

2014 Most Reputable U.S. Companies Part of the World's Largest Study on Corporate Reputation



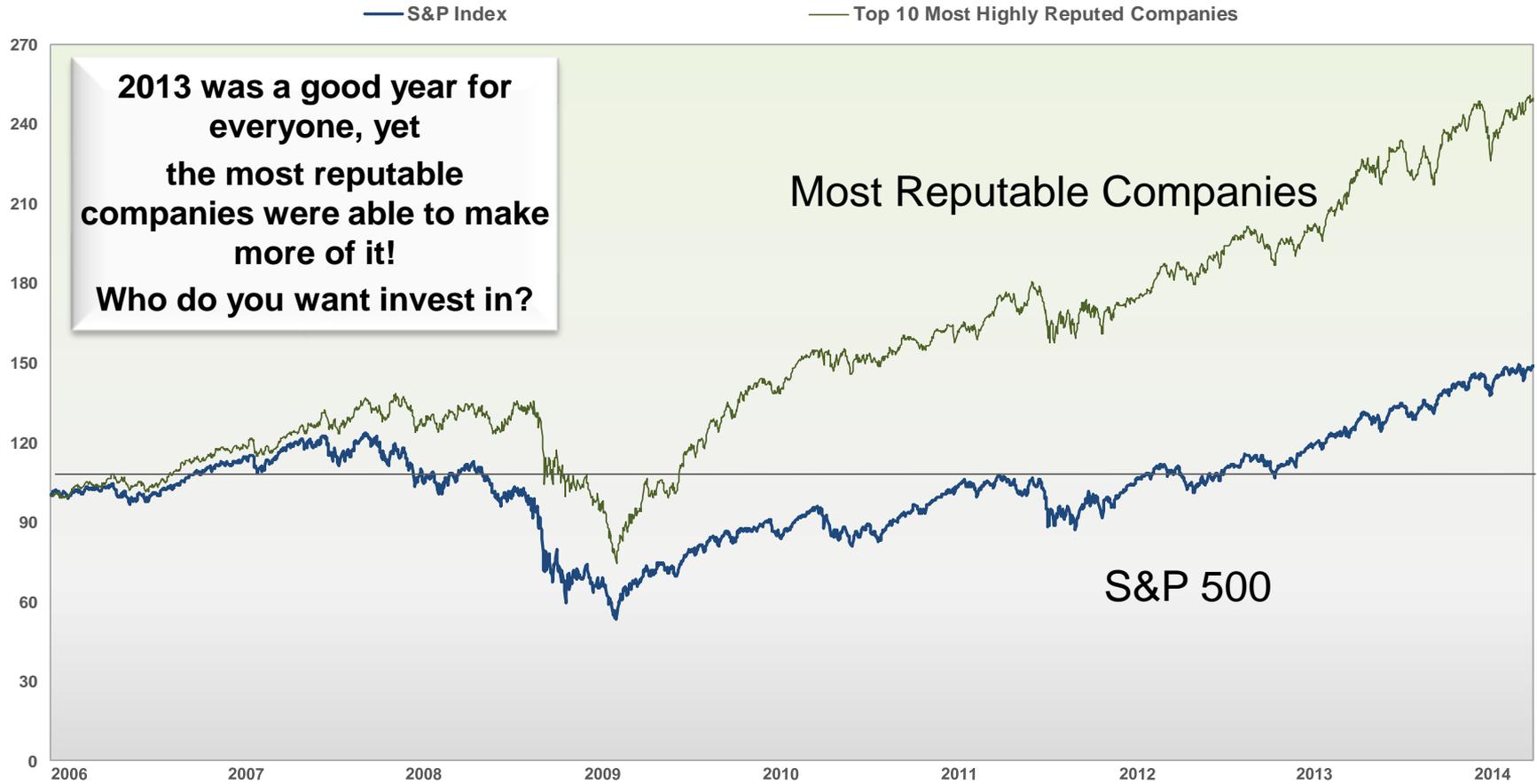
A strong reputation drives revenue



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

All Pulse scores that differ by more than +/- 3.1 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.

A strong reputation drives stock valuation



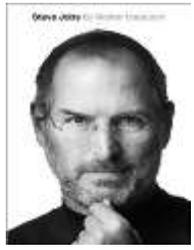
Based on the daily stock values for Top 10 companies in US RepTrak® Pulse rankings & S&P 500 Index values. All Index Values show a percentage change from January 1, 2006.

