



# Is CSR Dead or Just Mis-Managed?



**2012 – Global CSR RepTrak™ 100**

**The Best CSR in the World**

Reputation Study with Consumers in  
15 Countries

# We Launched Reputation Management – The Discipline

## Our Reputation Focus:

- Reputation Advice
- Reputation Knowledge Center

## Our Reputation Offerings:

Measurement & Analytics  
Business Strategy & Positioning  
Integration & Implementation  
Internal & External Alignment  
Risk Management  
Training

Independently owned and founded in 1997, we operate in 30 countries. We provide best-in-class reputation consulting to empower more confident decision-making, enabling our clients to achieve their corporate objectives.

# WELCOME TO THE REPUTATION ECONOMY

## Taking Advantage of New Opportunities – The Reputation Economy

**83%** agree that we are competing in a  
Reputation Economy

**BUT...**

Only **49%** say they are well positioned to take advantage of this

The Reputation Economy is an environment in which people buy products, take jobs, and make investments based mainly on their trust, admiration and appreciation for the companies and institutions that stand behind them



Source: Reputation Institute CRO Survey, 2012



How do you engage with your reputation ecosystem?

## Key Challenges for Reputation Leaders:

**51%** - No structured process

**37%** - Not leveraging existing knowledge

**35%** - No alignment across departments

Source: Reputation Institute: CRO Study, 2012

# Business Case for Reputation Management

## Your success as a company relies on people supporting you...

- **Buying** your products...
- **License to operate**...
- **Investing** in you...
- **Reporting** on your point of view...
- **Delivering** on your strategy...

For them to **support** you they need to **trust** you

Trust you as a company that will **deliver on its promises**

A company who has a **good reputation**



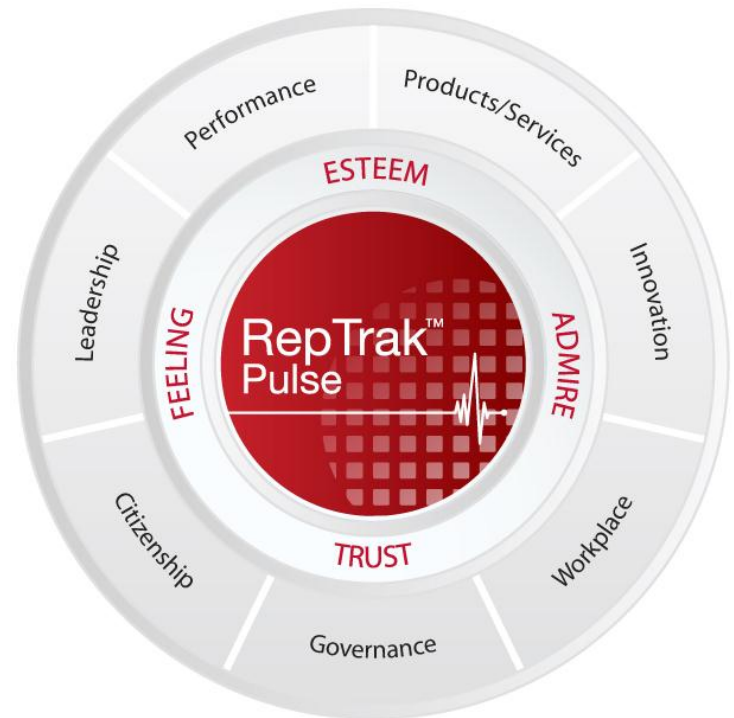
# Delivering on Expectations

For your stakeholders to trust you, you need to **deliver on their expectations...**

They expect you to be leading within 7 key dimensions:

1. Products / Services
2. Innovation
3. Workplace
4. Governance
5. Citizenship
6. Leadership
7. Financial Performance

If you **deliver** on these 7 dimensions you will be in a situation where **each stakeholder will be willing to support you**



**How do they see you?**



The Best 100 Companies...



Compete Across the 15 Largest Economies...



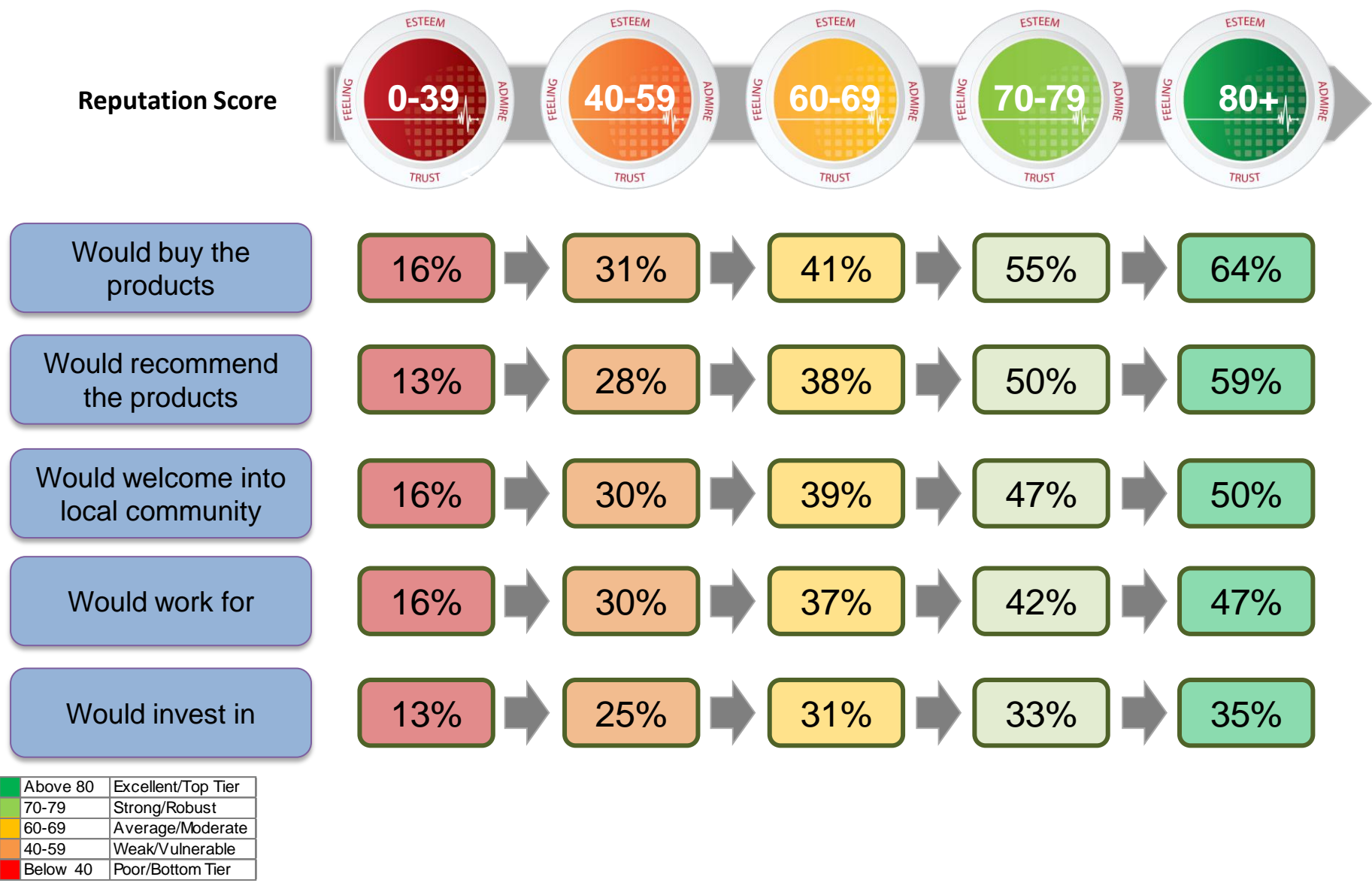
For the title:  
 “The Best CSR Reputation in the World”





