

The Challenge of Managing your Company's Reputation

Evaluation of Corporate Reputation

TNS' approach to
Reputation Management

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Top Forum
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world leading
market information group

providing more than

110 countries with:

market measurement

analysis

insight

advice



the sixth sense of business™

“To be recognised as the *global leader* in delivering *value added* information and *insights* that help our clients to make *more effective* decisions”

***Client
orientation***

***Service
excellence
and
cost
efficiency***

***Expertise
and
innovation***

***People
development***

TRI*M Stakeholder Management System

- Over 9.000 studies by more than 1.000 companies in 90 countries.
- More than 40% of the Fortune 100 companies have used TRI*M (various stakeholder relationships) at least once within the last three years.
- TRI*M is used by more than 1/3rd of the 100 biggest companies in Western Europe.
- In Europe, TRI*M has become a standard tool for the financial services telecommunications and industry. In Germany also in the technology sector.



TRI*M Corporate Reputation Manager

- Nearly 10% of Fortune 100 companies have done a TRI*M Corporate Reputation project
- Projects done for 160 different clients:
 - 150 individual projects from 50 countries
 - 45 multinational studies (fieldwork in two or more countries)
- The Global TRI*M Centre Corporate Reputation Database contains (annually updated):
 - 1470 Corporate Reputation Indices
 - Overall 471 000 interviews
 - From different 400 companies



The Challenge of Managing your Company's Reputation

TRI*M Corporate Reputation Manager



Corporate Reputation – Corporations on the Watch

With **high-profile corporate scandals** dominating news headlines, many **stakeholders have been becoming increasingly cynical & demanding** towards corporations and holding them accountable for their behavior and actions.

In the past, Companies often cared about their Reputation first when they faced a crisis...

„Reputation: You only know what it is worth when it lies in tatters“

Alison Maitland, The Financial Times

„A lot of people hate Big Business“

Ian Davis, CEO McKinsey



Importance of Reputation for the Financial Community

***“If you lose dollars for the firm by bad decisions,
I will be understanding.
If you lose reputation for the firm,
I will be ruthless.”***

**Warren Buffett,
“Oracle of Omaha”, World’s greatest stock market investor**

*„Over 90% of analysts agree that if a
company fails to look after reputational
aspects of its performance it will ultimately
suffer financially too.“*

Source: Hill & Knowlton / MORI: Return on Reputation, March 2006

It takes years to repair a damaged reputation hence it's advisable to protect it in advance

■ Burson Marsteller (PR firm) US-survey in 2003:

The expected length of time to repair a damaged reputation according to ...

■ CEOs	3,5 years
■ other senior executives	3,8
■ Wall Street analysts/institutional investors	3,9
■ Business media officials	3,0

Source: Ronald J. Alsop, The 18 Immutable Laws of Corporate Reputation

The Challenge of Managing your Company's Reputation

Measurement, Management and Monitoring of Corporate Reputation



TRI*M Corporate Reputation Manager

Underlying concept

- **TRI*M Corporate Reputation Manager meets the needs of:**
 - CEOs / COOs/ CIOs
 - PR-, Corporate Communication and Corporate Branding Departments, Investor Relations
 - PR, Communication & Consulting Agencies
- **TRI*M offers an easy to use tool not only to measure but also to manage reputation efficiently.**
- ***TRI*M Corporate Reputation helps to manage Reputation by***
 - *Identifying the critical drivers of reputation*
 - *Looking at all relevant stakeholder groups*
 - *Developing targeted communication/PR- activities*

TRI*M Corporate Reputation Manager

Four primary tools for addressing the needs of fact based reputation management

Measure and benchmark the company`s reputation (KPI)

TRI*M Reputation Index
Level of excellence in reputation

Understand the foundation of the company`s reputation

TRI*M Reputation Radar
Stakeholder – analysis

Diagnosis and management of the company`s reputation

TRI*M Grid
Reputation / CSR driver analysis

**Compare to relevant competitors
Understand relative strengths and build USPs**

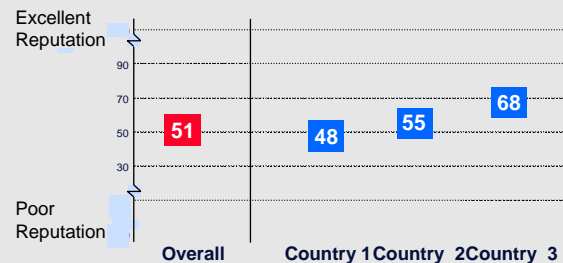
TRI*M Competitive Analysis
Strengths & weaknesses

TRI*M Corporate Reputation Manager

Overview of Analysis Tools / Deliverables – Management Tailored Transformation of Survey Data

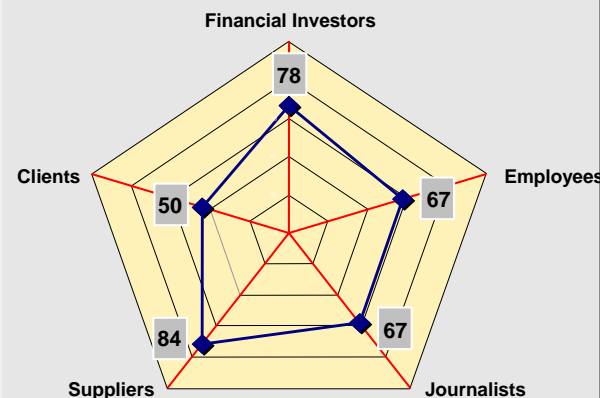
TRI*M Index (CRI) Corporate Reputation Index

- **Key Performance Indicator** for the perceived level of Reputation in different Stakeholder groups



