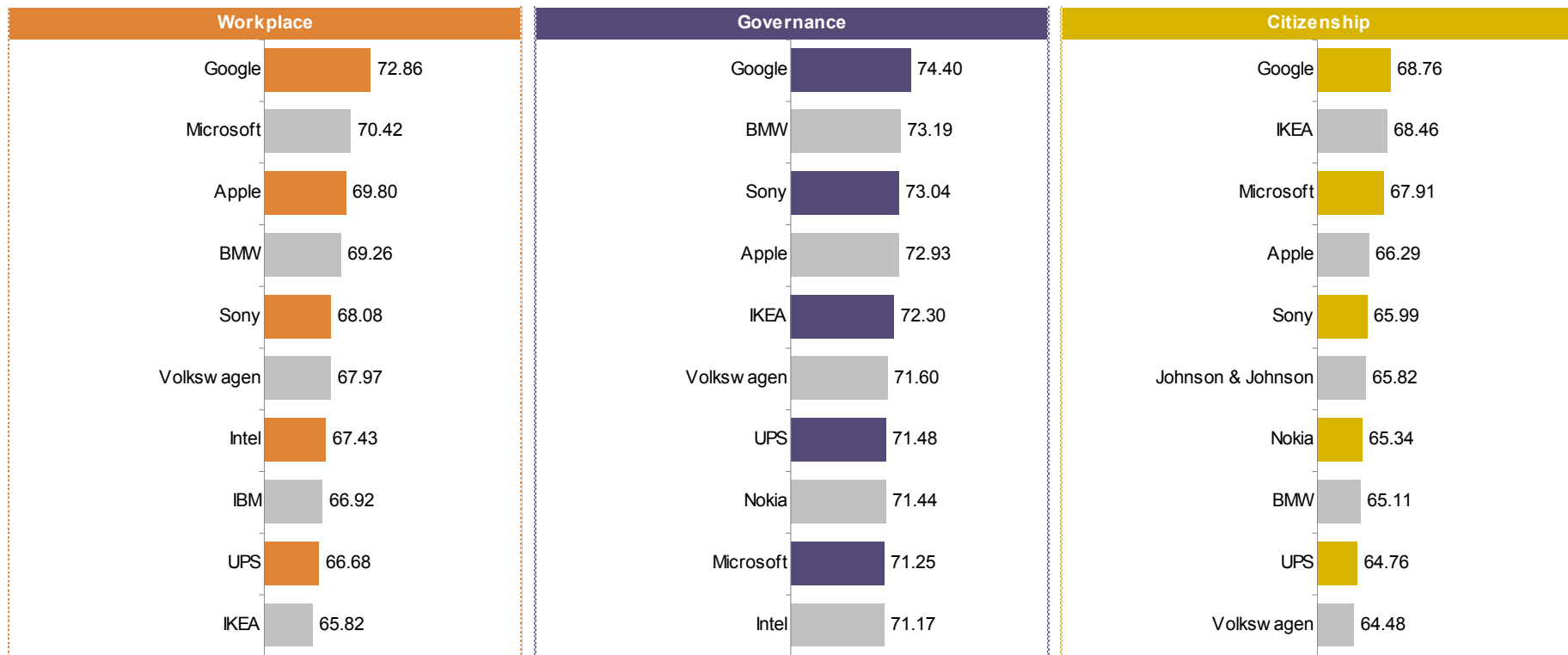
Q: Innovation: 'Company' is an innovative company -- it makes or sells innovative products or innovates in the way it does business

Top 10 Globally in Workplace, Governance, Citizenship

Google Leads Global Rankings in Workplace, Governance, and Citizenship

Google leads global public perceptions in the dimensions of Workplace, Governance, and Citizenship. The corporate social responsibility dimensions of Workplace, Governance, and Citizenship account for 40.2% of reputation with the global general public. Maintaining strong perceptions in these three dimensions will have a major impact on overall corporate reputation and consumer support.

In terms of Governance, companies have difficulty differentiating themselves in the minds of the global public—only three points separate the top scoring company, **Google** (74.40), and the 10th ranked company, **Intel** (71.17). Perceptions of corporate Citizenship are lower with the global public than other dimensions. **Google**, the top scoring company, doesn't break 70, indicating an overall lack of confidence in the Citizenship of global companies.



All Global Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level.

