

**2013 Most Reputable U.S. Companies**  
Part of the World's Largest Study on Corporate Reputation

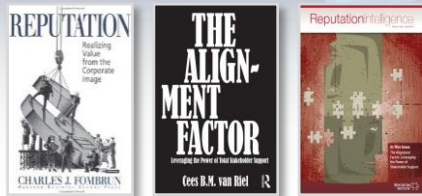


**Forbes**

# Our Sole Focus: Advising Leaders of the Reputation Economy

**Knowledge**

**Advice**



Forbes.com Home Page for the World's Business Leaders

COMPANY	COUNTRY	INDUSTRY	GLOBAL PULSE SCORE		
			RANK	PULSE	ONE-YEAR CHANGE
Ferrero	Italy	Consumer Products	1	85.17	+1.64
Ikea	Sweden	Consumer Retail	2	83.98	-0.16
Johnson & Johnson	United States	Consumer Products	3	83.58	0.10
Petrobras	Brazil	Energy	4	82.27	2.40
Sade	Brazil	Food Manufacturing	5	82.00	New

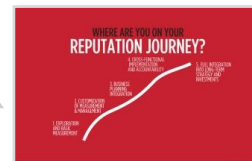
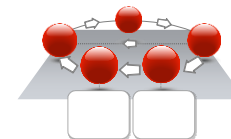
**REPUTATION INSTITUTE**



**Reputation Institute**

**Our Global Value Proposition:**

**We enable leaders to make business decisions that build and protect reputation capital and drive competitive advantage.**



# Reputation is an emotional bond...



## ...that ensures



**License to Operate**



**Product Preference**



**Top Talent Acquisition**



**Access**



**Advocacy**

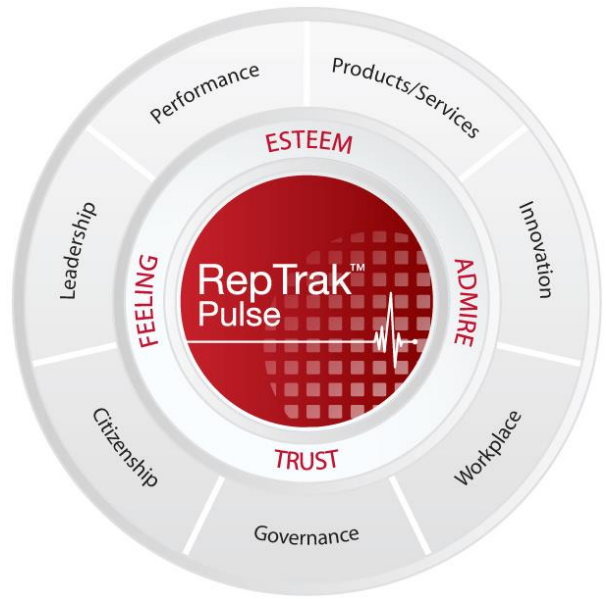
# How Are Corporate Reputations Measured?

**Reputation is Driven by Seven Dimensions — RepTrak™ Pulse Measures Them**

For each company in the study, perception measures are taken on each of the factors in the model — we measure respondents’ trust, admiration, esteem and good feeling to form a single score (The RepTrak™ Pulse), which is the dependent variable used in our driver analysis. When the full set of 150 companies’ dimension ratings are statistically analyzed against this score, we find that to earn a strong reputation, companies need to address all seven dimensions.

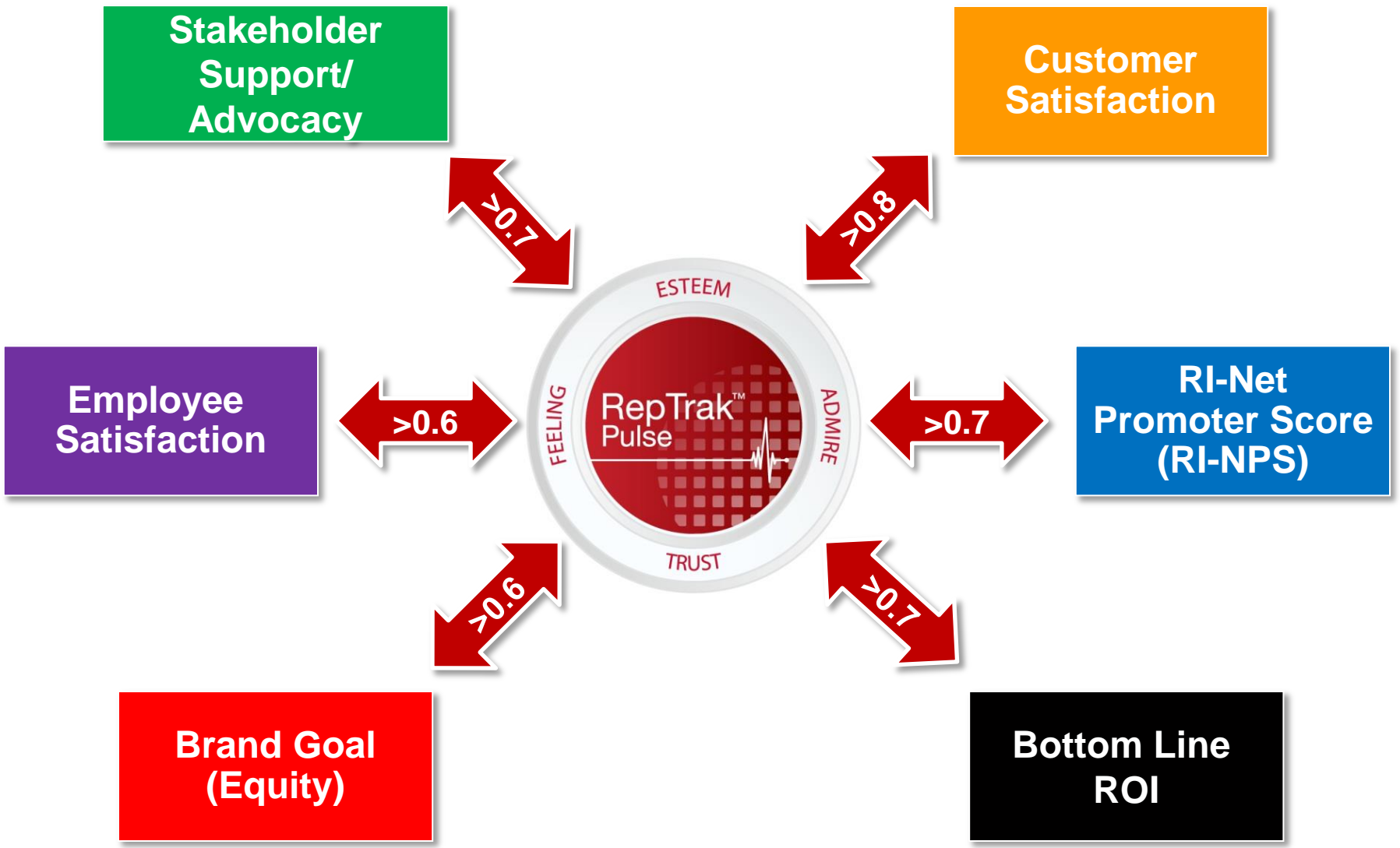


Emotional



**Rational** explanation of the emotional

# Reputation's Relationship with *Traditional* Business Metrics

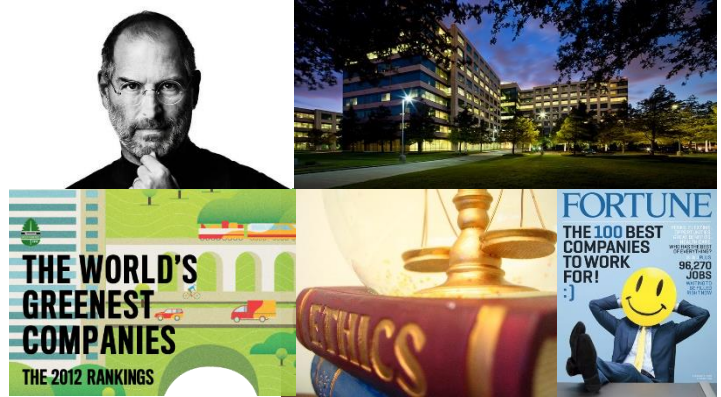


# THE REPUTATION ECONOMY IS HERE TO STAY



It's Simple: Perceptions Are Based on **Two Factors**

# Product



# Enterprise

# In 2013, There Is Significant Opportunity in the Marketplace – **Who You Are** Matters More than **What You Do**



**Give Benefit of Doubt (In Crisis)**

**62%**

**38%**

**Say Something Positive**

**59%**

**41%**

**Buy**

**55%**

**45%**



# THE 2013 STUDY



# Methodology Overview

## Company Selection:

- All companies were included in the Forbes list of U.S. companies with the largest revenues
- All companies engaged in public facing commercial activities and/or were at least somewhat familiar to the general public.
- Large B2B companies with high public familiarity were also included in the study
- No companies were wholly-owned subsidiaries of another company.