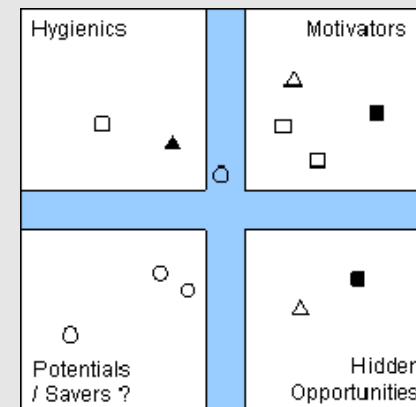
TRI*M Reputation Radar

- **Overview** of the Reputation in different Stakeholder Groups



TRI*M Grid

- **Driver Analysis** for deriving, evaluation and prioritisation of reputation building measures



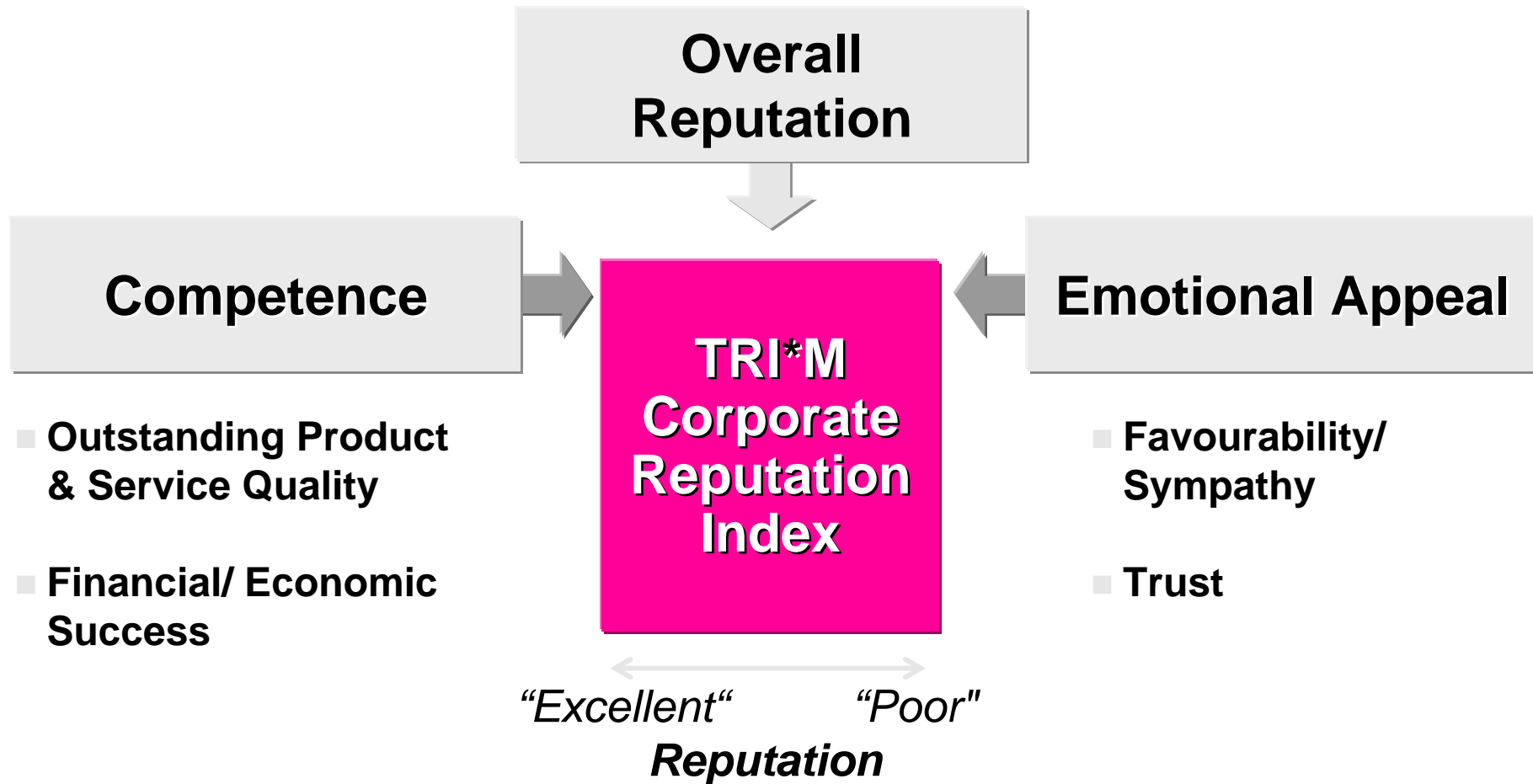
The Case of the Multinational Oil Company

- *TV and major newspapers* – reports with negative content, prime time
- *CEO and PR-dept* – heavy pressure for interviews
- *Share value* – prices shaky on stock exchange
- *Employees* – starting to wonder what's happening