Who you are matters more than what you make in 2014

*“Who You Are is More Important than **What You Make**”*

59%

41%



Corporate

“The companies that are investing here are capturing competitive advantage”

Product

Q: I would recommend 'Company' to others.

In 2014 we are seeing companies leapfrog competitors by embracing their corporate reputation

- **Four companies have leap frogged the competition**
 - New to the Top Ten: Colgate-Palmolive, Nike, Whirlpool, and Kellogg's
 - Nike surges 8.5 points to the #6 spot
 - Down: Disney, Intel, Coca-Cola, and Dean Foods dropped out of the Top Ten

- **Four companies maintain their dominant position by managing key dimensions of reputation**
 - Amazon.com, Deere & Co., Whirlpool, and Johnson & Johnson are part of the Top Five on the key dimensions of reputation: Products & Services, Governance and Citizenship
 - Amazon.com leads in five of the seven dimensions of reputation, and is the only company to be in the Top Five across all seven reputation dimensions

- **The weight of the reputation dimensions are shifting as consumers focus more on the corporation and less on the product**
 - Products/Services drops slightly in importance, while Citizenship, Workplace and Governance increase their weight
 - Workplace, though not one of the top three dimensions, increased in importance in 2014. This dimension is led by Google, followed by top performers Deere & Co. and Amazon.com

Reputation is an emotional bond...



...that ensures



License to Operate



Product Preference



Top Talent Acquisition



Access



Advocacy

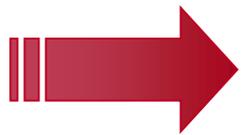
How are corporate reputations measured?

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

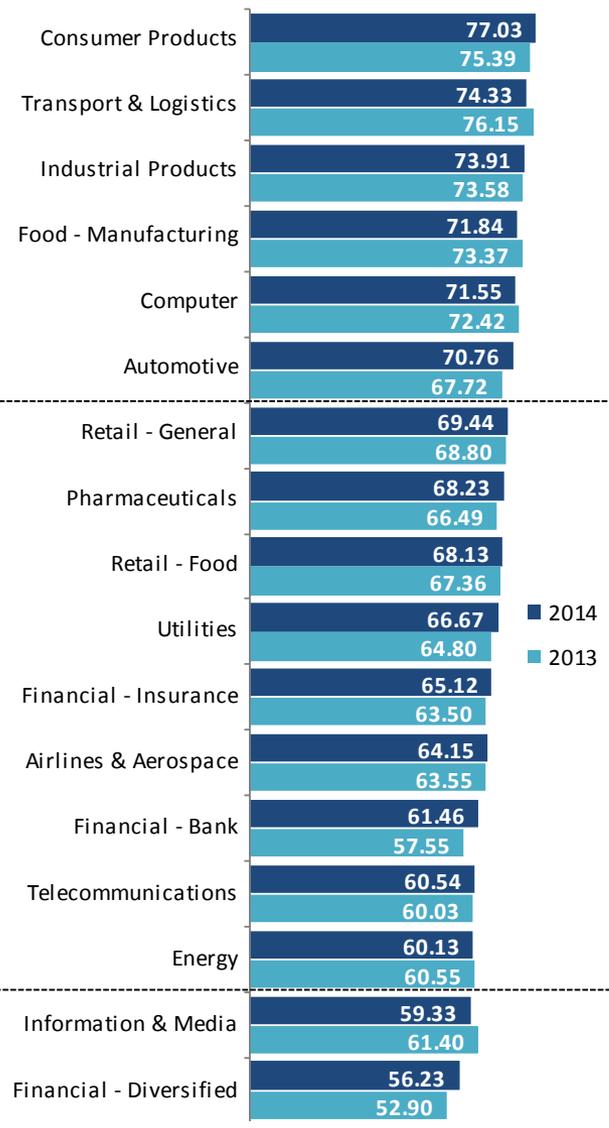


Rational explanation of the emotional

THE 2014 STUDY



Industry reputations in the U.S. – 2014 vs. 2013



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 Shift Slightly in 2014

- Small but significant changes in several industries:
 - Improvements: Automotive, Consumer Products, Financial (Banks, Diversified, and Insurance), Pharmaceuticals, Utilities
 - Declines: Food Manufacturing, Information & Media, Transport & Logistics

Financial Industries Improve Significantly Across Sectors in 2014

- The largest increases in 2014 were in Financial – Banks and Financial – Diversified
- Financial – Insurance also improved in 2014

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.