**Data Collection Period:** February – April 2013

**Stakeholder Group:** General Public

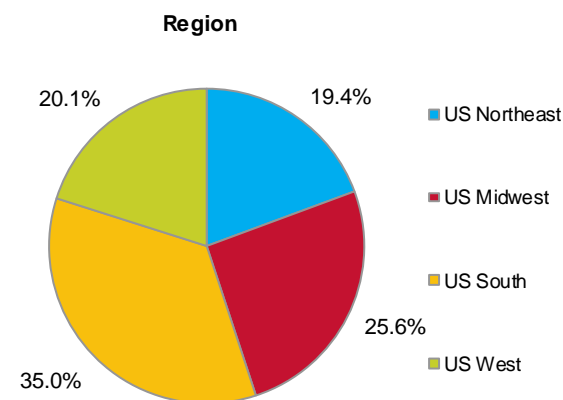
**Number of company ratings:** 17,709 company ratings from 4,719 respondents

## Qualified Respondents

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

## Data Collection Method:

- Web Based Questionnaire
- Data Collection was powered by Toluna



# The 150 U.S. Companies



# KEY FINDINGS



# Executive Summary

- **2012 Reputation titans slip or drop out in 2013**
  - 23 out of 150 companies improved significantly in their overall Reputation; 26 weakened
  - New to the top 10: The Walt Disney Company, Intel, Deere and Co., and Dean Foods
  - Up: Amazon moves up to third place
  - Down: General Mills, Kraft, Johnson & Johnson, and The Coca-Cola Company all moved down
  - No longer top 10: Apple, PepsiCo, and Procter & Gamble dropped out
  
- **Products/Services, Citizenship and Governance are the most influential drivers of Reputation**
  - Amazon leads in Products/Services
  - The Walt Disney Company leads in the remaining dimensions: Innovation, Workplace, Citizenship, Governance, Leadership, and Performance
  
- **Shifts in rational perceptions mostly for companies with weak Reputations**
  - Freddie Mac strengthened in all 7 dimensions of Reputation, with the greatest improvement being in Workplace
  - Century Link weakened across the most dimensions of Reputation, with the greatest decline being in Leadership

# 2013 Most Reputable Companies in the U.S.



**Among the Top 10, Significant Shifts**

- 4 new companies join the top 10
- Only 3 companies see significant changes in their reputation—the new top 2 benefit from big gains.

1	 The Walt Disney Company		6		
2	 Intel		7		
3	amazon.com		8	 John Deere	
4			9		
5			10	 Dean Foods	

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

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). All Pulse scores that differ by more than +/- 3.2 are significantly different at the 95% confidence interval.

# 2013 Top 150 U.S. Corporate Reputations (1–40)

Company	Rank	RepTrak™ Pulse		
	2013	2013	2012	Change
The Walt Disney Company	1	80.75	75.67	5.07
Intel	2	80.05	73.22	6.82
Amazon.com	3	79.95	78.64	1.31
Kraft Foods Inc.	4	79.59	80.05	-0.46
UPS	5	79.58	78.43	1.15
Johnson & Johnson	6	79.43	79.98	-0.56
General Mills	7	77.61	83.03	-5.42
Deere & Co.	8	77.16	76.04	1.12
The Coca-Cola Company	9	76.91	78.11	-1.20
Dean Foods	10	76.66	74.23	2.43
Kimberly-Clark Corporation	11	76.46	73.07	3.38
FedEx	12	76.36	74.25	2.11
Procter & Gamble	13	76.34	77.28	-0.93
Kellogg's	14	76.29	79.05	-2.76
Colgate-Palmolive	15	75.31	76.14	-0.83
HJ Heinz	16	75.24	74.55	0.69
Stanley Black & Decker	17	75.10	74.47	0.63
Whirlpool	18	74.88	72.97	1.91
Google	19	74.41	76.17	-1.76
Low e's Home Improvement	20	74.37	76.31	-1.94
Home Depot	21	74.15	72.65	1.50
BJ's Wholesale Club, Inc.	22	74.13	69.94	4.19
Whole Foods	23	73.84	77.14	-3.30
Apple	24	73.62	77.74	-4.11
3M	25	73.58	73.89	-0.31
Microsoft	26	73.51	72.58	0.93
Kohl's	27	73.25	71.03	2.21
Caterpillar	28	73.12	73.13	-0.01
Texas Instruments	29	73.04	75.51	-2.47
IBM	30	72.64	74.56	-1.92
Macy's, Inc.	31	72.57	68.39	4.19
Union Pacific Railroad	32	72.50	63.14	9.36
Honeywell International	33	72.47	72.12	0.35
CVS Caremark	34	72.23	74.22	-1.99
PepsiCo	35	72.19	77.63	-5.44
Kroger	36	71.94	68.75	3.19
Target	37	71.91	74.25	-2.33
Goodyear	38	71.84	73.99	-2.15
Ford	39	71.68	71.80	-0.12
Cisco Systems	40	71.63	72.13	-0.49

## The Walt Disney Company Takes Over #1

- Of the 150 largest companies in the U.S., Americans have the strongest amount of trust, admiration, respect and good feeling for **The Walt Disney Company**, which moved up 5.07 points from 2012.
- Intel** also had a jump in 2013, joining **Amazon.com**, **Kraft Foods**, **UPS**, **Johnson & Johnson**, **General Mills**, **Deere & Co.**, **The Coca-Cola Company**, and **Dean Foods** in the top 10.

## Shake-Up In The Top 10

- Four new companies were introduced into the top 10: **Disney**, **Intel**, **Deere & Co**, and **Dean Foods**.
- Kellogg's**, **Apple**, **PepsiCo**, and **Procter & Gamble** dropped out of the top 10.

## Few "Excellent" Companies

- As in 2012, only two companies are rated as "Excellent" by consumers: **Disney** and **Intel**.

*Significant changes in score highlighted in red or green*

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

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). All Pulse scores that differ by more than +/- 3.2 are significantly different at the 95% confidence interval.

# 2013 Top 150 U.S. Corporate Reputations (41–120)

Company	Rank	RepTrak™ Pulse		
	2013	2013	2012	Change
Xerox	41	71.60	71.62	-0.02
Nordstrom	42	71.57	67.44	4.14
General Electric	43	71.35	74.47	-3.13
Berkshire Hathaway	44	71.33	75.75	-4.42
Staples	45	71.12	70.21	0.91
Southwest Airlines	46	71.09	70.17	0.92
Alcoa	47	70.93	68.69	2.24
Costco Wholesale	48	70.72	73.21	-2.49
Oracle	49	70.26	71.31	-1.05
Nike, Inc.	50	70.20	71.49	-1.29
Southern Company	51	70.14	67.01	3.13
CBS Broadcasting Inc.	52	70.06	69.40	0.67
Boeing	53	69.89	73.07	-3.18
Hewlett-Packard	54	69.83	73.04	-3.22
Marriott International	55	69.61	69.32	0.29
Office Depot	56	69.45	69.22	0.23
MetLife	57	69.24	68.30	0.94
ConAgra Foods	58	68.98	67.49	1.49
DuPont	59	68.74	66.37	2.37
Aflac	60	68.73	66.31	2.42
Medtronic	61	68.69	73.76	-5.07
Avon Products	62	68.55	73.13	-4.58
Eli Lilly	63	68.53	66.73	1.80
Supervalu	64	67.99	65.72	2.27
Tyson Foods	65	67.86	65.01	2.85
Amgen	66	67.74	67.21	0.54
Prudential Financial	67	67.43	64.19	3.24
Bristol-Myers Squibb	68	67.40	67.41	-0.01
Dell	69	67.18	68.66	-1.48
Pfizer	70	67.11	64.95	2.16
Baxter International	71	67.10	68.21	-1.11
Dow Chemical	72	67.07	59.80	7.27
The Hartford Financial Services Group	73	67.03	68.61	-1.58
Hess	74	66.97	62.75	4.22
Best Buy	75	66.74	68.84	-2.10
State Farm Insurance	76	66.73	69.45	-2.72
Rite Aid	77	66.63	68.98	-2.35
Travelers	78	66.45	64.52	1.93
New York Life Insurance Company	79	66.41	66.64	-0.23
Abbott Laboratories	80	66.35	72.32	-5.97

Company	Rank	RepTrak™ Pulse		
	2013	2013	2012	Change
Walgreens	81	66.25	72.54	-6.30
TJX Companies	82	66.17	68.20	-2.04
JC Penney	83	65.79	73.65	-7.86
Safeway	84	65.63	65.85	-0.21
Phillips 66	85	65.54	-	-
Duke Energy	86	65.26	62.74	2.52
AutoNation	87	65.16	63.88	1.28
Archer Daniels Midland	88	64.70	61.54	3.16
Nationwide	89	64.52	59.63	4.89
eBay	90	64.38	68.48	-4.10
Dollar General	91	64.34	68.39	-4.06
Exelon	92	64.25	60.04	4.20
WellPoint	93	64.18	67.73	-3.55
Delta Air Lines	94	64.14	60.15	3.99
Progressive	95	64.14	60.20	3.94
Allstate	96	63.99	65.32	-1.32
FPL GROUP (Florida Power & Light)	97	63.99	61.48	2.50
Altria Group	98	63.96	52.88	11.09
Verizon Communications	99	63.87	62.57	1.30
Gap	100	63.81	65.33	-1.52
Starbucks Coffee Company	101	63.49	66.49	-3.00
Unum Group	102	63.46	63.83	-0.37
Liberty Mutual Insurance	103	63.33	65.00	-1.67
SunTrust Banks	104	63.08	61.93	1.16
American Express	105	62.99	64.82	-1.83
Xcel Energy	106	62.93	59.69	3.24
Humana	107	62.77	60.67	2.10
UnitedHealth Group	108	62.70	65.23	-2.53
ConocoPhillips	109	62.57	54.84	7.73
Marathon Oil	110	62.45	60.06	2.39
Valero Energy	111	62.28	59.24	3.03
The Bank of New York Mellon Corporation	112	62.25	63.66	-1.41
Constellation Energy	113	62.22	63.96	-1.73
BB&T	114	62.14	59.82	2.32
Chubb	115	61.84	67.11	-5.27
Merck	116	61.79	63.30	-1.51
McDonald's	117	61.29	65.50	-4.22
Sprint Nextel	118	60.99	57.62	3.37
PNC	119	60.81	61.25	-0.44
Viacom Inc.	120	60.60	59.15	1.46