The TRI*M Corporate Reputation Index

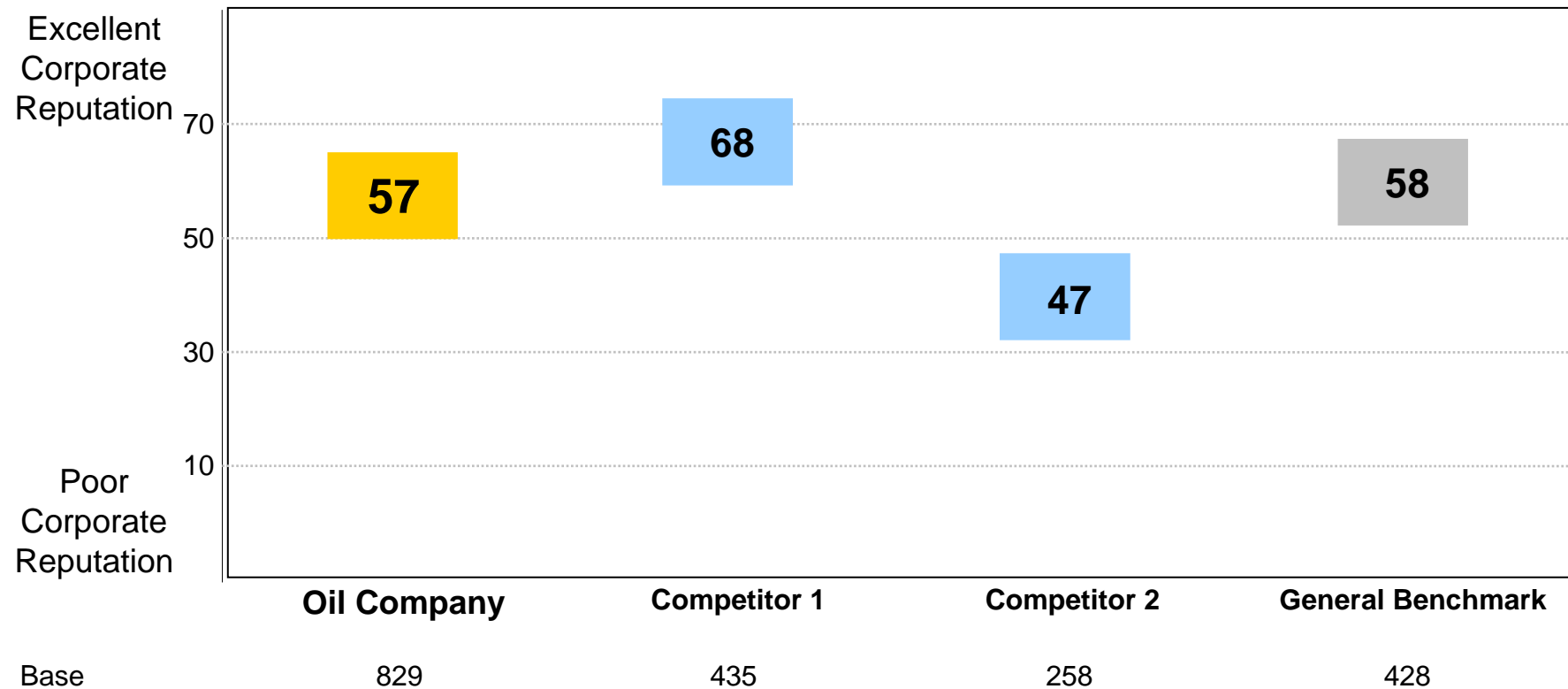
The One Number Tool for Management



TRI*M Reputation Index for Oil Company

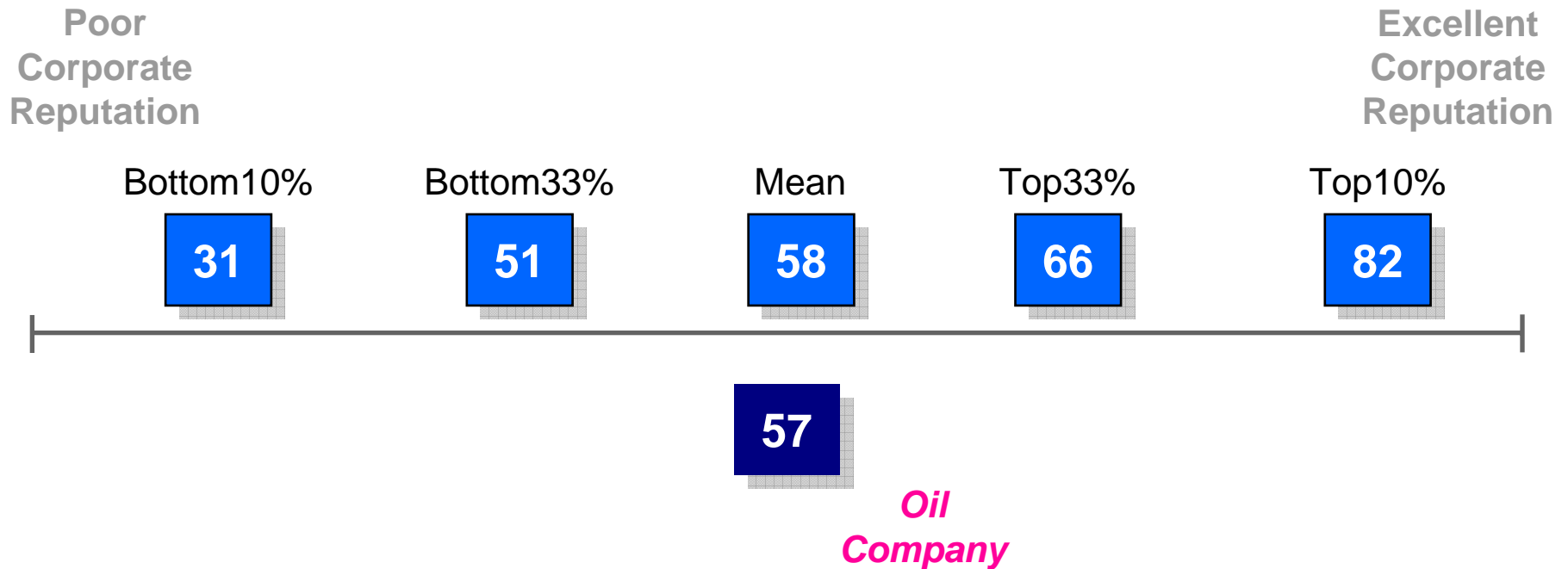
... allows benchmarking against relevant groups