Your Reputation is the  
**#1 Driver of Value**

# Stronger reputation increases support

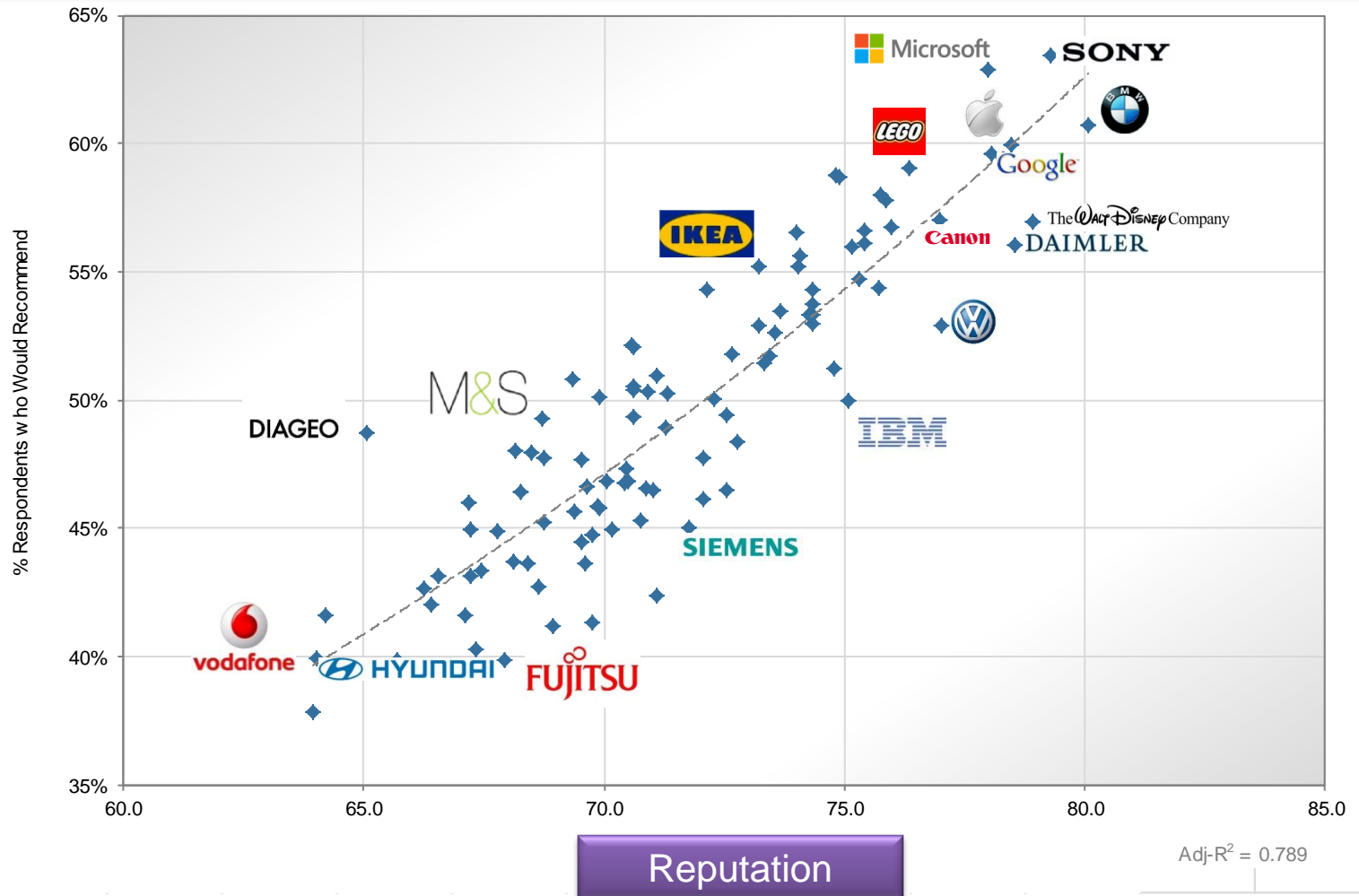


Note: Data is based on Global Reputation Pulse 2012 Study conducted in Jan-Feb

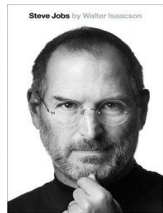
# Strong Relationship Between Reputation and Support

## Improve Reputation by 5 Points and Increase Recommendation by 7.1%

If a company improves its reputation by 5 points, the number of people who would definitely recommend the company goes up by 7.1%.