*Significant changes in score highlighted in red or green*

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

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# 2013 Top 150 U.S. Corporate Reputations (121–150)

Company	Rank 2013	RepTrak™ Pulse		
		2013	2012	Change
Aetna	121	60.56	58.66	1.90
CIGNA	122	59.76	60.66	-0.90
General Motors	123	59.64	64.45	-4.82
Wal-Mart	124	59.10	63.00	-3.90
AMR - American Airlines	125	59.07	53.62	5.45
Sears Holdings	126	58.90	65.71	-6.81
UAL - United Airlines	127	58.85	56.04	2.81
Capital One	128	58.74	-	-
US Bank	129	58.51	60.72	-2.22
US Airways Group	130	58.23	55.26	2.97
AT&T	131	58.21	58.67	-0.46
Time Warner	132	57.83	59.51	-1.68
CenturyLink	133	57.03	63.98	-6.95
Chevron	134	56.78	56.78	-0.01
Sunoco	135	55.40	60.48	-5.08
Comcast	136	54.52	54.05	0.47
JPMorgan Chase	137	54.13	55.38	-1.26
DirecTV Group	138	53.43	56.93	-3.50
Wells Fargo	139	52.46	53.63	-1.17
ExxonMobil	140	52.41	51.65	0.75
Morgan Stanley	141	52.39	62.24	-9.84
Citigroup	142	52.18	46.49	5.70
News Corporation	143	50.68	51.10	-0.42
DISH Network	144	50.27	53.80	-3.53
Goldman Sachs	145	43.04	36.95	6.09
Bank of America	146	42.45	43.90	-1.45
AIG - American International Group	147	39.17	49.92	-10.75
Freddie Mac	148	37.35	26.01	11.35
Fannie Mae	149	35.65	29.52	6.14
Halliburton	150	32.01	37.62	-5.61

## Those At The Bottom Stay At the Bottom

- Of the 150 largest companies in the U.S., Americans have the smallest amount of trust, admiration, respect and good feeling for **Freddie Mac, Fannie Mae, Bank of America, and Halliburton**, which stayed in the bottom 5 from 2012.
- Eight of the bottom twenty-five saw significant drops. With its nearly eleven-point drop in 2013 **AIG** nearly erased the gains it saw in 2012.
- **Morgan Stanley** dropped into the “Weak” range—American consumers still have a sour view of large financial institutions.

## Hopeful Improvements

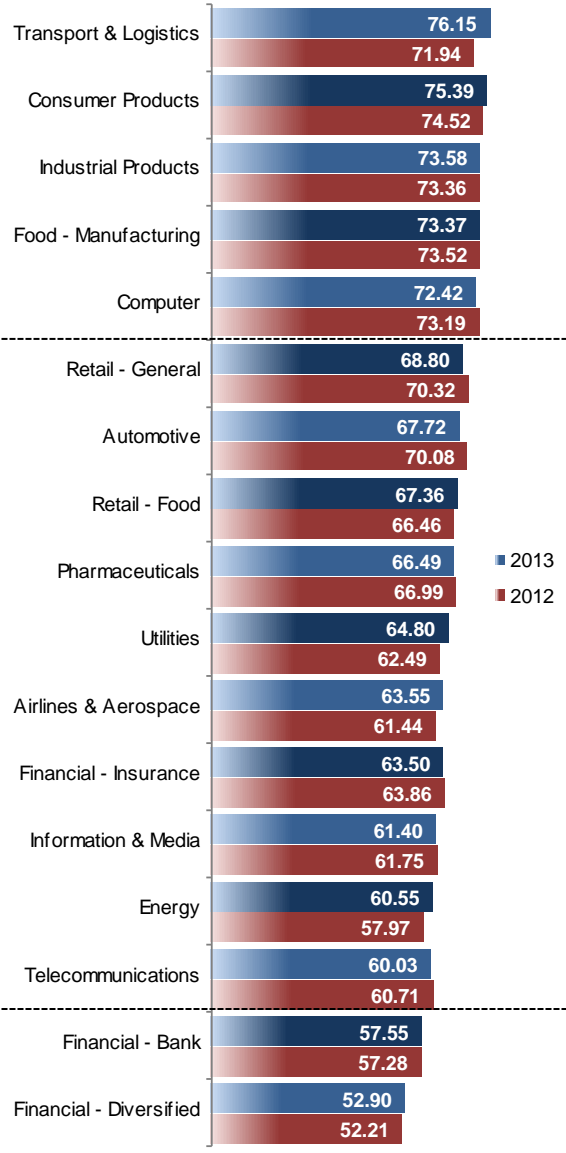
- That said, time can heal wounds. **Freddie Mac** and **Fannie Mae** enjoyed large gains in reputation. **Citigroup** and **Goldman Sachs** also made significant improvements in 2013.

*Significant changes in score highlighted in red or green*

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

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). All Pulse scores that differ by more than +/- 3.2 are significantly different at the 95% confidence interval.

# Industry Reputations in the U.S. – 2013 vs. 2012



## Industry Reputations Can Impact Company Scores

- Industry scores can help put company scores in context, as consumer perceptions about an industry can have either a halo effect or a damaging impact on their perceptions about an individual company.

## Industry Reputations Are Steady in 2013

- Only six industries see significant changes
  - Improvement: Transport & Logistics, Utilities, Airlines & Aerospace, and Energy
  - Drop: Retail (General), Automotive
  - Retail (General) loses its “Strong” reputation

## Transport & Logistics Edges Out Consumer Products for the Top Industry

- **Companies in the Industry:** UPS, FedEx, Union-Pacific Railroad

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

All Global Pulse scores that differ by more than +/- 1.4 are significantly different at the 95% confidence level.

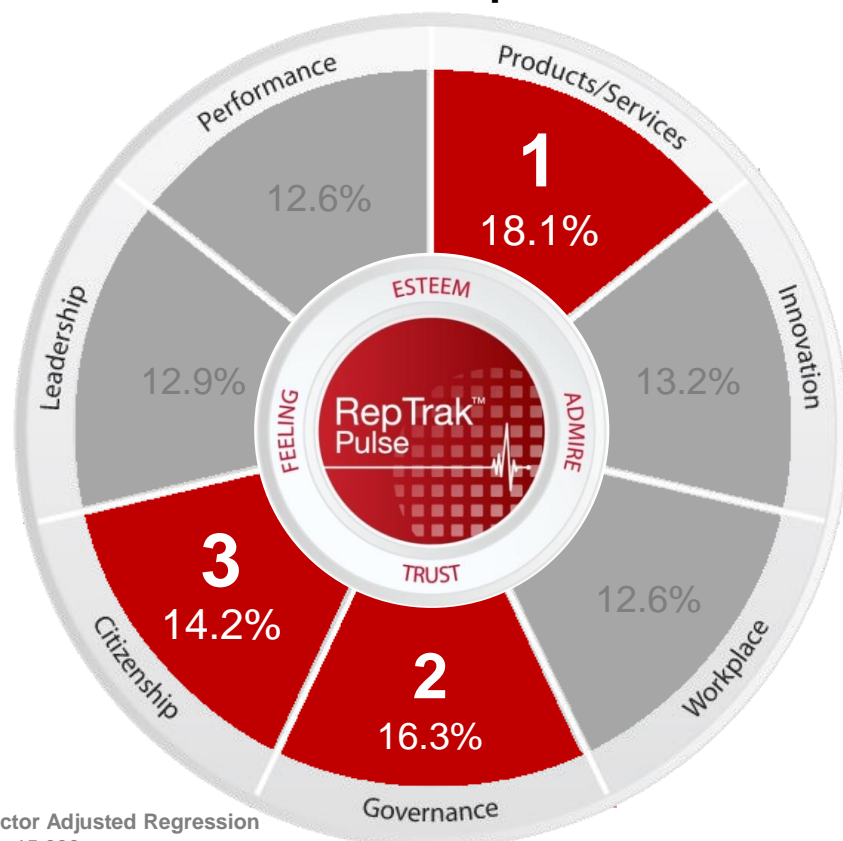
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## WHAT DRIVES REPUTATION IN THE U.S.?



# Drivers: The Most Important Building Blocks of Reputation

## 2013 U.S. General Public Drivers of Reputation



Factor Adjusted Regression  
 N = 15,000  
 AdjR = 0.75

### Top 3 Influential Drivers of Reputation: Products/Services, Governance, and Citizenship

- Combined these factors drive 48.6% of U.S. companies' reputations.
- Governance and Products/Services are more important than in 2012.
- If consumers perceive companies as performing well on these dimensions, their reputation and support are strong. If companies do not perform well in these areas, perceptions and support are likely to suffer.

### But the Remaining Dimensions Cannot Be Ignored

- Each dimension alone accounts for over 12% of a company's reputation.
- Top companies must exhibit strength in all seven dimension areas in order to maintain consistently strong reputations.