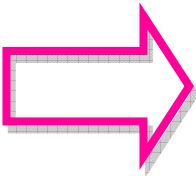
Stakeholder: B2B Customers



TRI*M Index

Benchmark: Europe – B2B Customers

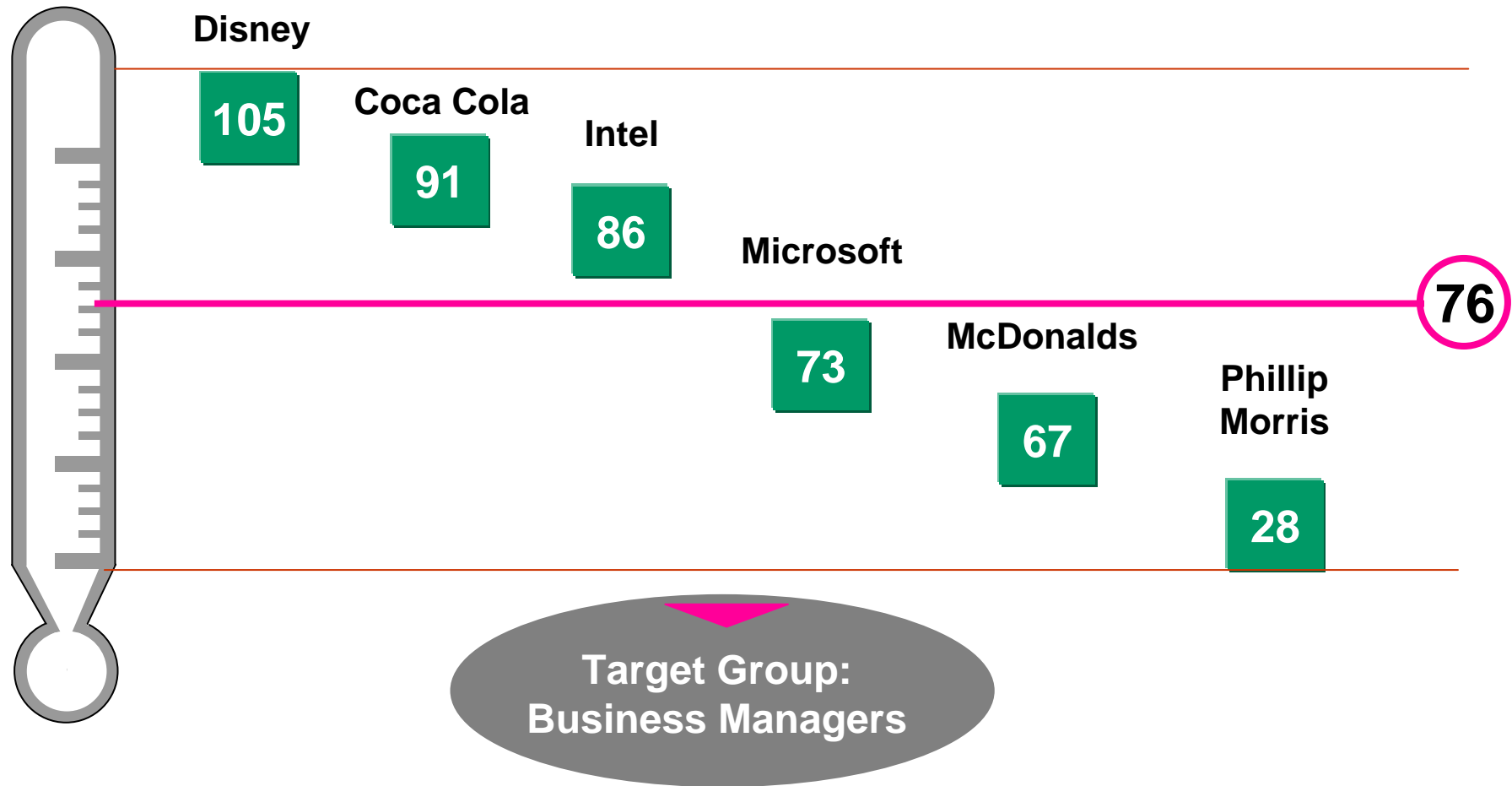


 *Oil Company is among the Average of all European companies in the database in the stakeholder group Business-to-Business Customers*