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).

2014 most reputable companies in the U.S.



Among the Top Ten, Some New Faces for 2014

- Four new companies leap frog the competition (Colgate-Palmolive, Nike, Whirlpool, Kellogg's)
- Nike and Colgate-Palmolive see significant changes in their reputations, both of which propelled them past competitors



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 +/- 3.1 are significantly different at the 95% confidence interval.

Amazon.com, Kraft, J&J, UPS, and General Mills are mainstays of the Top Ten by managing all dimensions of their reputation

<u>2014</u>		<u>2013</u>		<u>2012</u>	
Rank		Rank		Rank	
1		1	The Walt Disney Company	1	
2		2		2	
3		3		3	
4		4		4	
5		5		5	
6		6		6	
7		7		7	
8		8		8	
9		9		9	
10		10		10	

2014 top 150 U.S. corporate reputations (1–40)

Rank 2014	Company	RepTrak® Pulse		
		2014	2013	Change
1	Amazon.com	82.90	79.95	2.94
2	UPS	79.71	79.58	0.12
3	Colgate-Palmolive	79.32	75.31	4.01
4	Johnson & Johnson	79.28	79.43	-0.14
5	Kraft Foods Group	78.88	79.59	-0.70
6	Nike, Inc.	78.68	70.20	8.48
7	General Mills	78.36	77.61	0.75
8	Deere & Co.	78.24	77.16	1.08
9	Whirlpool	77.72	74.88	2.83
10	Kellogg's	77.42	76.29	1.13
11	The Coca-Cola Company	77.17	76.91	0.26
12	Procter & Gamble	76.31	76.34	-0.03
13	3M	75.81	73.58	2.23
14	Intel	75.60	80.05	-4.44
15	Goodyear	75.42	71.84	3.58
16	Stanley Black & Decker	75.23	75.10	0.13
17	Low e's Home Improvement	75.05	74.37	0.69
18	FedEx	75.03	76.36	-1.32
19	Caterpillar	74.93	73.12	1.82
20	Microsoft	74.39	73.51	0.88
21	Home Depot	74.23	74.15	0.08
22	The Walt Disney Company	74.21	80.75	-6.54
23	Dean Foods	74.16	76.66	-2.50
24	Berkshire Hathaw ay	73.79	71.33	2.46
25	Walgreens	73.75	66.25	7.50
26	Whole Foods	73.46	73.84	-0.37
27	Costco Wholesale	73.26	70.72	2.54
28	Dell	73.12	67.18	5.94
29	Google	73.08	74.41	-1.33
30	Xerox	73.07	71.60	1.47
31	CVS Caremark	72.99	72.23	0.76
32	Hew lett-Packard	72.92	69.83	3.09
33	HJ Heinz	72.80	75.24	-2.45
34	Kimberly-Clark Corporation	72.65	76.46	-3.81
35	Texas Instruments	72.53	73.04	-0.52
36	Baxter International	72.45	67.10	5.35
37	Kohl's	72.20	73.25	-1.05
38	Boeing	72.17	69.89	2.28
39	PepsiCo	72.05	72.19	-0.14
40	Best Buy	72.01	66.74	5.27

Amazon.com Takes Over #1 As The Only Company Rated as “Excellent”

- Of the 150 largest companies in the U.S., Americans have the strongest amount of trust, admiration, respect and good feeling for **Amazon.com**, which moved up 2.94 points from 2013.
- Nike, Inc.** and **Colgate-Palmolive** also had sizable jumps in 2014, joining **Amazon.com**, **UPS**, **Johnson & Johnson**, **Kraft Foods**, **General Mills**, **Deere & Co.**, **Whirlpool**, and **Kellogg's** in the top 10.

Shake Up In The Top 10

- Four new companies were introduced into the top 10: **Colgate-Palmolive**, **Nike, Inc.**, **Whirlpool**, and **Kellogg's**.
- Disney**, last year's #1, dropped out of the top 10 in 2014, along with **Intel**, **Coca-Cola**, and **Dean Foods**.

