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The **RepTrak** Company

2020 Global RepTrak

A Decade of Reputation Leaders

RepTrak.com

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The Global RepTrak is the world's most comprehensive reputation study.

For the last 10 years, it has consistently measured what drives the corporate reputation of leading global brands and how they are perceived across the 15 largest economies. The RepTrak model quantifies reputation and other key metrics using a scale of 0–100, based on perceptions of seven business drivers: Citizenship, Financial Performance, Governance, Innovation, Leadership, Products & Services, and Workplace.

About the 2020 sample:

- 78,988 individual respondents from the global informed general public
- 295,580 company ratings
- 153 eligible companies, measured across all 15 markets
- Representative online survey fielded between December 2019 and January 2020

This report will share some key learnings and takeaways from the 2020 study.

Key Learnings

1. Corporate reputation is as important as ever.

In 2020, an *excellent* Reputation Score activates 78% of global consumers' willingness to buy, compared to only 9% when reputation is *poor*.

2. While reputation has recovered, fence-sitters continue to increase.

The average reputation of the Top 100 most reputable companies in the world increased over the last year, yet 54% of consumers are unsure or only moderately inclined to support them.

3. ESG drives competitive advantage.

ESG pillars (Governance, Workplace, Citizenship) account for 41% of a company's Reputation Score. On average, companies that significantly improved their score over the last year did so by enhancing perceptions of their social impact, their ethics, and the way they treat employees.

4. Global consumers ask that you be authentic.

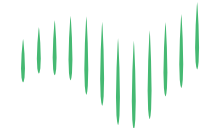
A genuine brand personality is associated with a four-point lift in global reputation. Communicating about your business and purpose in a way that is authentic can move the needle in your favor.

5. Prepare to have a market-specific strategy.

Multicultural drivers should be accounted for as companies expand their global brand. The top 100 companies made it to the top of the ranking by simultaneously delivering according to unique expectations across different economies.

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CSR drives competitive advantage in 2020

On average, the Top 100 Most Reputable Companies increased their global Reputation Score by 0.8 points compared to 2019.

Where did this subtle, but statistically significant, reputational lift come from?



(Scores in Products & Services and Financial Performance were strong but stable year over year.)

In 2020 reputation improves more as a result of what companies stand for than by what they sell.

Significantly, the lift in scores this year was accompanied by strengthening perceptions of the role of enterprise businesses in society. Companies that increased their Reputation Score did so by enhancing perceptions of the three pillars associated with Corporate Social Responsibility (CSR)—Governance, Citizenship, and Workplace.

The key takeaway from this is that, while the most reputable companies must continue to deliver on the quality and value of their products and services, in 2020 reputation improves more as a result of what companies stand for than by what they sell.

Changes in what drives reputation

Many things have changed over the last decade, and today, companies are exposed to quicker and more costly sources of reputation risk than ever before.

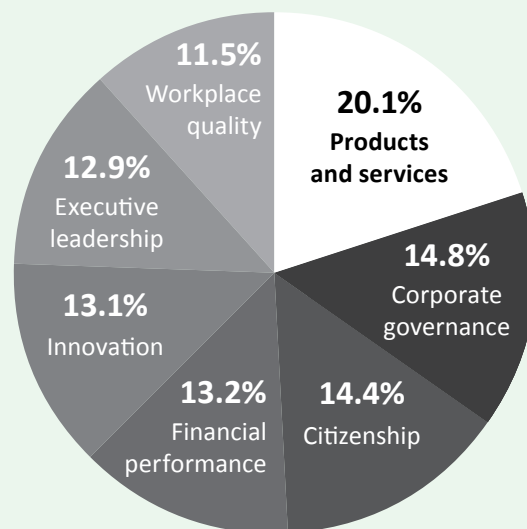
However, the basic drivers of a strong global reputation have passed the test of time.

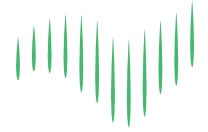
Have the ingredients to a strong global reputation changed in the last decade? The broad answer is no.

What drives reputation among the Top 100 most reputable companies globally has held remarkably stable for the last 10 years. Products & Services continues to be the most important driver, particularly regarding the quality and value of a company's offering.

Next in importance is Corporate Governance, and third is Citizenship. Scores across these three drivers accounted for 50% of a company's Reputation Score 10 years ago, and still do today.

The global basis for a strong reputation has not changed—companies that continue to improve their Reputation Score have managed to update the way they speak about these important themes in a way that resonates with different generations.





Reputation is market-specific

There are key differences in reputation by country, which communication leaders should be aware of when they go to market internationally.