Validity of the TRI*M Index

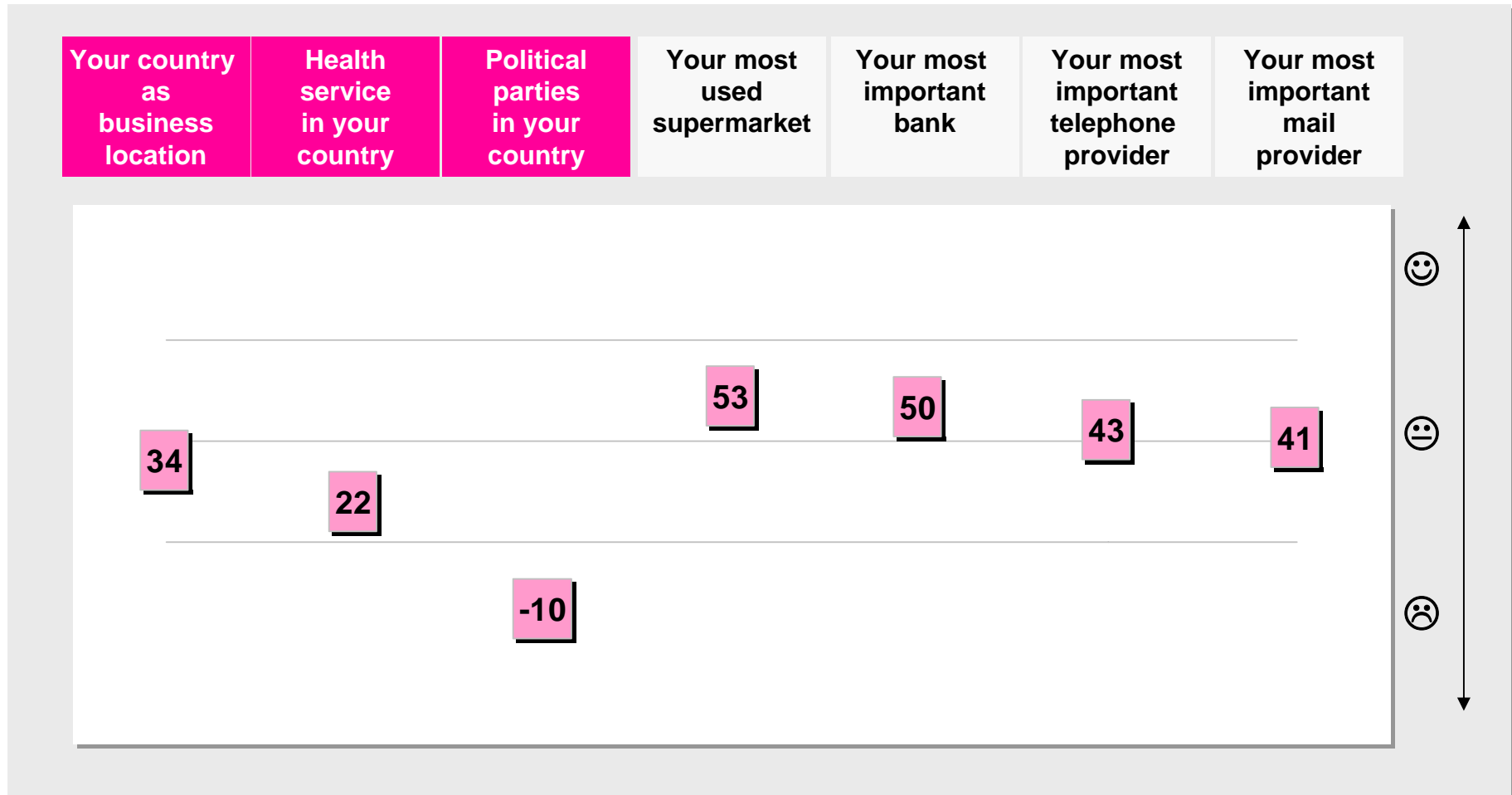
Benchmarking: Results from Dow Jones 30

Examples from reputation driver validation study wave 3, 2003



Benchmarking Study

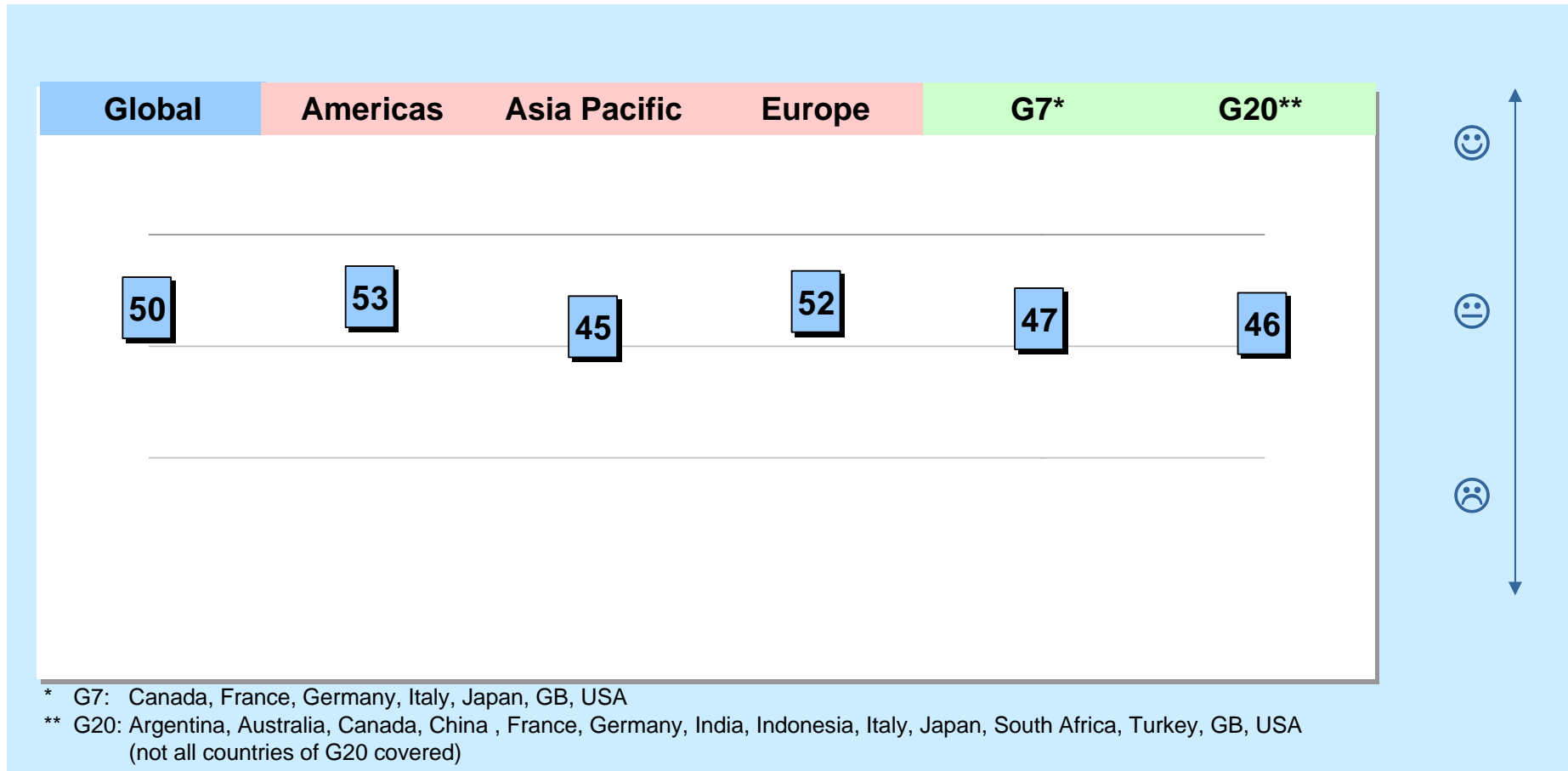
Global Reputation Study: Overview