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

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2014 top 150 U.S. corporate reputations (41–120)

Rank 2014	Company	RepTrak® Pulse		
		2014	2013	Change
41	General Electric	71.92	71.35	0.57
42	eBay	71.80	64.38	7.42
43	Avon Products	71.76	68.55	3.21
44	Rite Aid	71.56	66.63	4.93
45	Visa	71.40	-	-
46	Marriott International	71.23	69.61	1.62
47	Staples	71.13	71.12	0.01
48	Kroger	71.12	71.94	-0.82
49	Amgen	71.05	67.74	3.30
50	Southwest Airlines	70.98	71.09	-0.11
51	Southern Company	70.87	70.14	0.72
52	MetLife	70.87	69.24	1.63
53	Xcel Energy	70.70	62.93	7.76
54	Abbott Laboratories	70.54	66.35	4.19
55	Medtronic	70.48	68.69	1.79
56	Mondelēz International	70.43	-	-
57	Apple	70.13	73.62	-3.50
58	Chubb	70.09	61.84	8.26
59	IBM	69.46	72.64	-3.18
60	Alcoa	69.41	70.93	-1.52
61	TJX Companies	69.35	66.17	3.19
62	General Motors	69.03	59.64	9.39
63	Safeway	68.96	65.63	3.33
64	Cisco Systems	68.71	71.63	-2.92
65	Nordstrom	68.65	71.57	-2.93
66	Dollar General	68.62	64.34	4.28
67	Travelers	68.38	66.45	1.93
68	Union Pacific Railroad	68.24	72.50	-4.26
69	Allstate	68.17	63.99	4.17
70	Bristol-Myers Squibb	68.04	67.40	0.64
71	UnitedHealth Group	68.02	62.70	5.32
72	Unum Group	67.98	63.46	4.53
73	Ford	67.84	71.68	-3.84
74	Tyson Foods	67.79	67.86	-0.07
75	Honeywell International	67.51	72.47	-4.96
76	Oracle	67.05	70.26	-3.20
77	Aflac	67.03	68.73	-1.70
78	The Hartford Financial Services Group	67.02	67.03	-0.01
79	Office Depot	66.74	69.45	-2.71
80	DuPont	66.49	68.74	-2.25

Rank 2014	Company	RepTrak® Pulse		
		2014	2013	Change
81	Pfizer	66.15	67.11	-0.96
82	New York Life Insurance Company	66.11	66.41	-0.30
83	Supervalu	65.98	67.99	-2.00
84	Hess	65.91	66.97	-1.06
85	State Farm Insurance	65.79	66.73	-0.94
86	PNC	65.78	60.81	4.97
87	Gap	65.66	63.81	1.85
88	Eli Lilly	65.40	68.53	-3.13
89	Starbucks Coffee Company	65.27	63.49	1.78
90	JC Penney	65.17	65.79	-0.62
91	Duke Energy	64.86	65.26	-0.40
92	Delta Air Lines	64.79	64.14	0.65
93	ConAgra Foods	64.74	68.98	-4.25
94	WellPoint	64.69	64.18	0.52
95	Ally Bank	64.62	-	-
96	Macy's, Inc.	64.14	72.57	-8.44
97	Valero Energy	64.09	62.28	1.82
98	McDonald's	63.96	61.29	2.67
99	BB&T	63.71	62.14	1.57
100	SunTrust Banks	63.42	63.08	0.34
101	Prudential Financial	63.30	67.43	-4.14
102	Aetna	63.13	60.56	2.57
103	The Bank of New York Mellon Corporation	63.11	62.25	0.87
104	Exelon	63.11	64.25	-1.14
105	AutoNation	62.75	65.16	-2.41
106	Verizon Communications	62.69	63.87	-1.18
107	Target	62.68	71.91	-9.23
108	Liberty Mutual Insurance	62.55	63.33	-0.78
109	Humana	62.46	62.77	-0.31
110	Phillips 66	62.37	65.54	-3.17
111	Progressive	62.33	64.14	-1.81
112	US Bank	62.28	58.51	3.77
113	Archer Daniels Midland	61.96	64.70	-2.74
114	Capital One	61.95	58.74	3.21
115	CBS Broadcasting Inc.	61.72	70.06	-8.34
116	Morgan Stanley	61.72	52.39	9.32
117	Nationwide	61.19	64.52	-3.33
118	ConocoPhillips	60.76	62.57	-1.81
119	Chevron	60.45	56.78	3.67
120	US Airways Group	60.32	58.23	2.08

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2014 top 150 U.S. corporate reputations (121–150)