# In the Marketplace Just **Two Factors** are at Play – What Matters Most?

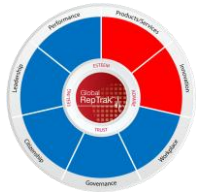


## Enterprise

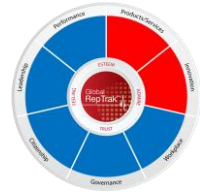
## Product



- Buy
- Recommend
- Work for
- Invest in



60 %



40 %

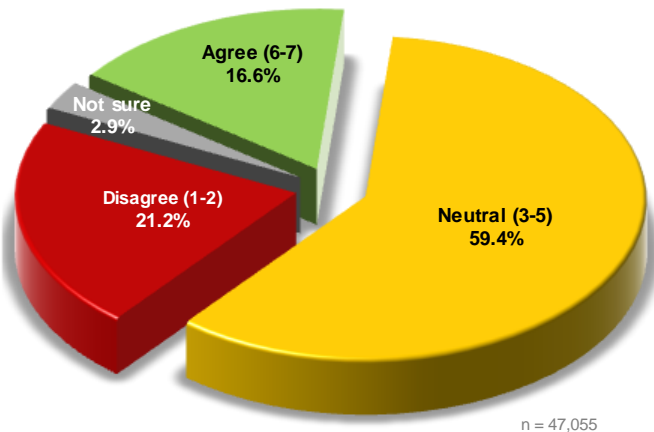


# In the Reputation Economy you need to show – telling won't do it

- Only 16.6% definitely trust what companies are promising in their advertising and marketing
- A clear need for different ways to engage with stakeholders

- Only 18.7% of consumers trust what companies are saying in those official reports
- Why are companies continuing to spend large sums on these glossy reports?

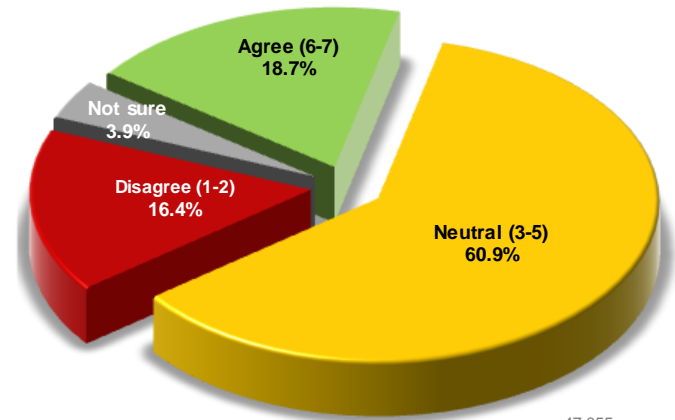
**Trust in Advertising/Marketing**  
Global



n = 47,055

Q750\_1: I believe what companies say in their advertising/marketing

**Trust in Reports**  
Global



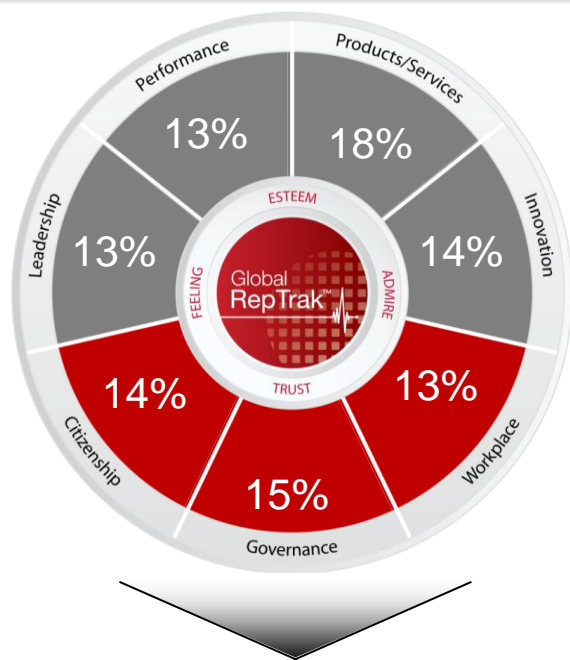
n = 47,055

Q750\_2: I believe what companies say in the reports they publish

Is CSR **Dead**  
or just **Mis-Managed**?

**Reputation is your # 1 driver of value, and CSR is a key part of reputation**

**Citizenship, Governance and Workplace determine 42% of peoples willingness to trust, admire, and support you**



**42.0%**

Factor Adjusted Regression  
n = 14,500  
Adj-R<sup>2</sup> = 0.707

**CSR is being Mis-Managed**

**56-61% of consumers are *neutral or not sure* if the companies can be trusted to deliver on Citizenship, Governance, and Workplace...**

