

## Delivering and Image: UPS vs. FedEx

By RONALD ALSOP

The keenest competitors in the reputation sweepstakes are clearly United Parcel Service Inc. and FedEx Corp. No other archrivals are as closely matched as the two package-delivery companies.

With UPS ranked No. 2 overall and FedEx back in the top 10 at No. 7, the competition grew even more heated in the latest Harris Interactive/Reputation Institute study.

Survey respondents overwhelmingly praised both companies for speed and efficiency. And on specific attributes, UPS and FedEx achieved strikingly similar results. They both ranked among the top five for emotional appeal, social responsibility, high ethical standards and workplace environment. In fact for excellent customer service, they were rated Nos. 1, UPS, and 2, FedEx, overall.

The biggest differentiator seems to be the impact of their corporate advertising and other communications. UPS is among the best-known companies in the survey, with nearly 70% of respondents saying they are “very familiar” with it. About 60% are “very familiar” with FedEx.

In their comments about the companies’ advertising and other communications, respondents clearly indicate that UPS makes a stronger impression than FedEx. UPS has succeeded in creating a simple, consistent image, one of the hallmarks of a good reputation. Although not everyone liked it, most respondents could cite UPS’s “What can Brown do for you?” advertising campaign. Many also mentioned its NASCAR sponsorship and its chocolate-brown trucks and uniforms.

“UPS has a very memorable ad campaign with Brown,” one respondent said. “I’ve used their service; it’s reliable and convenient and I’ll use them again.”

But people didn’t have a clear – or accurate – recollection of FedEx’s most recent advertising. Several people remembered its old slogan, “When it absolutely, positively has to be there overnight,” and actor Tom Hanks’s portrayal of a FedEx manager in the 2000 movie “Cast Away.” Worse, some people said they couldn’t recall any FedEx ads. “Nothing really stands out, which is a bad sign,” said one respondent, while another commented, “The advertising is not particularly distinctive – not funny or touching, just dry.”

Of course, money matters a lot in advertising effectiveness, and UPS far outspends FedEx. During the first nine months of 2003, UPS spent \$116.8 million on advertising, nearly double FedEx’s \$59.3 million, according to TNS Media Intelligence/CMR, which tracks media buying.

**UPS vs. FedEx** Here is how UPS and FedEx rate on different measures in the Reputation Quotient survey:

**Overall reputation ranking**

UPS	No. 2
FedEx	No. 7

**Emotional appeal**

UPS	No. 2
FedEx	No. 3

**Social responsibility**

UPS	No. 3
FedEx	No. 5

**Workplace environment**

UPS	No. 3
FedEx	No. 4

**Excellent customer service**

UPS	No. 1
FedEx	No. 2

**High ethical standards**

FedEx	No. 2
UPS	No. 4

**Sincerity in corporate communications**

UPS	No. 1
FedEx	No. 6

Source: Harris Interactive and Reputation Institute