Q: Workplace: 'Company' is an appealing place to work -- it treats its employees well

Q: Governance: 'Company' is a responsibly-run company -- it behaves ethically and is open & transparent in its business dealings

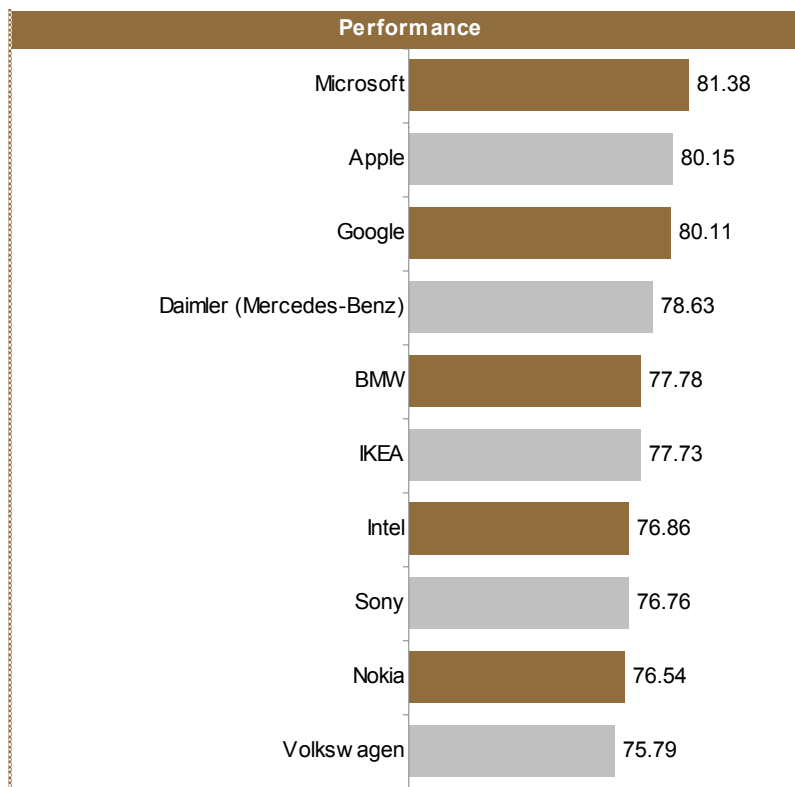
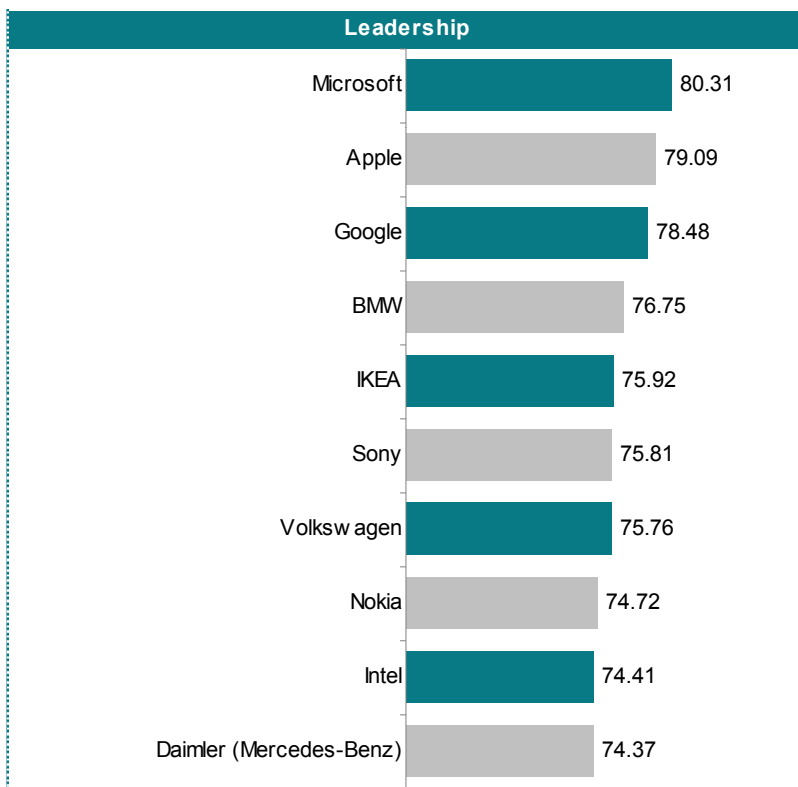
Q: Citizenship: 'Company' is a good corporate citizen -- it supports good causes & protects the environment

Top 10 Globally in Leadership and Financial Performance

Microsoft and Apple battle for the Top Spot in Leadership and Financial Performance

Microsoft narrowly leads rival Apple and fellow tech giant Google in both Leadership and Performance with global consumers. When looking at the drivers of global reputation, Leadership and Financial Performance impact over 25% percent of reputation for these multinationals.

Having strong and visible leaders associated with companies, such as Bill Gates, Steve Jobs, Larry Page and Sergey Brin helps position them as visionary companies, but the results show that a high profile leader doesn't have to be present for a company to make the top 10. **BMW, IKEA, SONY, Volkswagen, NOKIA, Intel, and Daimler** are all in the top 10 without a strong public profile of their leaders.



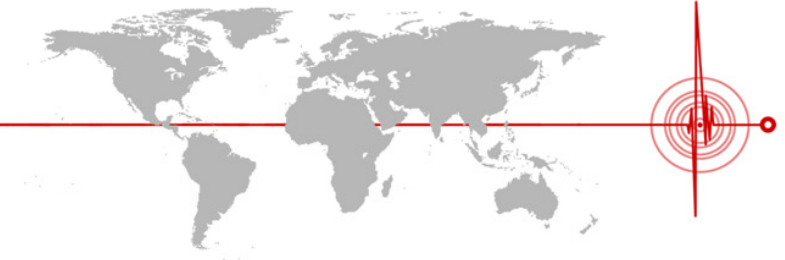
All Global Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level.