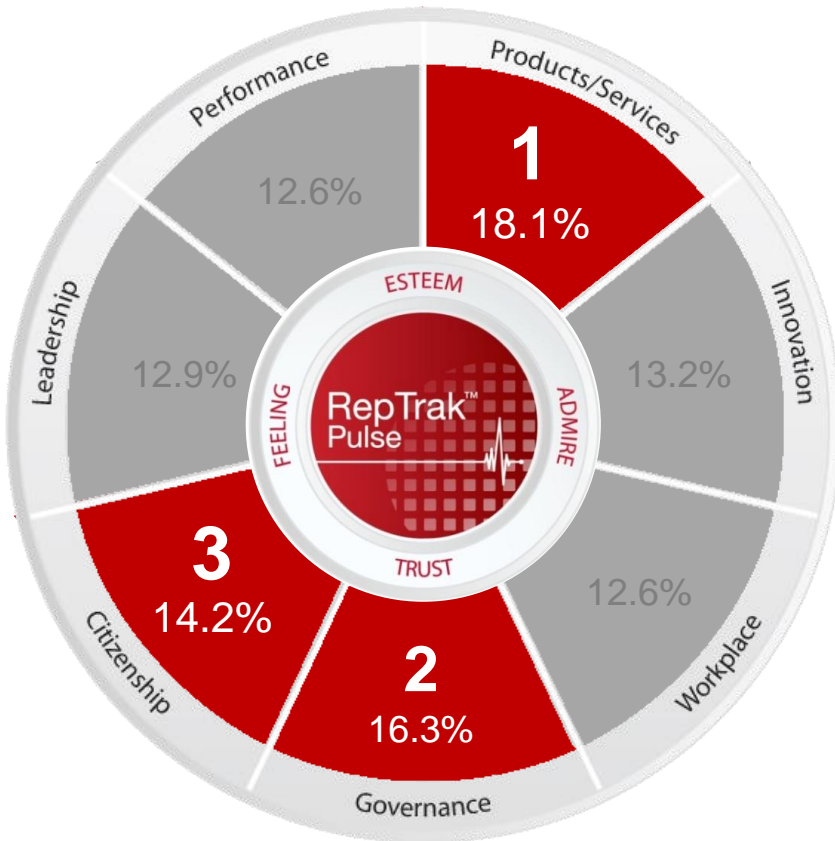
Product/Services: 'Company' offers high quality products and services -- it offers excellent products and reliable services  
 Innovation: 'Company' is an innovative company -- it makes or sells innovative products or innovates in the way it does business  
 Workplace: 'Company' is an appealing place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

# Top Drivers Are Consistent with 2012

**Products/Services, Governance and Citizenship Continue to be the Top Drivers of Reputation**

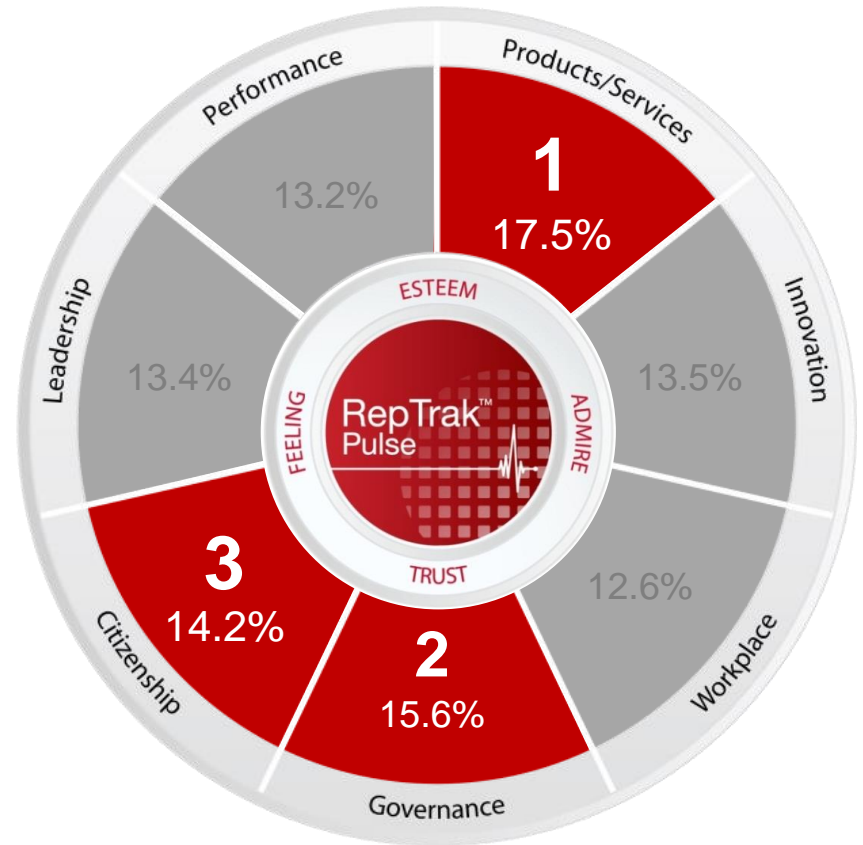
- Products/Services and Governance are more important in 2013 than 2012.
- Performance and Innovation are also more important, Leadership less so.

**2013**



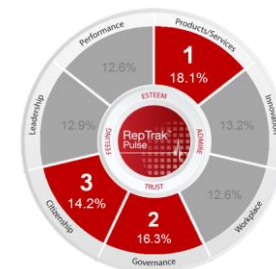
Factor Adjusted Regression  
N = 15,000  
AdjR = 0.75

**2012**



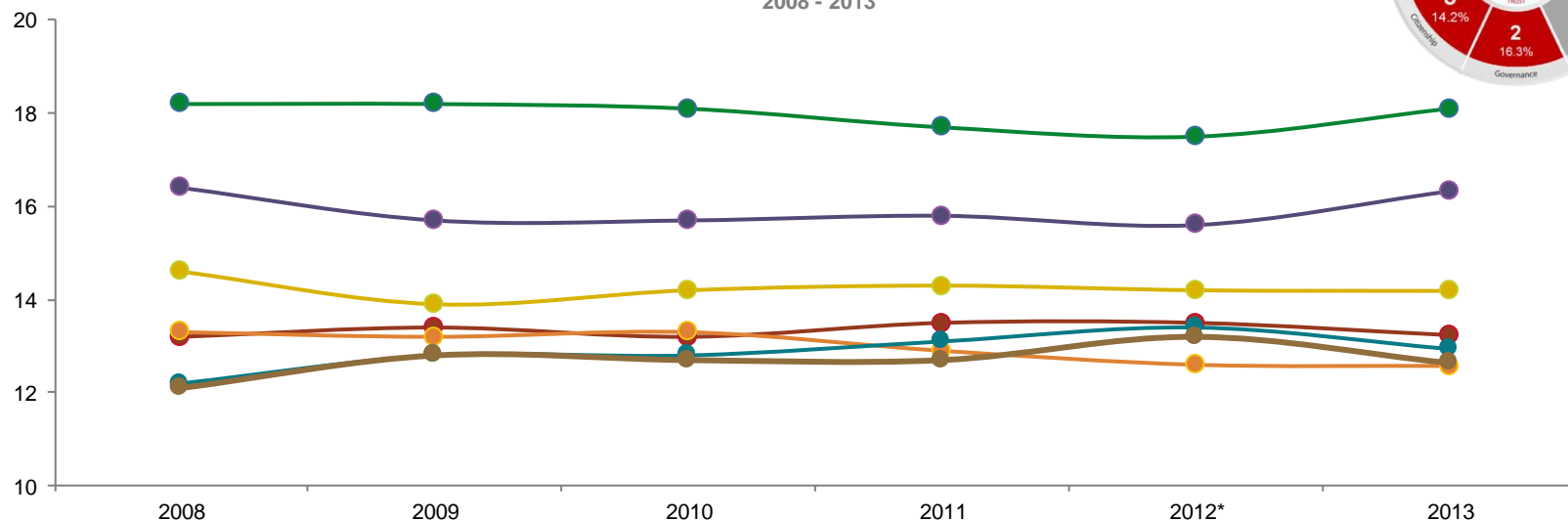
Factor Adjusted Regression  
N = 15,000  
AdjR = 0.70

# Dimension Weights Mostly Consistent over Past Few Years; Governance and Products/Services Reverse Downward Trend in 2013



## US Dimension Weights

2008 - 2013



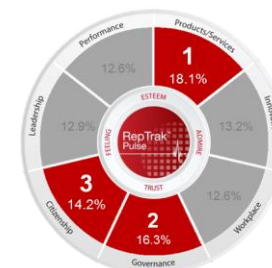
	2008	2009	2010	2011	2012*	2013
<b>Products &amp; Services</b>	18.2%	18.2%	18.1%	17.7%	17.5%	18.1%
<b>Innovation</b>	13.2%	13.4%	13.2%	13.5%	13.5%	13.2%
<b>Workplace</b>	13.3%	13.2%	13.3%	12.9%	12.6%	12.6%
<b>Governance</b>	16.4%	15.7%	15.7%	15.8%	15.6%	16.3%
<b>Citizenship</b>	14.6%	13.9%	14.2%	14.3%	14.2%	14.2%
<b>Leadership</b>	12.2%	12.8%	12.8%	13.1%	13.4%	12.9%
<b>Performance</b>	12.1%	12.8%	12.7%	12.7%	13.2%	12.6%
n	0.794	0.761	0.748	0.735	0.700	0.750
Adj. R2	25,390	24,443	24,977	30,700	15,000	15,000

\* Starting in 2012 dimension weights are calculated from the US 150 companies. Prior to 2012 dimension weights were calculated from the Overall US companies.