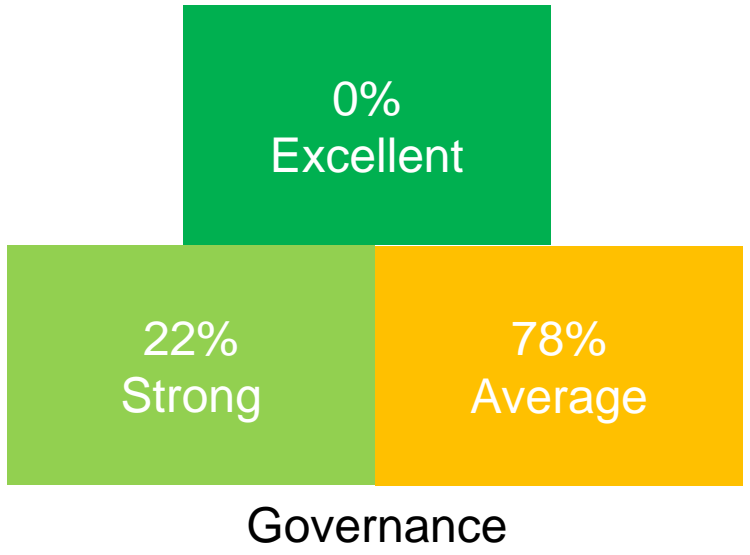
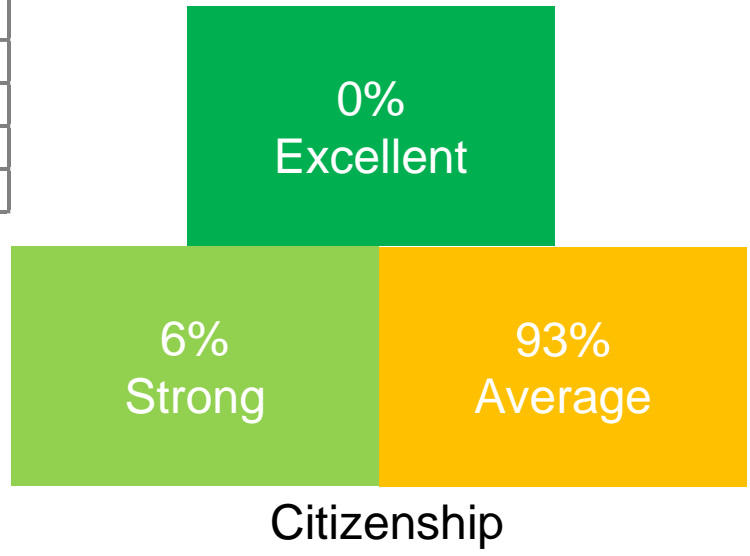
**Only 36% believe - these companies are *appealing places to work* that treats its employees well**

**Only 40% believe - these companies are responsibly-run companies that *behaves ethically and is open & transparent* in its business dealings**

**Only 35% believe - these companies are *good corporate citizen* that supports good causes & protects the environment**

# Shouldn't the top 100 companies be doing better?

Above 80	Excellent/Top Tier
70-79	Strong/Robust
60-69	Average/Moderate
40-59	Weak/Vulnerable
Below 40	Poor/Bottom Tier





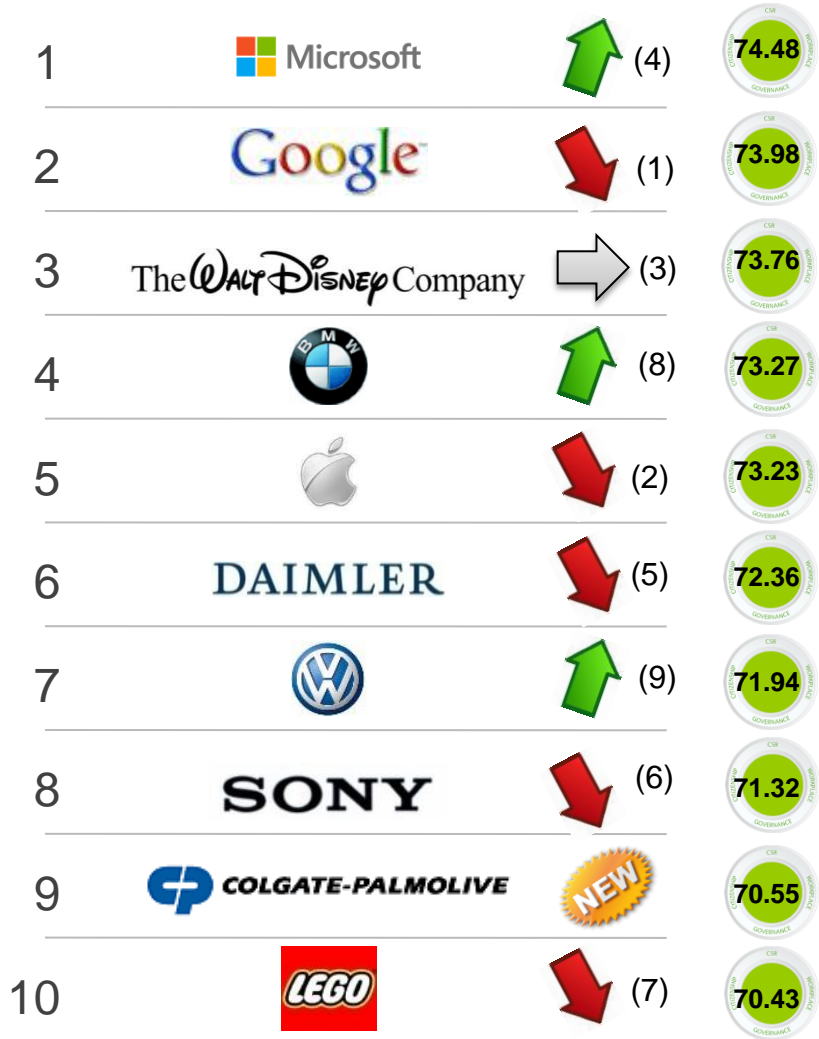
Which companies  
have a strong perception  
for CSR?



## The dimensions of CSR

- Of the 7 dimensions that drive reputation, 3 fall into the CSR category:
  - **Citizenship:** 'Company' is a good corporate citizen – it supports good causes & protects the environment
  - **Governance:** 'Company' is a responsibly-run company – it behaves ethically and is open & transparent in its business dealings
  - **Workplace:** 'Company' is an appealing place to work – it treats its employees well

# 2012



## Microsoft claims the top spot in 2012 CSR RepTrak™ 100 as the company with the best CSR perception in the world

- Microsoft moves to the top in the 2012 CSR RepTrak™ 100 pushing Google to second place. A remarkable move for the US software power house considering that not long ago the company was seen as an evil force using its domination to crush competitors and charging too much for its products and services. Through systematic work Microsoft has earned the trust of consumers around the world and is now the company who consumers say are most open, honest, fair in the way they do business
- Microsoft is joined in the top 10 by Google, The Walt Disney Company, BMW, Apple, Daimler, VW, SONY, Colgate-Palmolive, and LEGO
- Colgate-Palmolive is the only new-comer to top 10 replacing Intel, making a significant leap from # 29 to 9<sup>th</sup> place in the CSR RepTrak™ 100
- The top 10 companies come from a cross-fit of industries: IT, Automobile, Electronics and Entertainment
- The German car industry has 3 companies in the top 10 leaving their competitors far behind; #37 (Toyota), #43 (Nissan), #79 (Suzuki), and #96 (Hyundai)

	Above 80	Excellent/Top Tier
	70-79	Strong/Robust
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	40-59	Weak/Vulnerable
	Below 40	Poor/Bottom Tier

All CSR RepTrak™ scores that differ by more than +/-0.9 are significantly different at the 95% confidence level.