Rank 2014	Company	RepTrak® Pulse		
		2014	2013	Change
121	CIGNA	60.28	59.76	0.52
122	AT&T	60.24	58.21	2.03
123	Wal-Mart	60.23	59.10	1.14
124	Wells Fargo	60.15	52.46	7.69
125	CenturyLink	60.08	57.03	3.05
126	Merck	59.96	61.79	-1.83
127	Sears Holdings	59.84	58.90	0.95
128	News Corporation	59.63	50.68	8.96
129	Sprint	59.14	60.99	-1.85
130	Altria Group	59.04	63.96	-4.92
131	AMR - American Airlines	58.93	59.07	-0.14
132	Sunoco	58.78	55.40	3.38
133	Marathon Oil	58.51	62.45	-3.94
134	JPMorgan Chase	57.68	54.13	3.56
135	UAL - United Airlines	57.68	58.85	-1.17
136	Time Warner	57.53	57.83	-0.31
137	Viacom Inc.	57.39	60.60	-3.22
138	Dow Chemical	56.87	67.07	-10.20
139	American Express	56.78	62.99	-6.21
140	Citigroup	55.34	52.18	3.15
141	Comcast	53.01	54.52	-1.51
142	AIG - American International Group	52.71	39.17	13.54
143	Bank of America	51.27	42.45	8.83
144	ExxonMobil	50.17	52.41	-2.24
145	DirecTV Group	49.45	53.43	-3.97
146	DISH Network	47.98	50.27	-2.29
147	Goldman Sachs	44.48	43.04	1.44
148	Freddie Mac	38.36	37.35	1.00
149	Fannie Mae	35.73	35.65	0.08
150	Halliburton	31.39	32.01	-0.62

Those At The Bottom Stay At the Bottom

- Of the 150 largest companies in the U.S., **Halliburton**, **Freddie Mac**, and **Fannie Mae** have the worst reputations in the eyes of Americans. These companies have all been in the bottom 5 since 2010.
- Ten of the bottom 25 saw significant drops since 2013. With its ten-point drop in 2014, **Dow Chemical** erased the gains it saw in 2013.
- **Financial services** and **media** companies are both overrepresented in the bottom 25, indicating lower levels of trust, admiration, respect and good feeling for companies in these industries.

Hopeful Improvements

- That said, time can heal wounds. **AIG**, **Bank of America**, and **Wells Fargo** enjoyed large gains in reputation. **News Corp** also made significant improvements in 2014.

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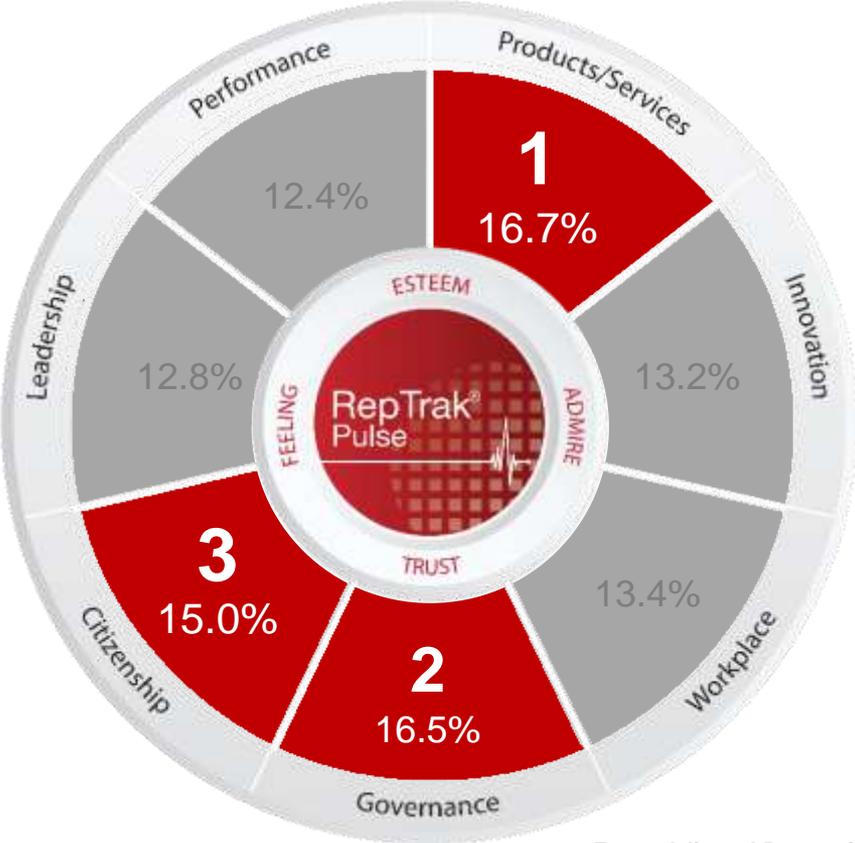
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Top drivers in 2014 are consistent with 2013