Q: Leadership: 'Company' is a company with strong leadership -- it has visible leaders & is managed effectively

Q: Performance: 'Company' is a high-performance company -- it delivers good financial results

Global Reputation Pulse 2010

About This Study and Methodology



About This Study – Global Reputation Pulse 2010

Data Collection Period

- April 16th through May 3rd 2010

Stakeholder Group

- General Public
- Respondents distribution was balanced to the country population on age and gender
- Sample was also controlled for region

Qualified Respondents

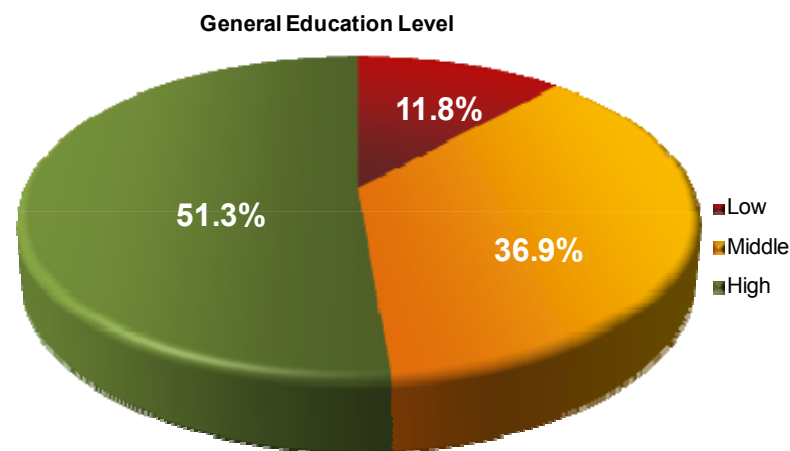
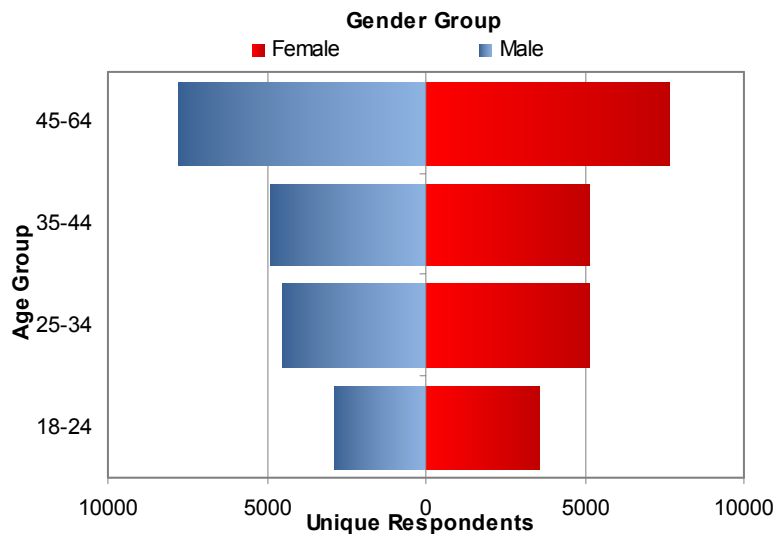
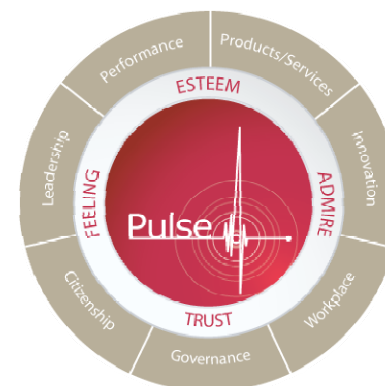
- **Familiarity:** respondents have to be “somewhat” or “very” familiar with at least one company
- **RepTrak™ Pulse:** To provide measures on at least three of the four pulse statements

Data Collection Method

- Web Based Questionnaire in 24 countries
- Data collection was powered by Survey Sampling International.

Length of Interview

- 10 minutes



About Reputation Institute

Reputation Institute is the world's leading reputation consulting firm. As a pioneer in the field of brand and reputation management, Reputation Institute helps companies build better relations with stakeholders.

With a presence in 30 countries, Reputation Institute is dedicated to advancing knowledge about reputation and shares best practices and current research through client engagement, memberships, seminars, conferences, and publications such as *Corporate Reputation Review* and *Reputation Intelligence*.

Reputation Institute's *Reputation Pulse* is the largest study of corporate reputations in the world, identifying what drives reputation and covering more than 1,500 companies from 34 countries annually. Reputation Institute provides specific reputation insight from more than 15 different stakeholder groups and 24 industries, allowing clients to create tangible value from intangible stakeholder feelings.

Visit **ReputationInstitute.com** to learn how you can unlock the power of your reputation. For more information on Global Reputation Pulse, e-mail info@reputationinstitute.com

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