CSR RepTrak™ scores are based on questions measuring Workplace, Governance, and Citizenship (captured in the CSR score on a 0-100 scale).

# CSR Index: The World's Best-Regarded Companies for CSR (1 – 50)

Rank	Company	CSR Index
1	Microsoft	74.48
2	Google	73.98
3	The Walt Disney Company	73.76
4	BMW	73.27
5	Apple	73.23
6	Daimler (Mercedes-Benz)	72.36
7	Volkswagen	71.94
8	Sony	71.32
9	Colgate-Palmolive	70.55
10	LEGO Group	70.43
11	IBM	70.26
12	Intel	70.13
13	Johnson & Johnson	69.84
14	Canon	69.81
15	Honda Motor	69.80
16	Nestlé	69.57
17	Panasonic	69.56
18	Adidas Group	69.48
19	Michelin	69.42
20	3M	69.30
21	IKEA	69.12
22	Danone	69.08
23	Philips Electronics	68.91
24	The Coca-Cola Company	68.87
25	Samsung Electronics	68.69

Rank	Company	CSR Index
26	Kellogg	68.56
27	Ferrero	68.54
28	Bridgestone	68.33
29	Cisco Systems	68.22
30	Amazon.com	68.13
31	L'Oréal	68.09
32	Marriott International	68.08
33	Nintendo	67.93
34	Hewlett-Packard	67.87
35	Siemens	67.87
36	FedEx	67.79
37	Toyota	67.73
38	Deutsche Lufthansa	67.65
39	Goodyear	67.64
40	Abbott Laboratories	67.54
41	LG Corporation	67.49
42	Procter & Gamble	67.30
43	Nissan Motor	67.29
44	Singapore Airlines	67.26
45	Nokia	67.00
46	Oracle	66.99
47	Giorgio Armani Group	66.90
48	LVMH Group	66.79
49	Roche	66.79
50	Bayer	66.77

Excellent/Top Tier Above 80  
 Strong/Robust 70-79  
 Average/Moderate 60-69  
 Weak/Vulnerable 40-59  
 Poor/Bottom Tier Below 40

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## CSR Index:

## The World's Best-Regarded Companies for CSR (51 – 100)

Rank	Company	CSR Index
51	Airbus	66.74
52	Hilton Worldwide	66.73
53	Unilever	66.62
54	General Electric	66.43
55	SAS (Scandinavian Airlines)	66.38
56	Boeing	66.35
57	Yahoo!	66.33
58	Pirelli	66.25
59	Swatch Group	66.23
60	Toshiba	66.14
61	Qantas Airways	66.14
62	Xerox	66.04
63	Dell	65.99
64	Fujifilm	65.97
65	Barilla	65.96
66	Nike	65.93
67	Avon Products	65.93
68	Sara Lee	65.87
69	Electrolux	65.86
70	Kraft Foods	65.80
71	DuPont	65.79
72	General Mills	65.71
73	H&M	65.56
74	Marks & Spencer Group	65.55
75	Virgin Group	65.45

Rank	Company	CSR Index
76	UPS	65.34
77	Heineken	65.31
78	ACER	65.11
79	Suzuki Motor	65.03
80	PepsiCo	64.99
81	Eli Lilly	64.87
82	Hitachi	64.79
83	eBay	64.76
84	GlaxoSmithKline	64.60
85	Diageo	64.46
86	Starbucks Coffee Company	64.45
87	Carlsberg Group	64.44
88	HJ Heinz	64.42
89	Sharp	64.34
90	Air France-KLM	64.33
91	Petrobras	64.21
92	Pfizer	64.11
93	Eastman Kodak	63.54
94	Lenovo Group	63.48
95	Fujitsu	63.27
96	Hyundai	63.13
97	Zara	62.80
98	Vodafone	62.74
99	Carrefour	62.58
100	Lockheed Martin	61.53

Excellent/Top Tier Above 80  
 Strong/Robust 70-79  
 Average/Moderate 60-69  
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CSR RepTrak™ scores are based on questions measuring Workplace, Governance, and Citizenship (captured in the CSR score on a 0-100 scale).

## North America

- 1  The **WALT DISNEY** Company
- 2  **Kellogg's**
- 3  **Google**
- 4  **Microsoft**
- 5  **FERRERO**






## Europe

- 1 
- 2 
- 3 **DAIMLER**
- 4  **Google**
- 5 

## Latin America

- 1  **Nestlé**
- 2  **Microsoft**
- 3  **COLGATE-PALMOLIVE**
- 4  **DANONE**
- 5  The **WALT DISNEY** Company

## Asia Pacific

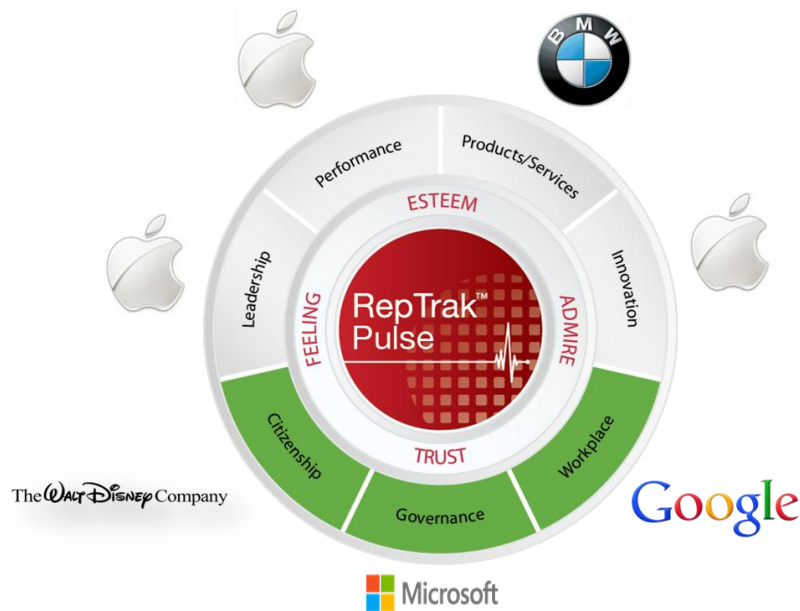
- 1  **Microsoft**
- 2  **Google**
- 3 
- 4  The **WALT DISNEY** Company
- 5  **intel**