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

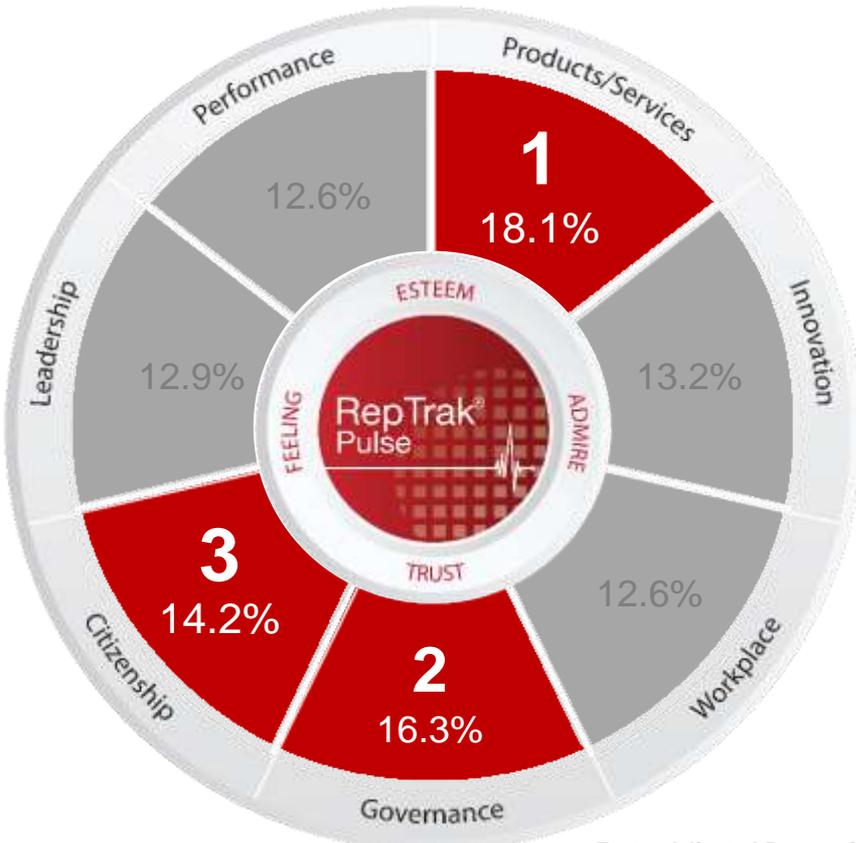
- Products/Services, though still #1, ceded ground to Citizenship and Workplace in 2014