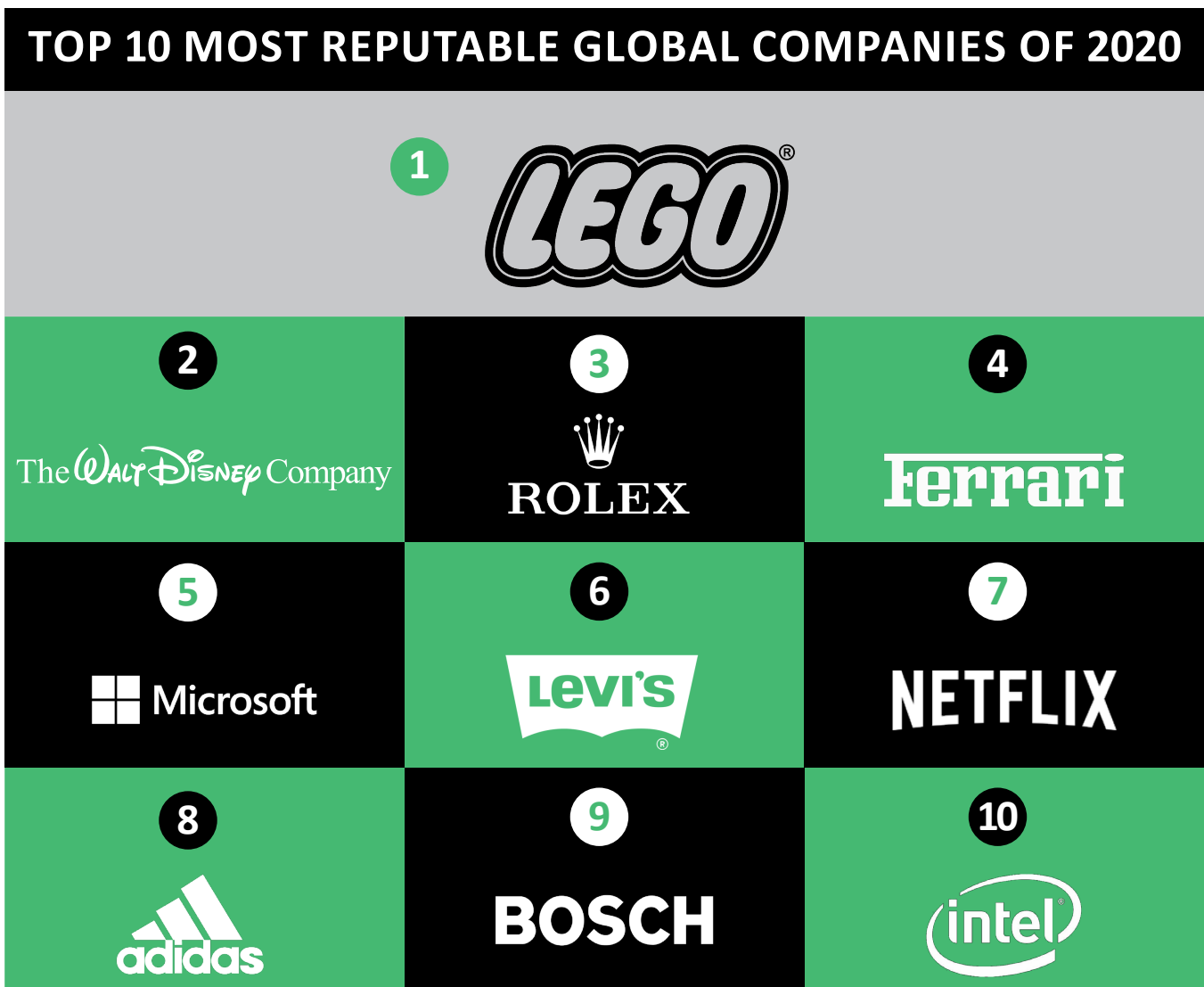
For example:

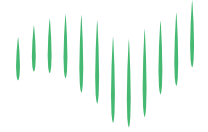
- Corporate reputation in Japan is largely driven by quality. Quality of products and services, and standing behind those products, is a higher driver in this economy than in all other measured countries.
- Leadership is a priority in China. Perceptions of a company's executives as strong and appealing impact the reputation of corporations in China more than they do in other markets.

To make it into the top 10 globally means that companies are simultaneously driving against market-specific priorities in each of the countries in which they operate.

They also have to be sufficiently familiar to the general public in each market, since, on average, the more familiar people are with a company, the higher its reputation.

Top 10 Most Reputable Companies in the World





The LEGO Group and the Walt Disney Company have been in the global top 10 every year for the last 10 years.

What are they doing right?



