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FERRERO, IKEA, JOHNSON & JOHNSON RANK AS MOST REPUTABLE COMPANIES IN THE WORLD ON REPUTATION INSTITUTE'S GLOBAL REPUTATION PULSE STUDY

Study Reveals Critical Link Between Reputation and Consumer Recommendations In Driving Bottom Line Results

NEW YORK, May 6, 2009 — Italy's Ferrero moved up to the lead spot as the most reputable company on Reputation Institute's 2009 Global Reputation Pulse. Sweden's IKEA, and the United States' Johnson & Johnson make up the top three companies in 2009, all with excellent reputations. While in 2008 Toyota and Google were number one and two, they now rank 59th and 23rd, respectively, out of the largest 600 companies in the world. Industrial and Commercial Bank of China saw the largest gain in reputation, 16.38 points from 2008 to 2009. AIG lost the most reputation capital with a drop of 27.52 points. The Global Reputation Pulse measures the corporate reputations of the world's 600 largest companies based on consumers' trust, esteem, admiration, and good feeling about a company across seven dimensions of reputation in 32 countries.

"Strong business results begin with supportive behavior, an endorsement that can be achieved with a strong reputation," said Nicolas Trad, managing partner, Reputation Institute. "As the leading companies on the 2009 Global Reputation Pulse show, even though companies are viewed with more scrutiny these days, a reputation is a business driver that helps them sustain support through the noise and come out on top with the consumer."

Word-of-Mouth Support: A Critical Business Driver

According to the Global Reputation Pulse findings, a company's reputation score has a positive and direct link to consumer attitudes and behaviors. For example, by improving its reputation score five points, a company can increase recommendations within the general public by 6.75 percent. In a competitive situation, increasing recommendations by two to five percent can have a dramatic impact on the bottom line. With 67 percent of consumers saying they would recommend one of the world's top 20 most reputable companies to others, organizations like Japan's Nintendo, France's Christian Dior and India's Tata showed they have effectively used recommendations to drive business and reputation in their respective countries.

The Reputation Pulse also shows that 57 percent of consumers would give the most reputable companies across the globe the benefit of the doubt in a time of crisis. This is a significant finding since having the benefit of the doubt can be a competitive advantage when launching a new product, raising the prices on services, or dealing with a negative public situation. On the contrary, four out of 10 people would refuse to support the 20 least reputable global companies in a crisis, a public reaction that will put their reputation and business results at risk.

The Recipe for Reputation Success

The Global Reputation Pulse study proves that excellent reputations are built across seven dimensions of reputation management: Products/Services, Innovation, Governance, Workplace, Citizenship, Leadership and Performance. It further shows that to establish a solid reputation, it is essential that companies address all seven dimensions. In fact, Global Reputation Pulse found that 16 companies excel by taking

up the top five positions across the dimensions of reputation. Ferrero is the only company that is in the top five on all seven dimensions which explains why the Italians revere this company. The most influential dimension on reputation is Product/Services followed by Governance. However, to earn trust, admiration, good feeling and support companies need to address all seven dimensions of reputation. Each one alone accounts for over 12 percent of reputation.

“Companies that manage their reputation on a single dimension can falter when the tide turns against them,” added Kasper Nielsen, managing partner, Reputation Institute. “In contrast, companies that manage reputation broadly across several dimensions establish a solid emotional connection with stakeholders that will lead them to support the company both vocally and monetarily in any scenario.”

Other key highlights from 2009 Global Reputation Pulse study include:

- **Corporate Trust Higher in Emerging Markets, Lower in Industrialized Markets**
Companies from the BRIC (Brazil, Russia, India and China) economies secured solid rankings among the largest global corporations. Even from struggling global industries such as energy, automotives and banking, strong companies like Brazil’s Petrobras, China Faw and State Bank of India rise to the top. Proportionally, the largest companies in these BRIC countries enjoy a stronger emotional connection from consumers than the largest companies in the industrialized world – namely the U.S., Japan, United Kingdom, France and Germany. Corporate managers should look to companies in these markets for models to build stronger relationships with consumers.
- **The Increasing Need for Transparency**
After delivering strong products and services (Products/Services), transparency and corporate ethics (Governance) and caring about society (Citizenship) are the best ways to improve reputation with the general public and increase support. Financial Performance and Leadership saw the greatest increase in importance from 2008, emphasizing that more than ever consumers recognize the impact of the C-suite’s vision and identify the need for continued market success.
- **Reputations Remain Stable Despite Volatility**
Of the over 400 companies that remained within the Global 600 in both 2008 and 2009 only 7 percent saw substantial movement in reputation with a change of +/- 10 Reputation Pulse points – indicating a higher than anticipated level of stability in corporate reputation around the world.

2009 Global Reputation Pulse – Top 25

<u>Rank</u>	<u>Company</u>	<u>Country</u>	<u>Score</u>
1	Ferrero	Italy	85.17
2	IKEA	Sweden	83.98
3	Johnson & Johnson	U.S.	83.58
4	Petrobras	Brazil	82.37
5	Sadia	Brazil	82.06
6	Nintendo	Japan	81.63
7	Christian Dior	France	81.37
8	Kraft Foods	U.S.	81.09
9	Mercadona	Spain	80.99
10	Singapore Airlines	Singapore	80.97
11	Tata	India	80.89
12	UPS	U.S.	80.84
13	General Mills	U.S.	80.80
14	El Corte Inglés	Spain	80.80
15	Matsushita Electric Ind.	Japan	80.31
16	FedEx	U.S.	80.30
17	Grupo Bimbo	Mexico	80.22
18	Honda Motor	Japan	79.86
19	Whirlpool	U.S.	79.86

20	Votorantim	Brazil	79.59
21	Walt Disney Co.	U.S.	79.44
22	China Faw	China	79.35
23	Google	U.S.	78.80
24	China Merchants Bank	China	78.72
25	Caterpillar	U.S.	78.69

About the Global Reputation Pulse 2009 Study

The Global Reputation Pulse 2009 was conducted online in late January and February 2009. A Pulse score is a measure of corporate reputation calculated by averaging perceptions of four indicators—trust, esteem, admiration, and good feeling—obtained from a representative sample of at least 100 local respondents who were familiar with the company. Scores range from a low of 0 to a high of 100, Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level. The mean for all companies included in the study was 64.2. A report on the 2009 Global Reputation Pulse findings can be downloaded at www.ReputationInstitute.com.

About Reputation Institute

Reputation Institute is the world's leading reputation consulting firm. As a pioneer in the field of brand and reputation management, Reputation Institute helps companies unlock the power of reputation. With a presence in more than 25 countries, Reputation Institute is dedicated to advancing knowledge about reputation and shares best practices and current research through client engagement, memberships, seminars, conferences, and publications such as Corporate Reputation Review. Reputation Institute's 2009 Global Reputation Pulse is the largest study of corporate reputations in the world, identifying what drives reputation and covering more than 1,000 companies from 32 countries annually. Reputation Institute provides specific reputation insight from more than 15 different stakeholder groups and 24 industries, allowing clients to create tangible value from intangible stakeholder feelings.

Visit www.ReputationInstitute.com to learn how you can unlock the power of your reputation.

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