## WINNERS ON THE 7 DIMENSIONS OF REPUTATION 2012



**Global**   
**CSR RepTrak™**  
**100**

# The Companies with the Best Reputation in 2012 within the 7 Dimensions of Reputation



## CSR Winners

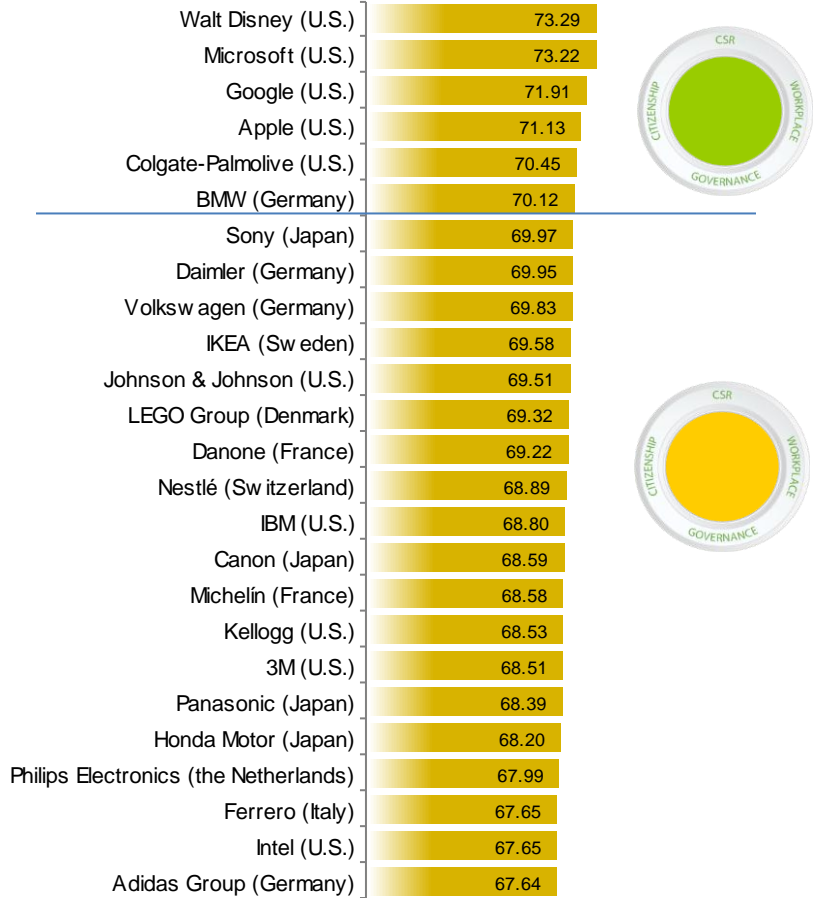
Within each of the 3 dimensions we have a different winner.

- The Walt Disney Company has the best perception for citizenship. 50% of consumers across the 15 markets definitely agree that Disney is a good corporate citizen who supports good causes and protects the environment
- Microsoft has the best perception for governance. 53.6% of consumers across the 15 markets definitely agree that Microsoft is a responsibly-run company that behaves ethically and is open and transparent in its business dealings
- Google has the best perception for workplace. 49.8% of consumers across the 15 markets definitely agree that Google is an appealing place to work and treats its employees well



# Top 25 Companies for Citizenship in 2012

## Top 25 Globally: Citizenship



## The Walt Disney Company, and Microsoft are seen as best “corporate citizens”

- The Walt Disney Company and Microsoft are positively perceived among consumers when asked if the companies are “a good corporate citizen that supports good causes and protects the environment”
- Only a meager 6% of the 100 companies are perceived as strong on corporate citizenship. The vast majority (93%) are perceived as average when it comes to demonstrating wider social responsibilities. None are perceived as excellent and only one company received a weak rating
- The average score across the top 100 companies for citizenship is 65.08. This is the lowest average of the 7 reputation dimensions. This indicates that consumers are very uncertain about what companies are doing to deliver on citizenship
- This suggests an enormous opportunity for these firms to improve and better communicate their social responsibility efforts to stakeholders

Excellent/Top	Tier 80+
Strong/Robust	70-79
Average/Moderate	60-69
Weak/Vulnerable	40-59
Poor/Bottom Tier	Below 40

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

All Dimension scores that differ by more than +/-1.8 are significantly different at the 95% confidence level.

# Why are these companies not getting more out of their investments?

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

**Some of the most well know companies who are all spending millions on citizenship programs have poor perceptions and awareness:**