Excellent products and services

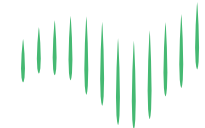
- LEGO and Walt Disney achieved very strong perceptions for their products and services over the last decade. There is widespread, international buy-in around the quality of what these companies offer in the market—both get strong to excellent scores in “high quality products and services” across all 15 markets. This is the number one most important business attribute in terms of reputation impact.

Leading with innovation

- After products and services, both companies received credit for their leadership and sustained innovation.
- They have adapted and expanded their core product offerings to the shift in consumer expectations.
- Walt Disney has secured its place as a media company with acquisitions and by offering a popular new offering in the streaming industry with Disney+.
- LEGO is a top-of-mind brand in terms of children’s products, while simultaneously improving the sustainability of its products and offering ways to play in real life and virtual reality.

Growing with purpose

- Both LEGO and Walt Disney perform according to consumer expectations while also being intentional about their corporate purpose and the social impact of their business. In fact, both companies are among the top 15 global companies when it comes to purpose.



New to the Top 10 in 2020



Ferrari has a remarkable emotional connection among consumers. It does well across the board in rational drivers and it also has an emotional/

aspirational halo. By this, we mean that its overall Reputation Score is higher than its scores across the individual business drivers. This stronger emotional component is expected from a luxury brand that has such a distinctive brand—60% of the public considers Ferrari to stand out from the crowd.



Levi Strauss & Co. jumped from number 13 to number 6 in a year, leveraging a strong brand and emotional connection among consumers.

Levi's Reputation Score improved the most in China year-over-year; it had a 6.5-point reputation leap there, driven largely by improvements in Leadership and Products & Services. Overall, Levi also experienced a significant global lift in perceptions of Citizenship, which is aligned with its CEO's involvement in social and environmental issues, such as gun violence and water use.

Spotlight: Netflix – The “youngest” most reputable brand



On average, the top 10 most reputable companies were founded more than 85 years ago. That gives them a stable place in the collective popular culture awareness of current generations.

However, Netflix is the youngest company to make it to the top 10. It was founded in 1997 and only moved into the streaming world in 2007.

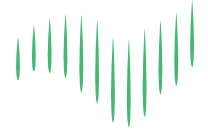
Netflix has moved up the global RepTrak ranking for the past three years, driven largely by enthusiastic buy-in around the service it provides and the innovation that fuels it. The company also gets credit for operating its business with ethical behavior.

2020 global reputation insights by industry

Hospitality, Consumer Goods, and Technology have the strongest Global Reputation Scores overall, while Pharmaceuticals, Transport, Financial Services, and Energy fall significantly behind.

The Financial Services and Energy industries stand out for being reputationally-challenged, yet they are the ones that have improved the most year over year. This improvement is driven by enhanced perceptions of Governance and corporate transparency.

Consumer-facing Technology firms have found a place among the most reputable companies. Globally, the reputation of big players like Google, Samsung, and Microsoft is strong and steady. However, this year we saw an increase in B2B Technology firms like Intel, SAP, and Oracle breaking through to the general public, due to enhanced perceptions of their Innovation, Citizenship, and Workplace.



Brand personality and reputation

The most reputable brands at a global level have established strong, distinctive brands. Fifty-three percent of consumers consider the top 10 most reputable companies to stand out from the crowd.

The brand persona associated with your brand affects its corporate reputation around the world.

Being perceived as genuine is the brand personality trait associated with the strongest lift in global reputation in 2020.

Other brand personality traits that have a positive impact on your Reputation Score include Exciting, Charming, and Intelligent. On the other hand, personality traits with a negative impact on your score include Aggressive, Lazy, Greedy, Boring, and Arrogant.

Key themes



DATA PRIVACY

Data security has been a growing source of reputational risk in the last decade and it is a top-of-mind issue for corporate leaders. In our 2020 data, we saw that on average, more people are starting to form defined opinions about how well businesses act to protect consumer information. Across the top 100 companies in 2020, the proportion of people “not sure” about corporations’ data security practices declined by 7% vs. 2019.

Companies that stand out for having the strongest scores in perceived data security practices tend to be part of the Technology and Financial Services services—two sectors that typically attract attention for the wrong reasons when it comes to collecting and protecting customer data. For example, SAP, Visa, Mastercard, Oracle, Cisco Systems, Salesforce, Microsoft, IBM, and Apple all outperform the global average in this aspect.

The Top 10 most reputable companies also score strongly in data security—particularly Intel.

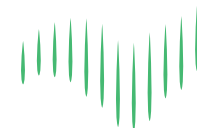


HIGHER PURPOSE

Purpose has become a key theme in 2020, yet convincing global consumers of a corporation’s purpose is more challenging than securing a strong Reputation Score.