Global Base: 36,859 Interviews

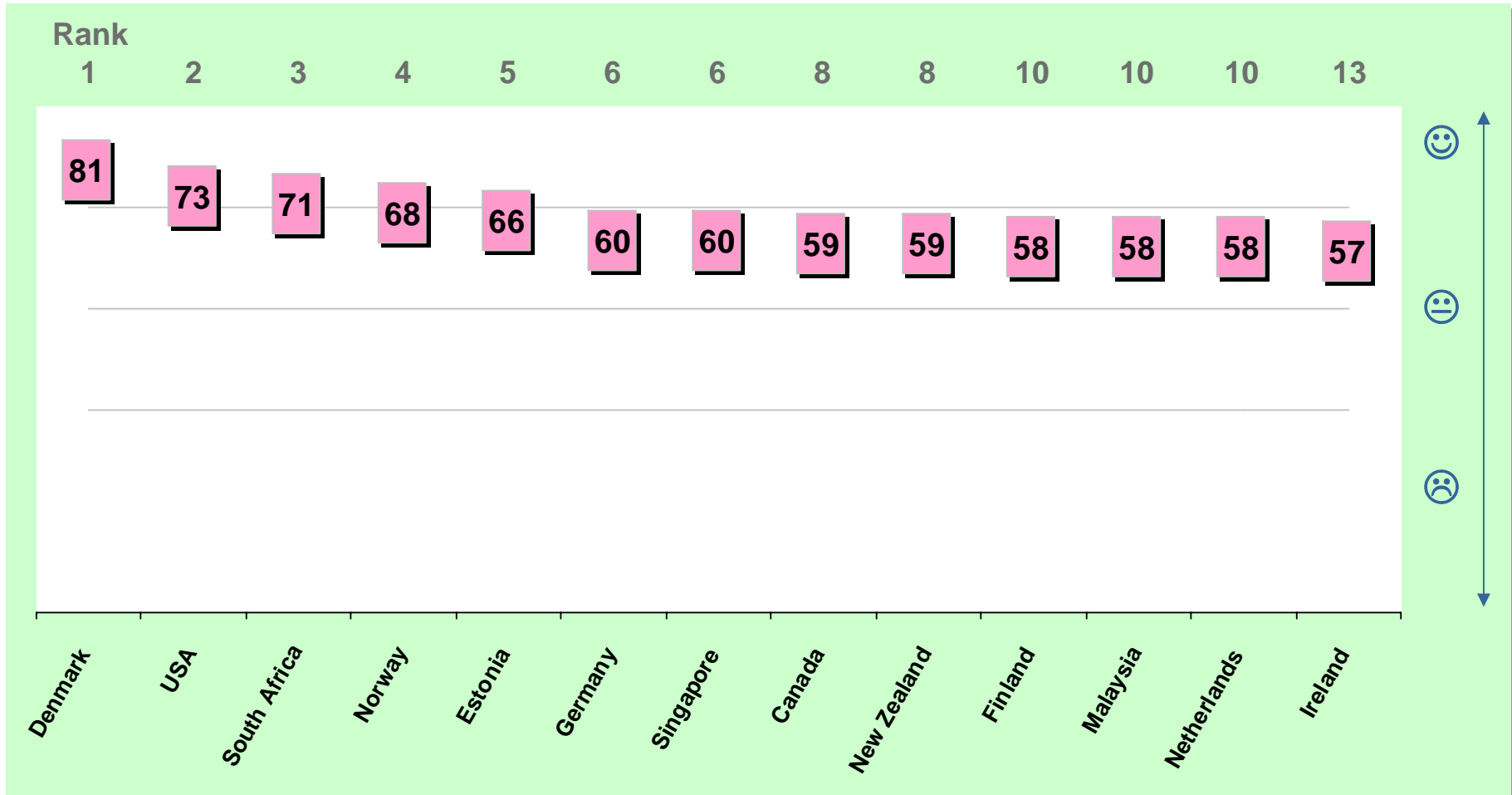


Reputation of Primary Banks in country Regions



Reputation of Primary Banks in country

Top-33% countries

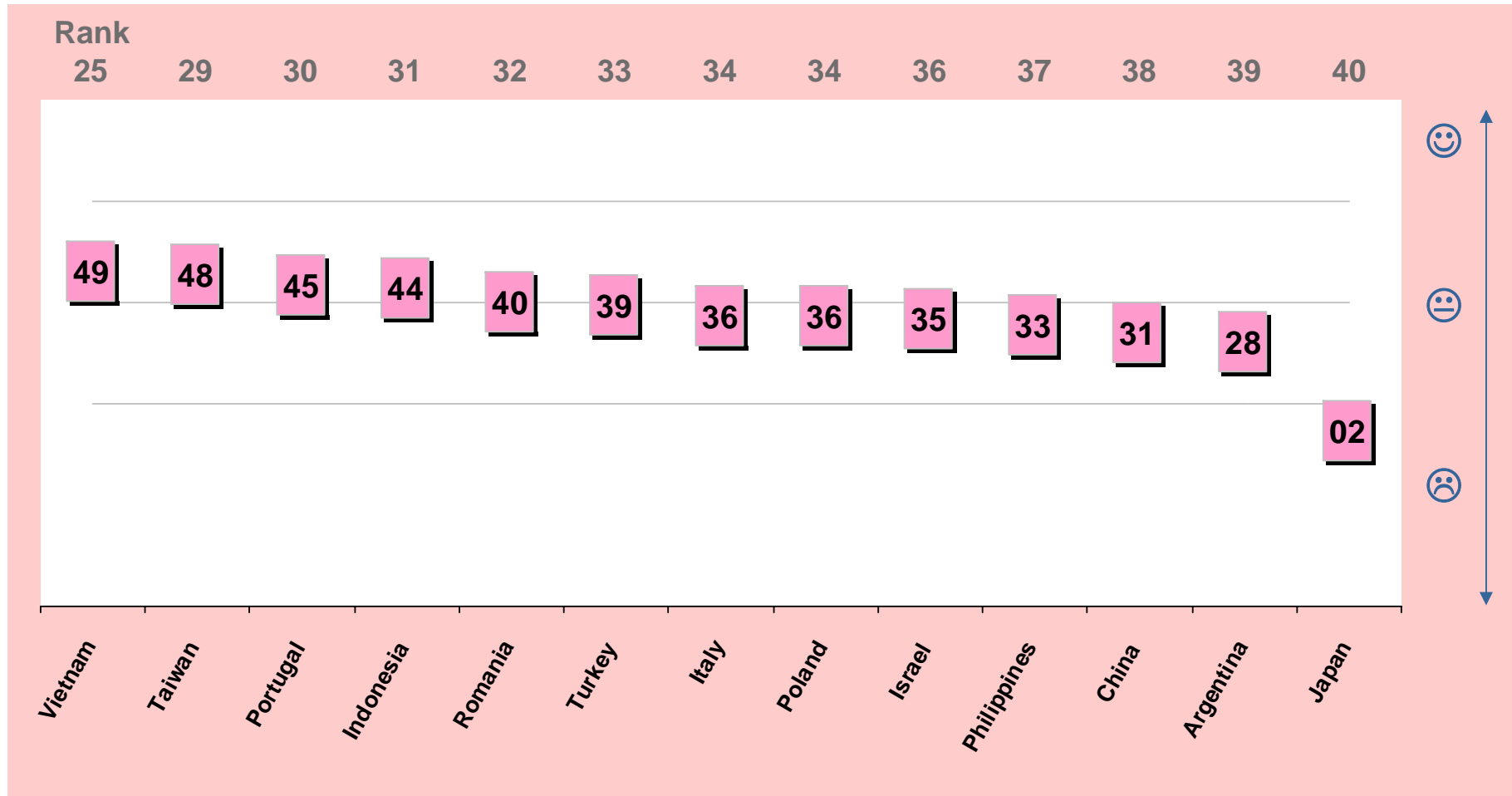


Global Base: 36,859 Interviews