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

# The Key Dimensions: Products, Governance, and Citizenship

Companies that are part of the top 10 in the three most important dimensions



## Products

Amazon.com	82.78
The Walt Disney Company	82.73
Johnson & Johnson	81.50
Kraft Foods Inc.	81.33
Intel	81.11
Procter & Gamble	80.96
Deere & Co.	80.02
3M	79.72
Kellogg's	79.60
Kimberly-Clark Corporation	79.59

## Governance

The Walt Disney Company	81.05
Johnson & Johnson	78.06
Kraft Foods Inc.	77.05
Intel	76.69
Deere & Co.	76.37
Amazon.com	75.81
Whirlpool	75.68
Procter & Gamble	75.02
Microsoft	75.00
The Coca-Cola Company	74.89

## Citizenship

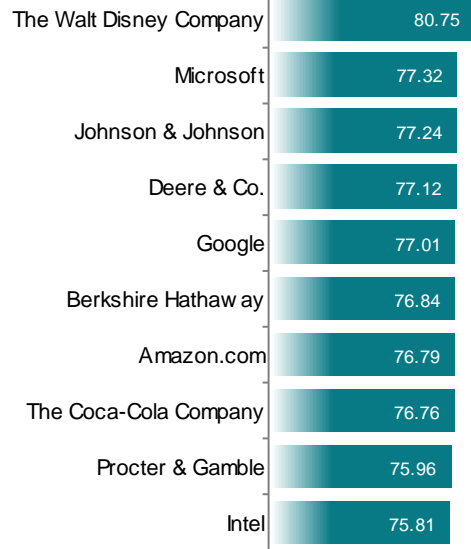
The Walt Disney Company	80.69
Kraft Foods Inc.	77.82
Johnson & Johnson	77.80
Whole Foods	77.50
The Coca-Cola Company	73.83
Kellogg's	73.47
Deere & Co.	73.32
Amazon.com	73.12
UPS	72.86
FedEx	72.78

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

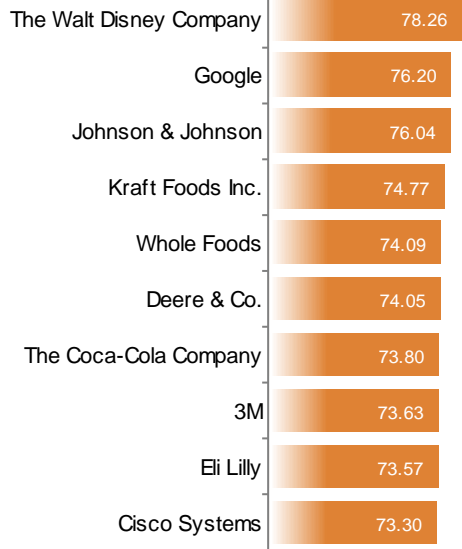
All scores that differ by more than +/- 6.5 are significantly different at the 95% confidence level.  
 Governance: 'Company' is a responsibly-run company -- it behaves ethically and is open & transparent in its business dealings  
 Citizenship: 'Company' is a good corporate citizen -- it supports good causes & protects the environment  
 Product/Services: 'Company' offers high quality products and services -- it offers excellent products and reliable services

# Top Performers in Leadership, Workplace, Performance, and Innovation

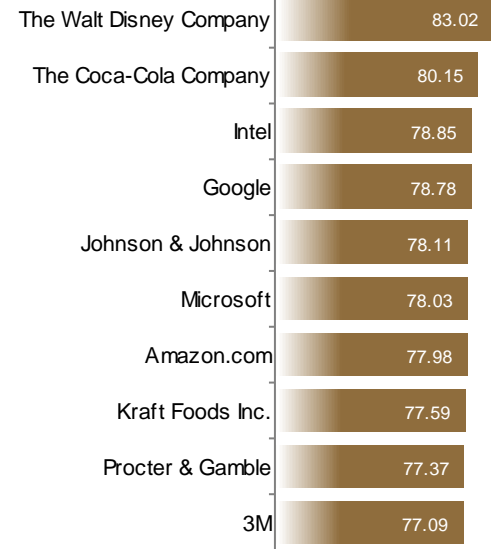
## Leadership



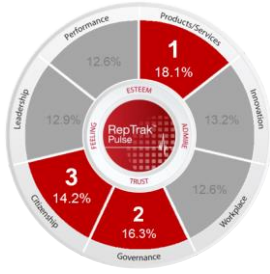
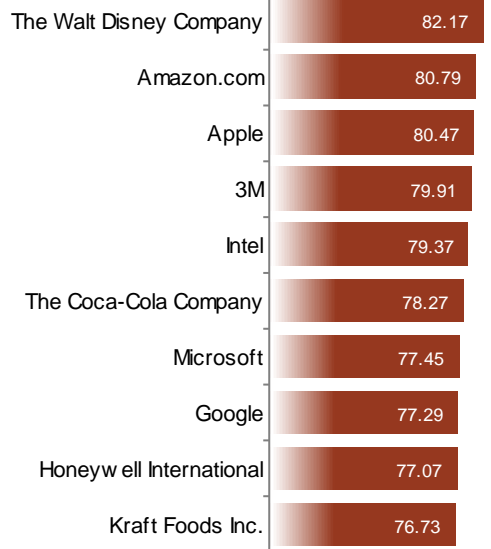
## Workplace



## Performance



## Innovation



Companies that are part of the top 10 in all dimensions

**The Walt Disney Company**








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

All scores that differ by more than +/- 6.5 are significantly different at the 95% confidence level.  
 Workplace: 'Company' is an appealing place to work -- it treats its employees well  
 Innovation: 'Company' is an innovative company -- it makes or sells innovative products or innovates in the way it does business  
 Leadership: 'Company' is a company with strong leadership -- it has visible leaders & is managed effectively  
 Performance: 'Company' is a high-performance company -- it delivers good financial results



# Top 10 Gainers: Most Significant Improvements 2012–2013 in RepTrak™ Pulse Score



- |   |   |   |  |
|---|---|---|--|
| 1 |    |    | <ul style="list-style-type: none"> <li>• Donald Layton’s leadership revives Freddie’s reputation on all dimensions</li> <li>• Impressive quarterly results raise Performance expectations</li> </ul>   |
| 2 |    |    | <ul style="list-style-type: none"> <li>• Marlboro’s new brand architecture lifts Products and Innovation scores</li> </ul>   |
| 3 |    |    | <ul style="list-style-type: none"> <li>• Large increases in car, chemical, and crude oil traffic boost profits</li> <li>• Improvements to railroad infrastructure, environmental initiatives, and rail safety boost reputation across the board</li> </ul> |
| 4 |   |   | <ul style="list-style-type: none"> <li>• Phillips 66 split helps ConocoPhillips ride the stock hype</li> <li>• Numerous workplace awards lifts Workplace reputation</li> </ul>   |
| 5 |  |  | <ul style="list-style-type: none"> <li>• Workplace diversity recognition boosts Workplace reputation</li> </ul>  |

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

Color of arrow indicates range of company RepTrak™ Pulse score in normative scale, numbers indicate magnitude of change. RepTrak™ Pulse scores are based on questions measuring Trust, Admiration & Respect, Good Feeling and Overall Esteem (captured in the RepTrak™ Pulse score on a 0-100 scale). All RepTrak™ Pulse scores that differ by more than +/- 3.2 are significantly different at the 95% confidence interval.

# Top 10 Gainers: Most Significant Improvements 2012–2013 in RepTrak™ Pulse Score



- Intel's corporate Governance sees strong improvements
- CEO retiring in May; there are strong hopes that new leadership will better capitalize on mobile device market

6



- Like Freddie, impressive Performance boosts expectations
- Leadership, Citizenship, Governance and Workplace all see improvements

7



- Goldman begins to recover after a tumultuous year of dramatic media attention; some distance from the negativity helps perceptions heal

8



- Stock attention increases as profits rise unexpectedly. Analysts say Citi is well-positioned to grow

9



- Innovation sees significant boost as AA develops cross-platform app. capabilities and better in-flight accommodations
- Exceptional "green performance" boosts Citizenship score
- Working on a merger with US Airways raises Performance expectations

10



Above 80	Excellent/Top Tier
70-79	Strong/Robust
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# Predicting Winners: Big Changes Can Happen in Rational Perceptions Year-over-Year

- Freddie Mac improved all 7 dimensions, but its overall Reputation remains poor.
- American Airlines, Altria, and Goldman Sachs made significant improvements in 2 of 3 drivers of reputation.
- The Walt Disney Company, which moved into the excellent range improved significantly in governance.



## Products



## Governance



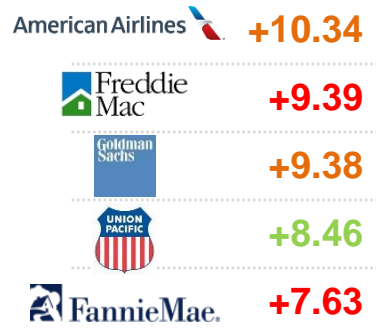
## Citizenship



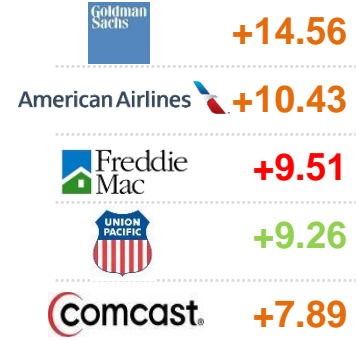
## Innovation



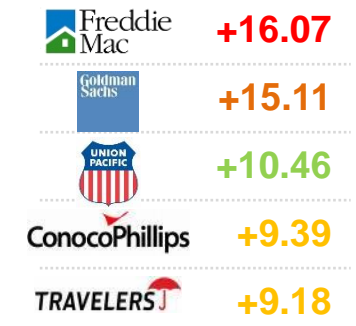
## Leadership



## Performance



## Workplace



Above 80	Excellent/Top Tier
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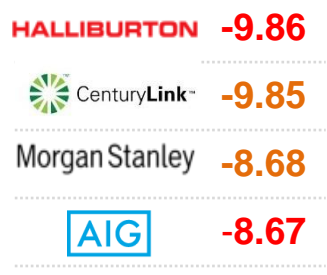
Colors indicate range of company RepTrak™ Pulse score in normative scale, numbers indicate significant positive changes. Company dimension scores that differ by more than +/- 6.5 are significantly different at the 95% confidence interval.