7% definitely not – 58% neutral or no idea



6% definitely not – 51% neutral or no idea



6% definitely not – 59% neutral or no idea



6% definitely not – 57% neutral or no idea



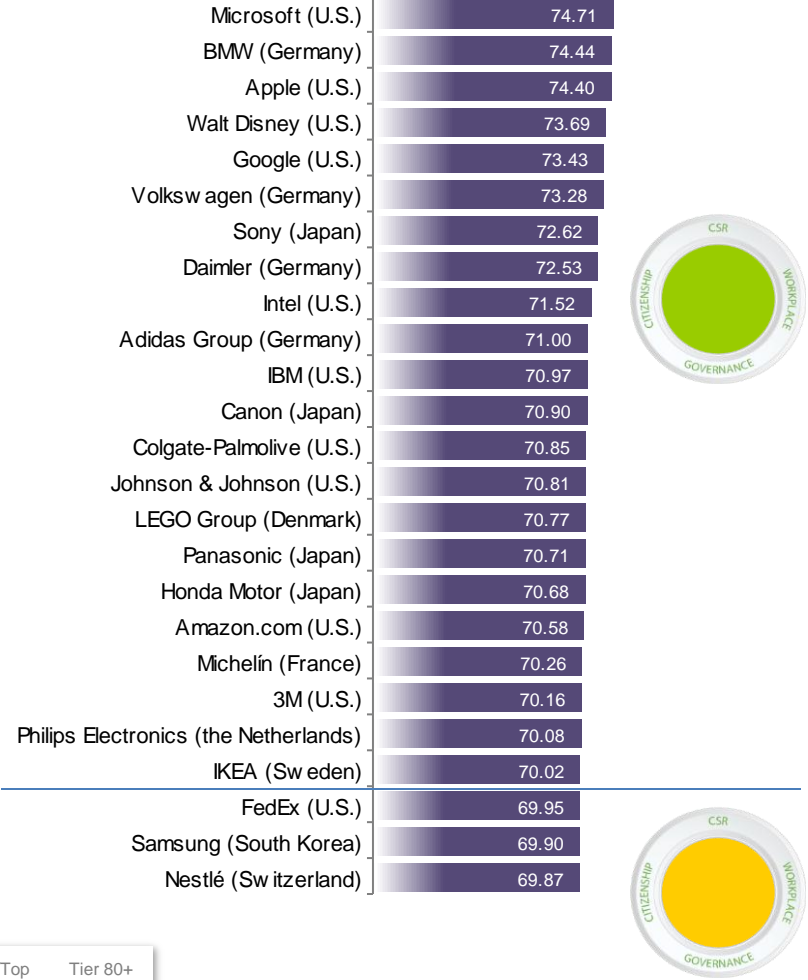
6% definitely not – 57% neutral or no idea



3% definitely not – 62% neutral or no idea

# Top 25 Companies for Governance in 2012

## Top 25 Globally: Governance



## Microsoft, BMW, and Apple are seen as most ethical, open and transparent

- Microsoft, BMW and Apple stand out as being positively perceived among consumers when asked “is it a responsibly-run company that behaves ethically and is open and transparent in its business dealings?”
- 22% of 100 companies are perceived as strong on ethics, openness and transparency. 78% are perceived as average. None are perceived as excellent nor weak when it comes to governance
- Governance is the one dimension where all CSR RepTrak™ 100 top 10 winners receive high scores. Consumers have favorable perceptions towards the ethics, openness and transparency of these companies
- The average score across the top 100 companies for governance is 68.0. This is the 3<sup>rd</sup> lowest average of the 7 reputation dimensions. This indicates that consumers are not sure if they can trust the responsibility and ethics of the top 100 companies
- It also presents an opportunity for companies who invest in a clear strategy on this dimension to make it to the top.

Excellent/Top Tier 80+  
 Strong/Robust 70-79  
 Average/Moderate 60-69  
 Weak/Vulnerable 40-59  
 Poor/Bottom Tier Below 40

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

All Dimension scores that differ by more than +/-1.8 are significantly different at the 95% confidence level.

Why are these companies not getting more out of their investments?

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

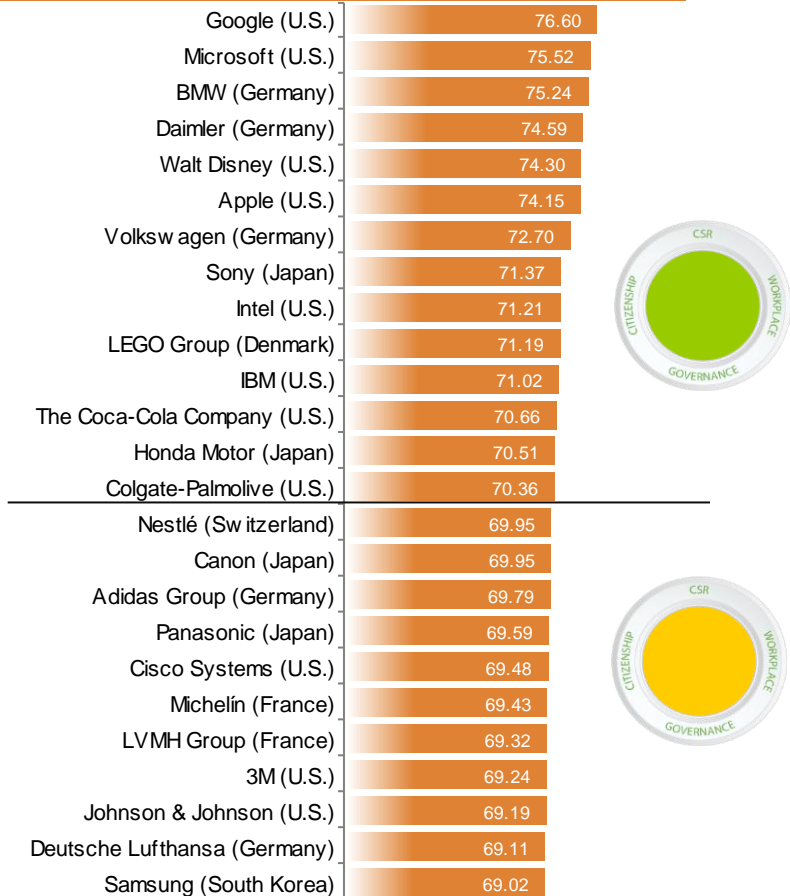
Some of the most well know companies who need consumers to trust their products have poor perceptions and awareness of their ethical business practices :

 COLGATE-PALMOLIVE      3% definitely not - 55% neutral or no idea

L'ORÉAL      3% definitely not – 58% neutral or no idea

 Nestlé      4% definitely not – 52% neutral or no idea

## Top 25 Globally: Workplace



## Google, Microsoft, and BMW are perceived as the best places to work

- Google, Microsoft, and BMW stand out as being positively perceived among consumers as “an appealing place to work that treats its employees well”
- 14% of 100 companies are perceived as strong on workplace. The vast majority 76% are perceived as average. None are perceived as excellent nor weak when it comes to workplace
- The average score across the top 100 companies for workplace is 67.6. This is the 2<sup>nd</sup> lowest average of the 7 reputation dimensions. This indicates that consumers are not sure if they can trust the top 100 companies when it comes to taking care of their own employees
- It also presents an opportunity for companies who invest in a clear strategy on this dimension to make it to the top

Excellent/Top Tier 80+  
 Strong/Robust 70-79  
 Average/Moderate 60-69  
 Weak/Vulnerable 40-59  
 Poor/Bottom Tier Below 40

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

All Dimension scores that differ by more than +/-1.8 are significantly different at the 95% confidence level.