2014



Factor Adjusted Regression
 N = 15,000
 AdjR² = 0.73

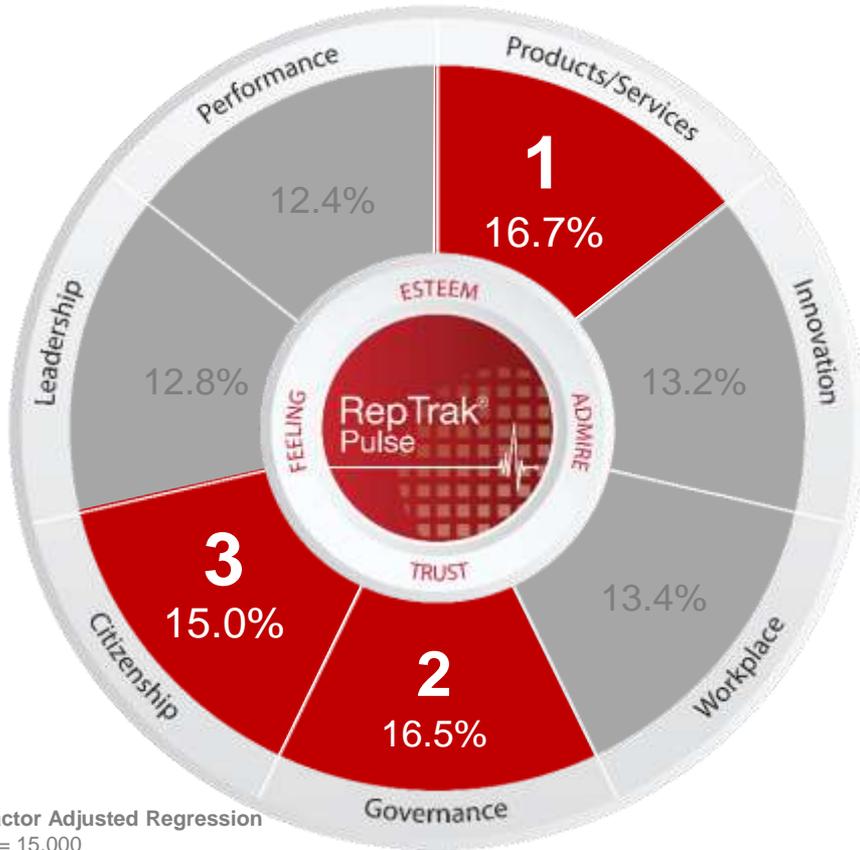
2013



Factor Adjusted Regression
 N = 15,000
 AdjR² = 0.75

Drivers: the most important building blocks of reputation

2014 U.S. General Public Drivers of Reputation



Factor Adjusted Regression
 N = 15,000
 AdjR² = 0.73

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

- Combined these factors drive 48.2% of U.S. companies' reputations.
- Citizenship and Workplace are more important than in 2013, taking ground from Products/Services.
- 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

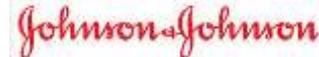
- Each dimension alone accounts for over 12% of a company's reputation.
- Top companies must exhibit strength in all seven dimension areas in order to maintain consistently strong reputations.

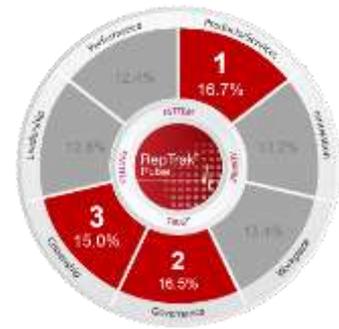
Product/Services: 'Company' offers high quality products and services -- it offers excellent products and reliable services
 Innovation: 'Company' is an innovative company -- it makes or sells innovative products or innovates in the way it does business
 Workplace: 'Company' is an appealing place to 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

Key dimensions: products, governance, and citizenship

Companies that are part of the top 5 in the three most important dimensions



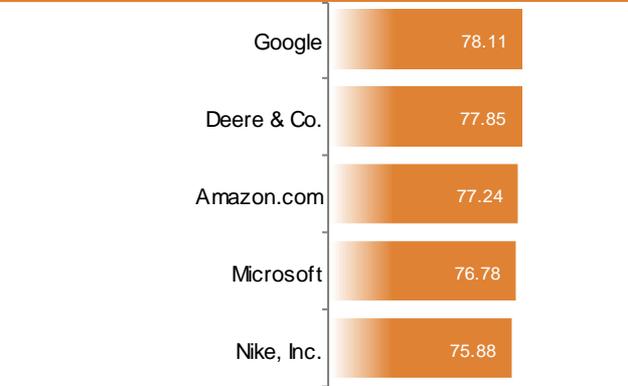
Products		Governance		Citizenship	
Amazon.com	83.51	Amazon.com	79.62	Amazon.com	79.44
Johnson & Johnson	82.68	Deere & Co.	78.29	Nike, Inc.	76.54
Whirlpool	82.33	Johnson & Johnson	77.98	Johnson & Johnson	76.45
Deere & Co.	81.96	UPS	77.86	Deere & Co.	75.39
Microsoft	81.09	Whirlpool	77.12	Whirlpool	74.80

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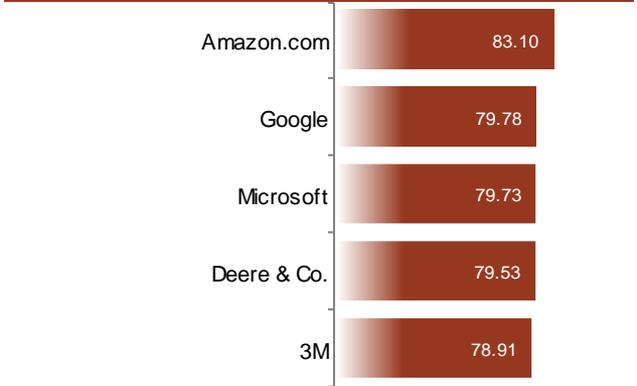
All scores that differ by more than +/- 6.2 are significantly different at the 95% confidence level.
 Governance: 'Company' is a responsibly-run company -- it behaves ethically and is open & transparent in its business dealings
 Citizenship: 'Company' is a good corporate citizen -- it supports good causes & 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