# Warning Signals: Shifts in Rational Perceptions are Leading Indicators of Shifts in Emotional Connections (Reputation)

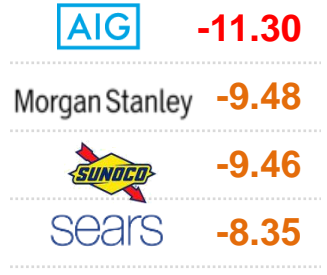
- The majority of declines in performance on dimensions came from companies with a Reputation in the weak range.
- Century Link declined in performance on 6 of 7 dimensions, driving a drop in overall Reputation to weak.
- AIG and Morgan Stanley also weakened significantly, notably on all three top drivers of reputation.



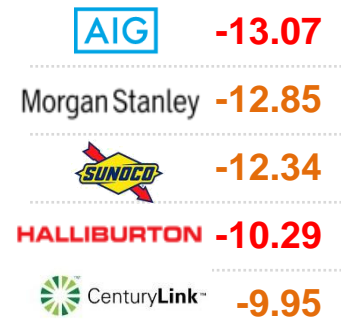
## Products



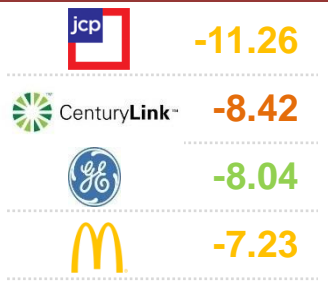
## Governance



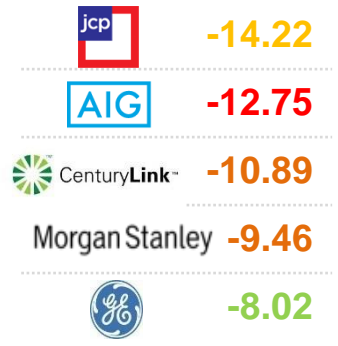
## Citizenship



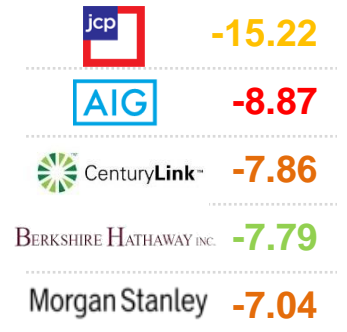
## Innovation



## Leadership



## Performance



## Workplace



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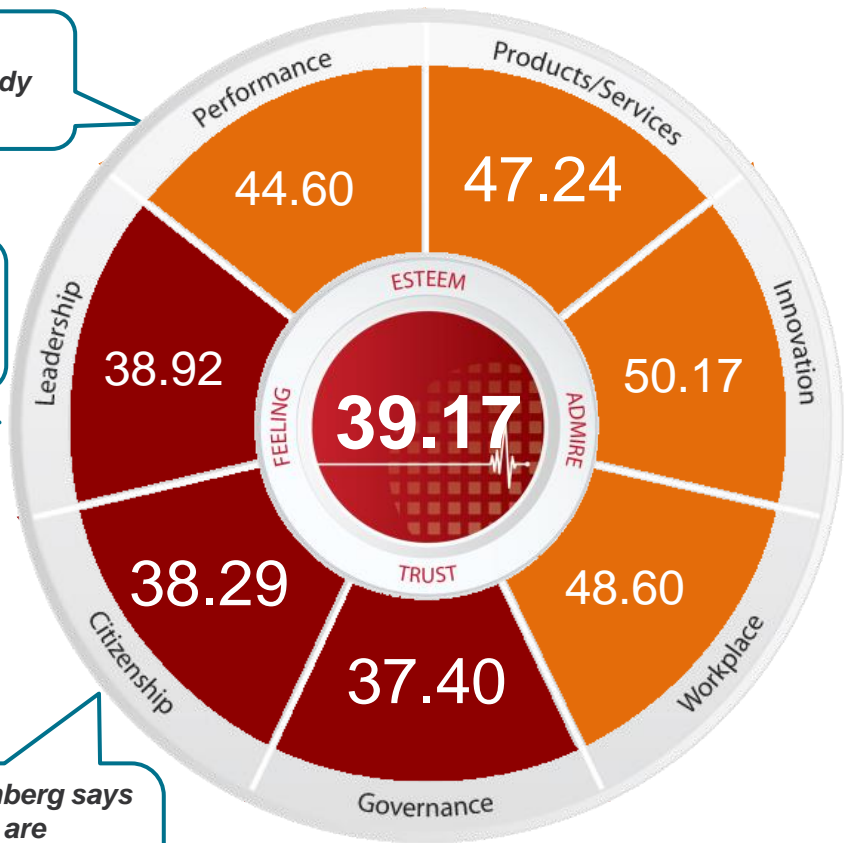
Colors indicate range of company RepTrak™ Pulse score in normative scale, numbers indicate significant negative changes. Company dimension scores that differ by more than +/- 6.5 are significantly different at the 95% confidence interval.

# Mini Case Study: Poor Performance on Top Drivers of Reputation Keeps AIG in the Bottom Tier



*“AIG Swings to 4th-Quarter Loss on Sandy Costs, Sale of Unit”*

*“AIG said to consider suing U.S. for bailout that saved the company”*



*“Mayor Bloomberg says 10 companies are joining NYC environmental program, including AIG”*

*“Court approves \$115 million settlement between AIG shareholders and former CEO Greenberg over alleged improper accounting at the insurance giant”*

## AIG is Bottom Tier on Two Top Drivers of Reputation, Citizenship and Governance

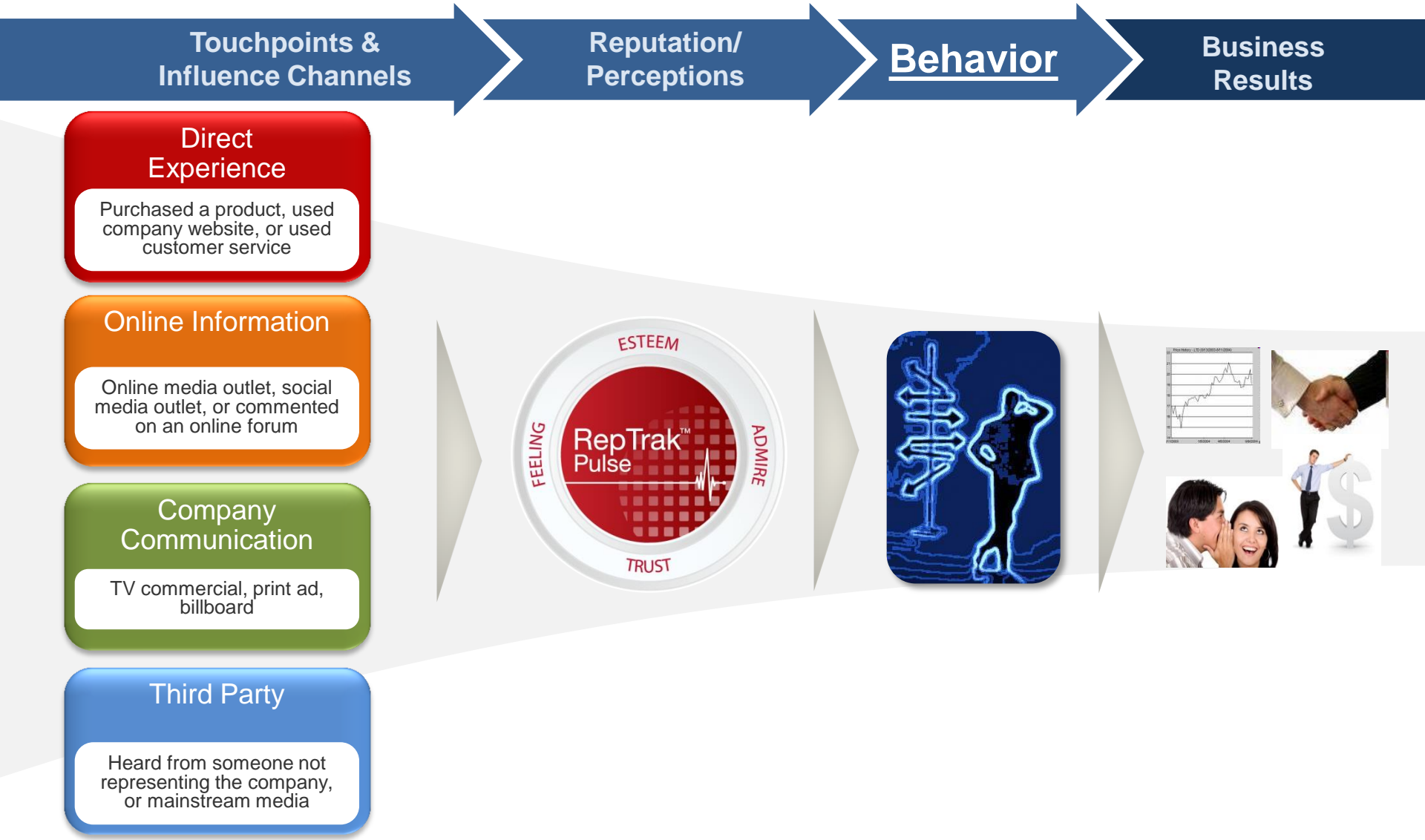
- Selected headlines from the past year illustrate top-of-mind issues for the US General Public
- Despite weak performance on products/services, AIG’s overall reputation is poor