# Why are these companies not getting more out of their investments?

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

**Some of the most well know companies who need consumers to like the way their products are produced have poor perceptions and low awareness of whether they treat their own people well:**



6% definitely not – 60% neutral or no idea



6% definitely not – 61% neutral or no idea



4% definitely not – 64% neutral or no idea



4% definitely not – 58% neutral or no idea



4% definitely not – 62% neutral or no idea

How do you use **Reputation**  
to drive **business growth**?

# The 4 Elements of a World Class Reputation System

## Reputation System

### 1. Business Case

- Which stakeholders are critical to our business?
- What support do we want from them?
- How can reputation increase support?

### 2. Intelligence and Strategy

- What do stakeholders want from us?
- What are risks and opportunities?
- What should our reputation platform be?

### 3. Management and Accountability

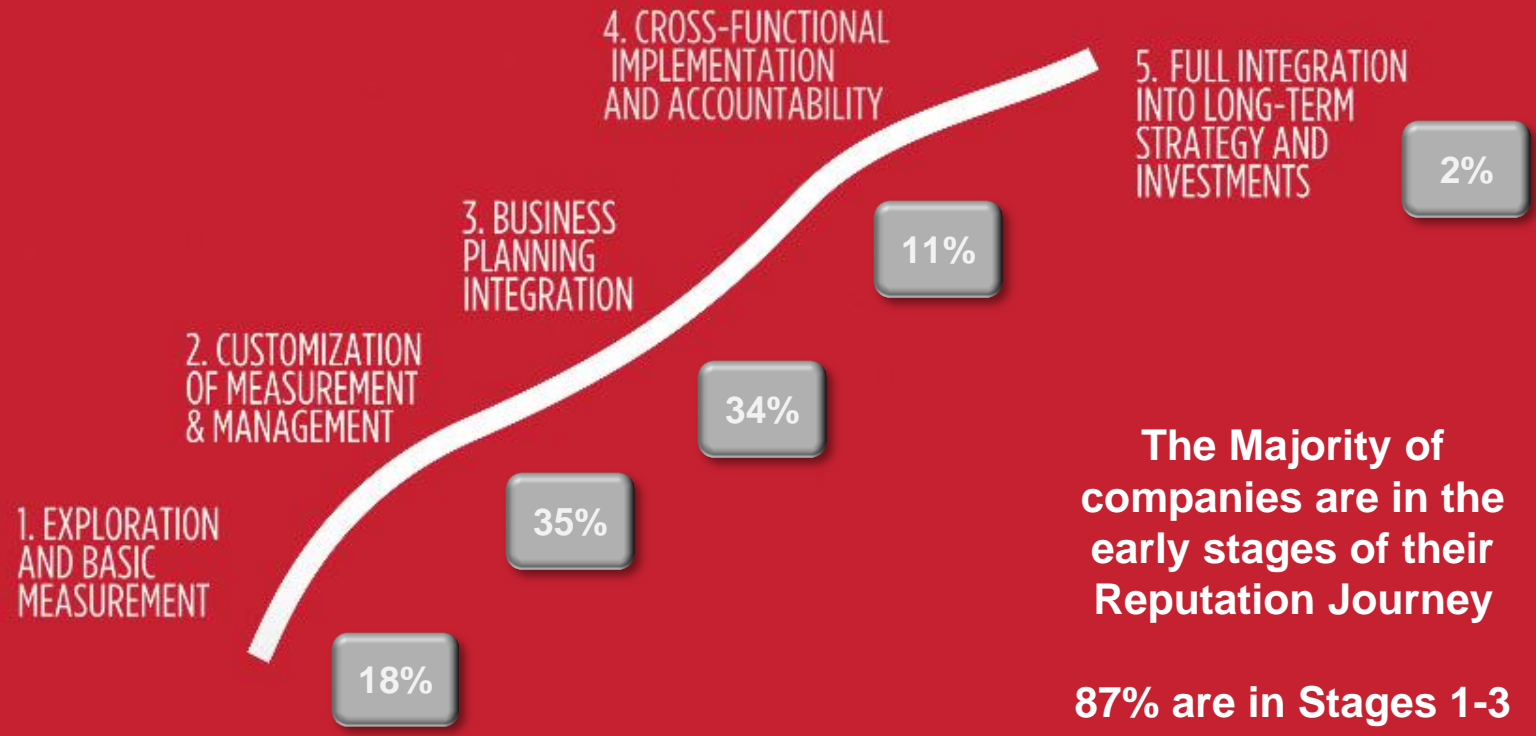
- How do we use reputation for planning?
- How do we train the organization in managing reputation?
- How is reputation linked to KPIs?

### 4. Activation

- How do we communicate and engage with stakeholders?
- How do we ensure alignment across touch points?
- How do we improve reputation and support?

# Start mapping out your journey

## WHERE ARE YOU ON YOUR REPUTATION JOURNEY?



# Join the discussion



**Kasper Ulf Nielsen**  
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Reputation Institute  
[knielsen@reputationinstitute.com](mailto:knielsen@reputationinstitute.com)

## Reputation Intelligence

Explore how you can get started on your  
Reputation Journey

Join our global network of Reputation  
Leaders

[www.reputationinstitute.com](http://www.reputationinstitute.com)

Get your company's specific results:  
[retrak100@reputationinstitute.com](mailto:retrak100@reputationinstitute.com)

## Questions or Comments

Please post your questions or comments to  
continue the discussion...



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