While in 2020 the average Reputation Score of the top 100 companies was 73.1 out of 100 (strong), their Purpose Score is 65.5 out of 100 (average).

That said, the top 10 most reputable companies outperform the rest by three points in purpose. But there are considerable differences individually. Of the top 10, Microsoft gets the strongest Global Purpose Score (70.8) while Rolex falls behind (60.8). Even among the most reputable companies, there is a wide range of perceptions around their purpose.



Reputation translates into business outcomes

While being successful in 2020 means engaging a vast majority of consumers that stand on the fence, building a strong reputation is a way of triggering support.

Companies with an excellent reputation activate the following behaviors from consumers:

- 78% willingness to buy (vs. 9% when reputation is poor)
- 70% willingness to work for (vs. 11% when reputation is poor)
- 64% willingness to give benefit of the doubt (vs. 7% when reputation is poor)

Reputation is a predictive metric of support—higher reputation translates into higher intent.

Risk: Fence-sitters are increasing

Even if companies are well loved and easy to consider as a purchase, consumer scrutiny is high, even toward global, highly successful companies.

The proportion of fence-sitters—people who declare average or uncertain levels of overall support toward companies—has been on the rise since 2017.

What does this mean? Fence-sitters are likely to become detractors in the face of any source of reputation risk. It highlights that the most reputable companies in the world are still vulnerable to the impact of a crisis.

Top 100 Most Reputable Companies in the World

1	LEGO	2	Disney	3	ROLEX	4	Ferrari	5	Microsoft	6	Levi's	7	NETFLIX	8	adidas	9	BOSCH	10	intel
11	SONY	12	PR	13	Google	14	Canon	15	3M	16	PIRELLI	17	Nintendo	18	Barilla	19	CATERPILLAR	20	Harley-Davidson
21	FERRERO	22	MICHELIN	23	HYATT	24	GIORGIO ARMANI	25	VISA	26	Kellogg's	27	BMW GROUP	28	GOODYEAR	29	PHILIPS	30	NIKE
31	SINGAPORE AIRLINES	32	COLGATE PALMOLIVE	33	LAVAZZA	34	BRIDGESTONE	35	Marriott INTERNATIONAL	36	MasterCard	37	DANONE	38	SAP	39	Lufthansa	40	IBM
41	ESTEE LAUDER COMPANIES	42	amazon	43	INTERCONTINENTAL HOTELS & RESORTS	44	SAMSUNG	45	IKEA	46	HERSHEY	47	LVMH	48	L'ORÉAL PARIS	49	SIEMENS	50	natura
51	DAIMLER	52	hp	53	RALPH LAUREN	54	Hilton	55	ORACLE	56	KraftHeinz	57	Apple	58	BOSS HUGO BOSS	59	salesforce	60	TESLA
61	Whirlpool	62	novo nordisk	63	Emirates	64	Electrolux	65	Campbell's	66	TOYOTA	67	FUJIFILM	68	Panasonic	69	CISCO	70	LG
71	Johnson A FAMILY COMPANY	72	AIRBUS	73	Roche	74	Honeywell	75	BRITISH AIRWAYS	76	Kimberly-Clark	77	DELL	78	AIR FRANCE KLM	79	Carlsberg Group	80	Nestle
81	BASF	82	xerox	83	CATHAY PACIFIC	84	Heineken	85	HONDA	86	Virgin	87	SANOFI	88	MARS	89	P&G	90	avis budget group
91	Lilly	92	ING	93	Bristol-Myers Squibb	94	GE	95	ANHEUSER-BUSCH	96	DHL	97	MERCK	98	ups	99	Hertz	100	UBS

ARROWS INDICATE SIGNIFICANT DECLINE OR IMPROVEMENT IN REPUTATION SCORE COMPARED TO 2019.

SOURCE: 2020 Global RepTrak Study. More than 80,500 individual respondents from the global informed general public, across 15 markets, rated 153 eligible companies across 15 markets. The survey was fielded between December 2019 and January 2020.

Appendix

Methodology

To qualify for this study, companies needed to fit four key selection criteria:

- Corporate brands, not product brands
- Global footprint
- Annual revenue of >\$2 billion
- Familiarity of >20% across 15 markets

About RepTrak

The RepTrak Company™ helps business leaders understand how their company is perceived so they can maximize business outcomes. Subscribers to the RepTrak Program receive actionable insights and guidance so they can protect business value, improve return on investment, and increase their positive impact on society. Our purpose is to prove that doing and saying the right thing is good business. Established in 1997 and rating over 5000 companies annually in more than 60 countries worldwide, The RepTrak Company owns the world's largest reputation benchmarking database used by Global 2000 CEOs, boards, and executives.