Above 80	Excellent/Top Tier
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Below 40	Poor/Bottom Tier

# TYING REPUTATION TO BUSINESS RESULTS

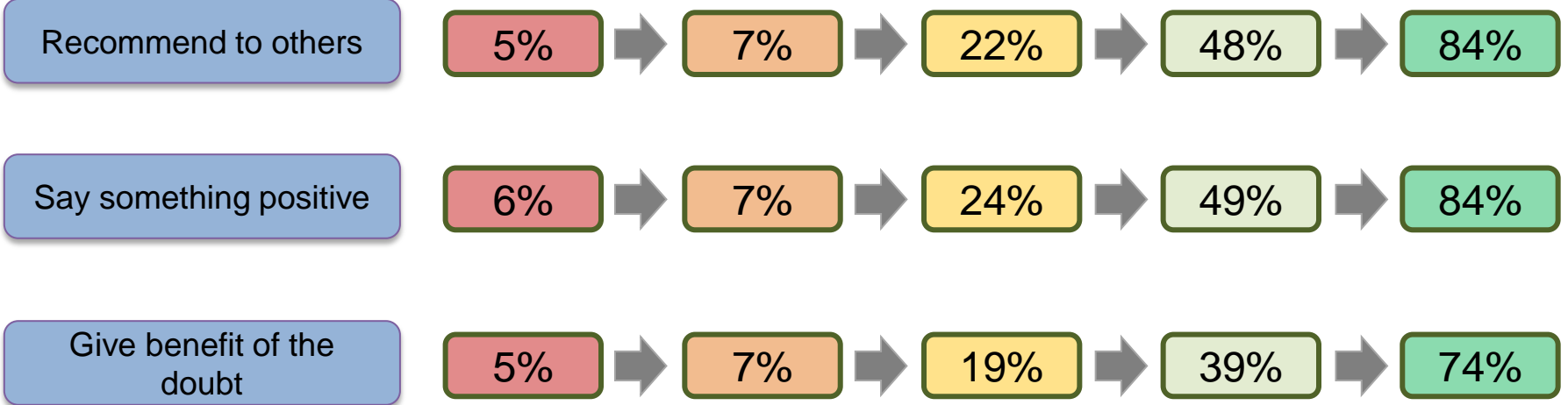


# How Reputations Lead to Business Results



# Stronger Reputation Increases Support

## Reputation Score



### Consumers are More Likely to Support the Most Reputable Companies

- Consumers are more likely to recommend and say something positive about the most reputable companies from the study.
- The American General Public is more likely to give them the benefit of the doubt.

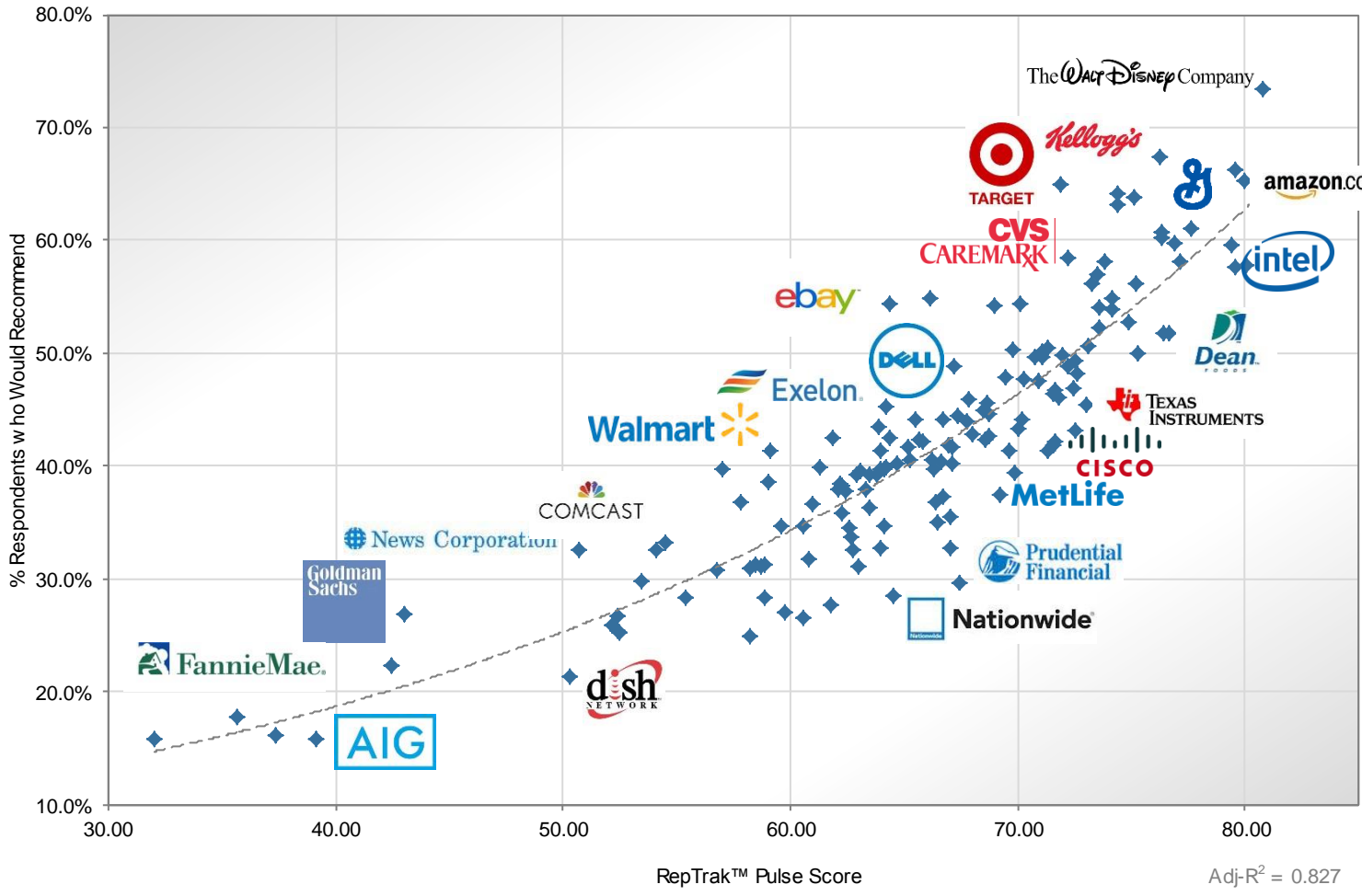
Excellent/Top Tier	Above 80
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Q:[Company] is a Company that I generally hear people say positive things about  
 Q: I would recommend [Company] to others  
 Q: I would say something positive about [Company]  
 Q: I would give the benefit of the doubt to [Company] if the company was facing a crisis  
 Q: I would go out of my way to communicate something negative about [Company]  
 Q: I would go out of my way to communicate something positive about [Company]



# A Strong Reputation Drives Advocacy

**Improving reputation by 5 points increases recommendation by 5.7%**



Well over 70% of respondents are willing to recommend The Walt Disney Company, our top corporate reputation in 2013.

Excellent/Top Tier	Above 80
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All Pulse scores that differ by more than +/- 3.2 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). Q: I would recommend 'Company' to others.

# Direct Experience Provides the Biggest Lift in Reputation

**Experiencing a Company Directly — Through Use Or Hearing From Company Communications — Has The Highest Impact**

Regardless of a company's reputation score, consumers who had a direct experience with a company or heard from the company rated that company higher. Direct exposure to a company was particularly influential in improving consumer perceptions.



*All Reputation Gaps are Statistically Significant*

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

Scores that differ by more than +/- 0.6 are significantly different at the 95% confidence interval.  
 Q250\_Intro: In the last 12 months, what have you read, seen, or heard about [Company1]?

# Across the Board, U.S. Companies Need to Find Better Ways to Cultivate Ambassadors:

## Convert the Fence Sitters



Only **24 to 37%** would go out of their way to speak positively about companies

**44 to 56%** are on the fence

**9 to 28%** would not

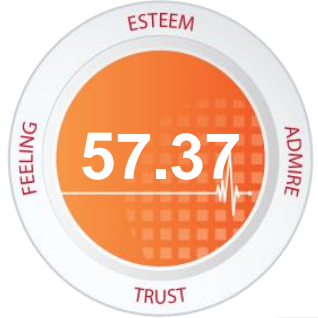
## Engage Social Media



Social media is an easy way to mobilize support, but most companies aren't taking advantage of its capabilities

Only **13%** of consumers say they've been exposed to surveyed companies through social media