Reputation of Primary Banks in country

Bottom-33% countries



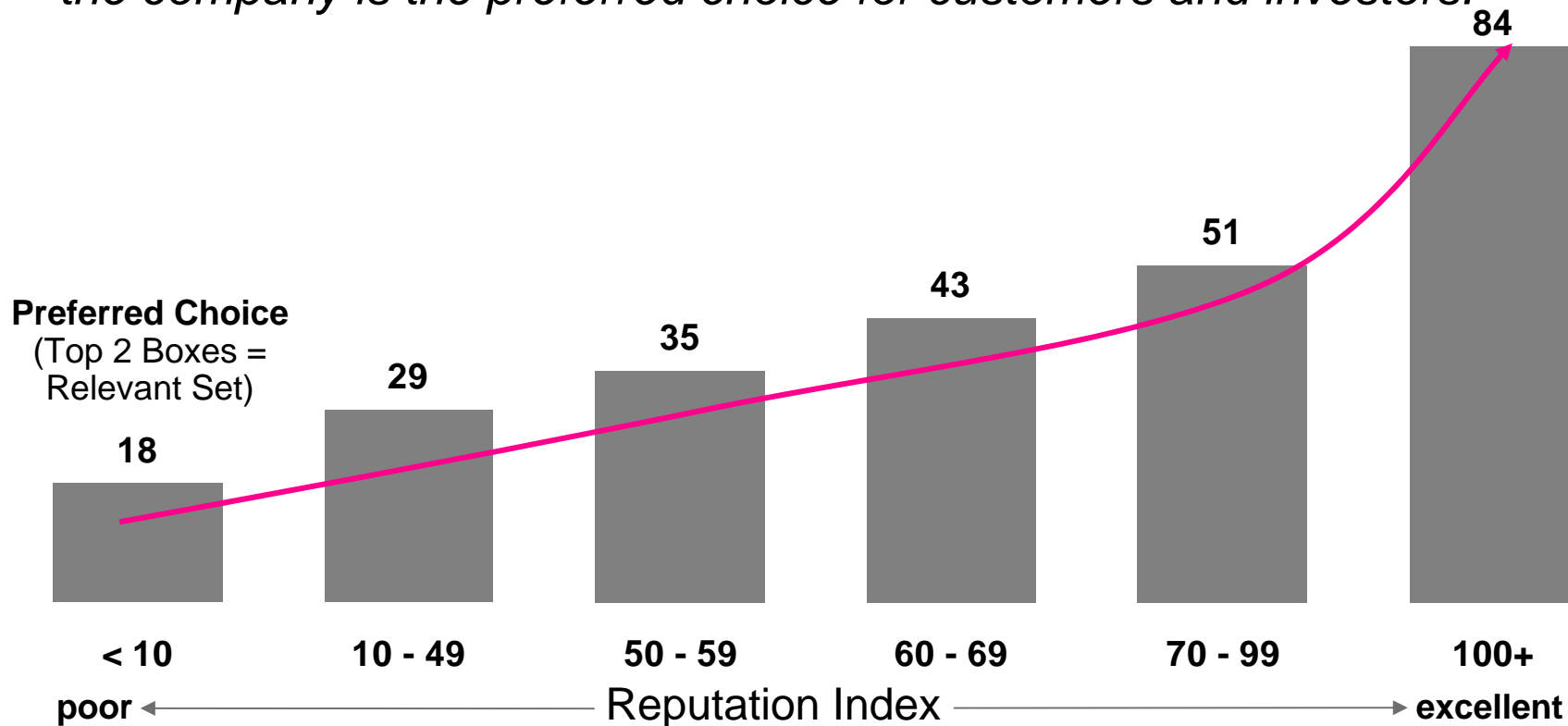
Global Base: 36,859 Interviews



Financial Services Industry Europe

Case Study 2003: Reputation has an impact on the affinity to buy or to invest