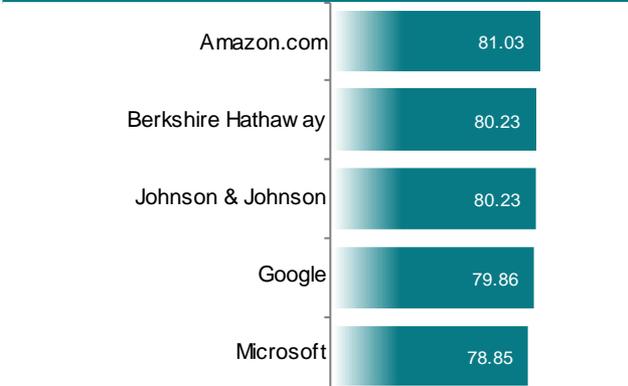
Workplace



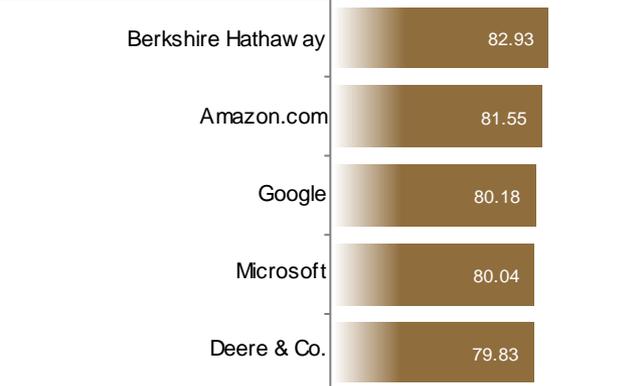
Innovation



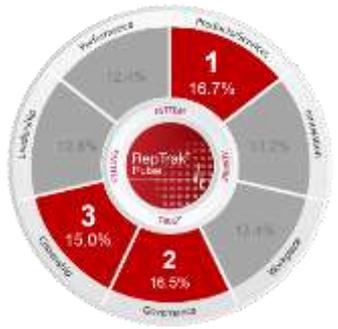
Leadership



Performance



Companies that are part of the top 5 in all dimensions



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 +/- 6.2 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 bus
 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

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: January – February 2014

Stakeholder Group: General Public

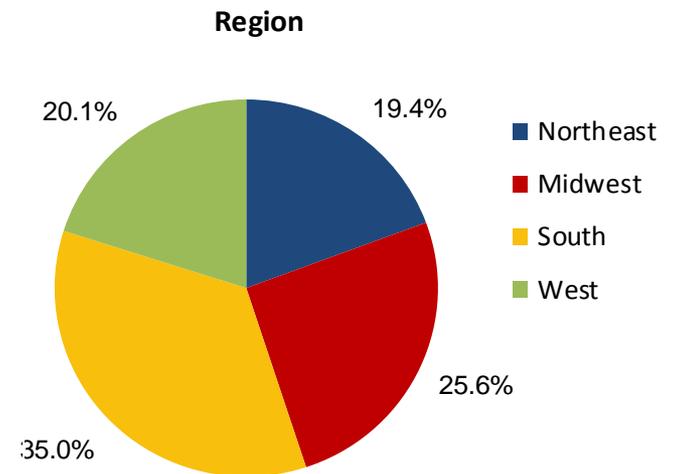
Number of company ratings: 20,429 company ratings from 3,835 respondents

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



Our sole focus: *advising leaders of the reputation economy*

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

Knowledge

- Network Membership
- Training
- Conferences

REPUTATION INSTITUTE



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Advice

- Insight
- Strategy
- Integration



Feel free to contact us directly



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Or call our U.S. office: **(781) 727-5977**

Reputation Institute is the world's leading reputation-based advisory firm, founded by Dr. Charles Fombrun and Dr. Cees van Riel in 1997.

We enable many of the world's leading companies to make more confident business decisions that build and protect reputation capital and drive competitive advantage.

Our most prominent management tool is the RepTrak® model for analyzing the reputations of companies and institutions – best known via the Forbes-published Global RepTrak® 100, the world's largest study of corporate reputations. Businesses and executives regularly discover best practices in reputation management by affiliating with our Knowledge Center and participating in its learning programs and networking events. Reputation Institute has offices and associates in 30 countries around the world.



For more information, visit: www.reputationinstitute.com