# Mini Case Study: Weakness in Key Enterprise Dimensions Contributes to Facebook Lagging Behind Its Tech Peers

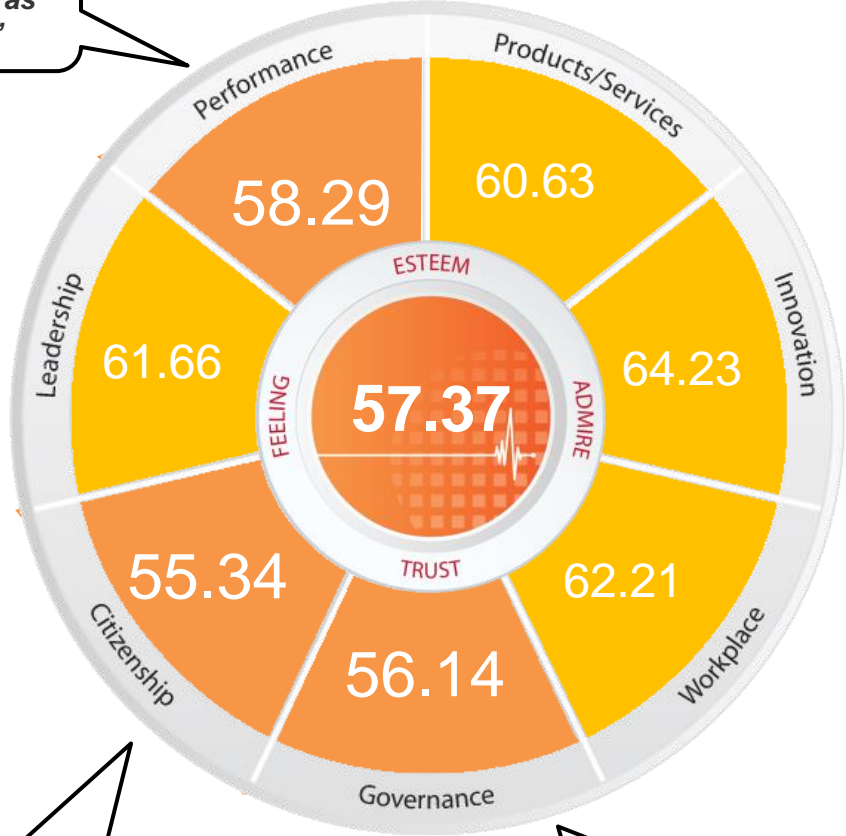


*"Facebook shares disappoint investors as earnings disappoint"*



**Facebook is Weak in Two of the Top Drivers of Reputation (Citizenship and Governance)**

- Selected headlines from the past year illustrate top-of-mind issues for the US General Public
- Beyond Citizenship and Governance, Facebook's showing in the other dimensions are Average at best



*"Despite Zuckerberg's recent monumental donations, Facebook is not getting credit for its community initiatives"*

*"Facebook privacy problems are on the rise"*

*"Governance & Policy regarding user information is unclear"*

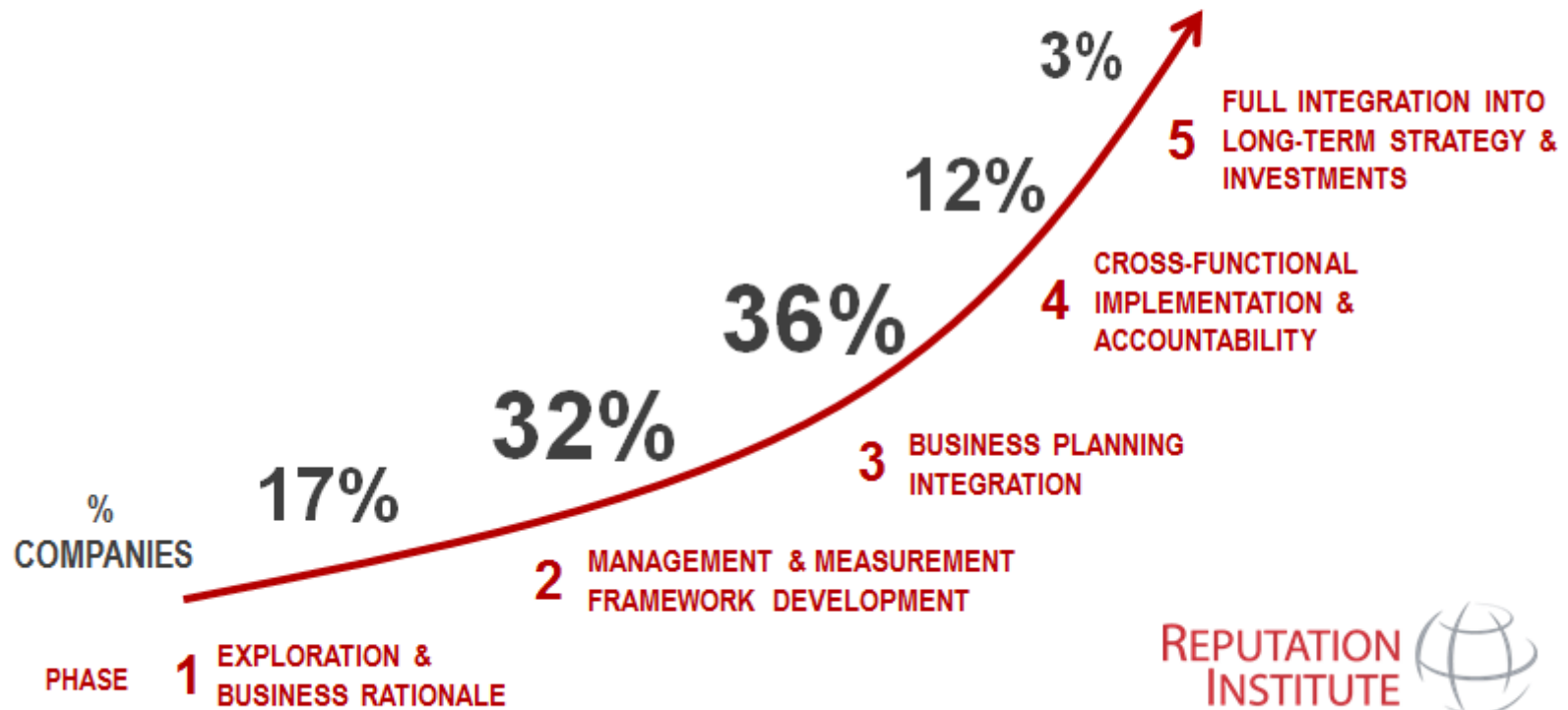
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# WHERE ARE YOU ON YOUR REPUTATION MANAGEMENT JOURNEY?



# Effective Reputation Management Develops in Stages

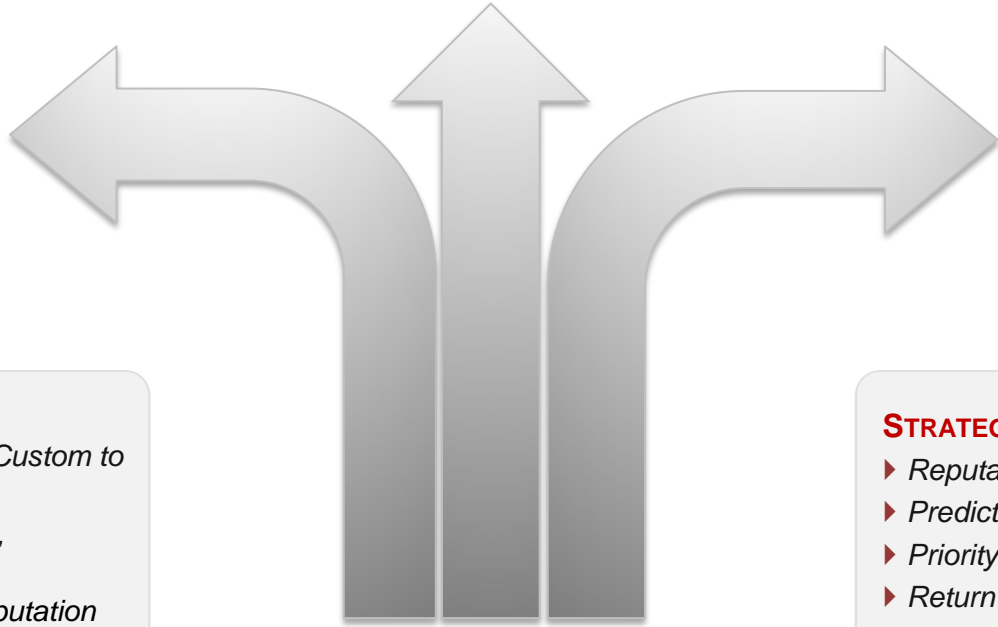
## WHERE ARE YOU ON YOUR REPUTATION JOURNEY?



Source: 2013 Reputation Institute, Reputation Leader Study (Based on responses from leaders at 292 of the world's largest and most influential companies)

# Our Ability to Support You

## REPUTATION INSTITUTE



**THE REPUTATION TRUST**

- ▶ *Company-Specific Study – Custom to Member*
- ▶ *Reputation Training – Basic, Advanced (and Custom)*
- ▶ *Database of Proprietary Reputation Case Studies*
- ▶ *Member-Hosted Workshops*
- ▶ *Online Tools and Digital Database*

**STRATEGY & CONSULTING SERVICES**

- ▶ *Reputation Landscapes*
- ▶ *Predictive Stakeholder Models*
- ▶ *Priority Investment Pathways*
- ▶ *Return on Reputation Frameworks*
- ▶ *Business Metric Integration*
- ▶ *Reputation-Based Strategy & Decision-Making*

**Reputation Institute**

Our Global Value Proposition:

**We enable leaders to make business decisions that build and protect reputation capital and drive competitive advantage.**

# Feel Free To Contact Us Directly



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Or Call Our U.S. Offices: **(212) 495-3858**



## About Reputation Institute

**Reputation Institute** is the world's leading reputation-based advisory firm, enabling leaders to make more confident business decisions that build and protect reputation capital and drive competitive advantage. Founded in 1997, and with a presence in 30 countries, we provide best-in-class thinking in reputation consulting, deliver fact-based insights to empower more confident decision-making, enabling our clients to achieve their corporate objectives. We also disseminate our knowledge, bringing together a global network to leverage extensive research, sophisticated analysis and rigorous methodologies that strengthen relationships and add tangible value through management, growth and protection of corporate reputations.

For more information, visit: [www.reputationinstitute.com](http://www.reputationinstitute.com)

## Continue the Dialogue

Please post your questions or comments and continue the discussion on reputation with your peers on our [LinkedIn Group: Reputation Institute](#)



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