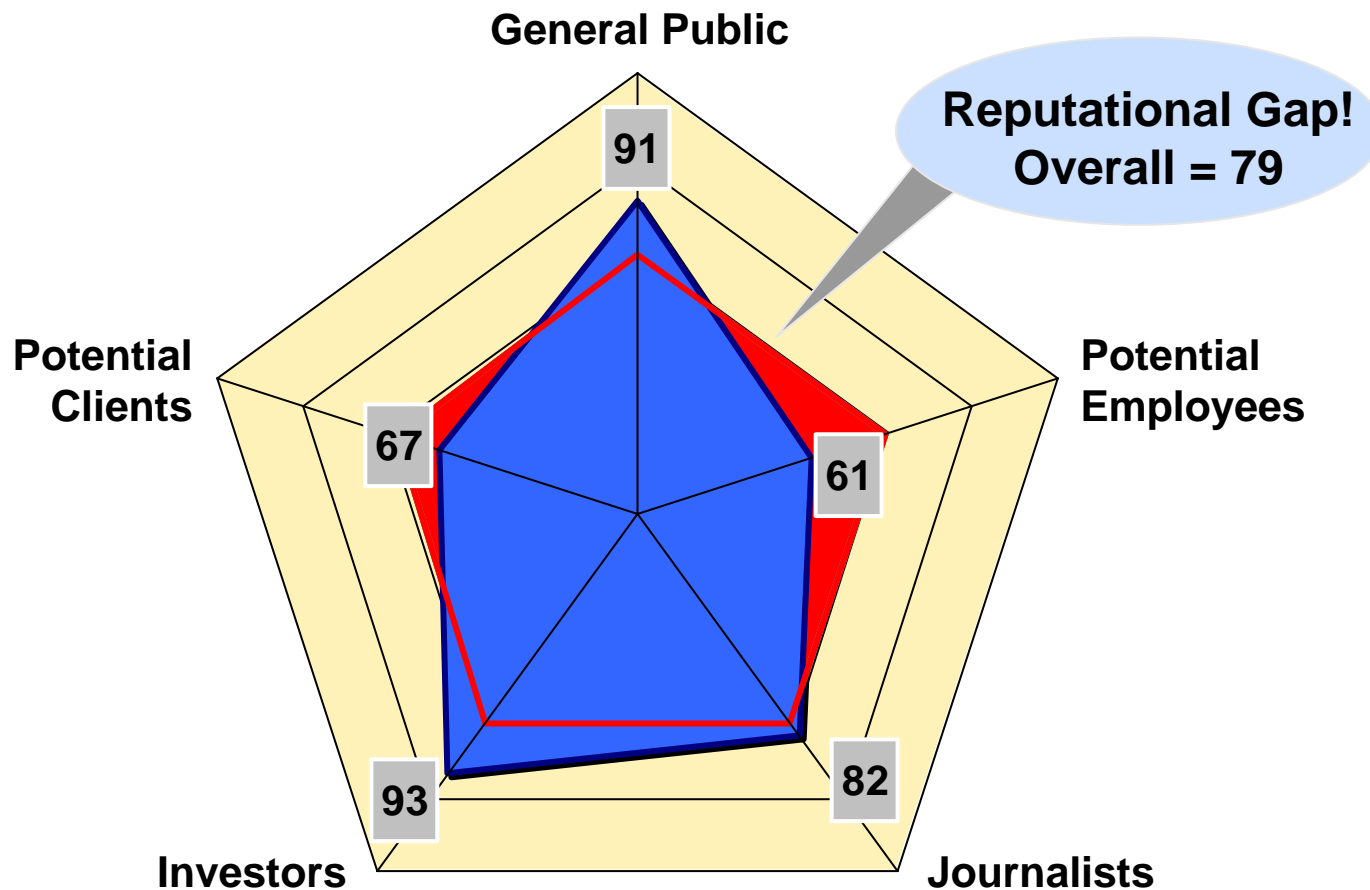
→ *The higher the reputation index, the more likely the company is the preferred choice for customers and investors.*



Base: corporate decision makers of Top 700, institutional investors, analysts and journalists worldwide

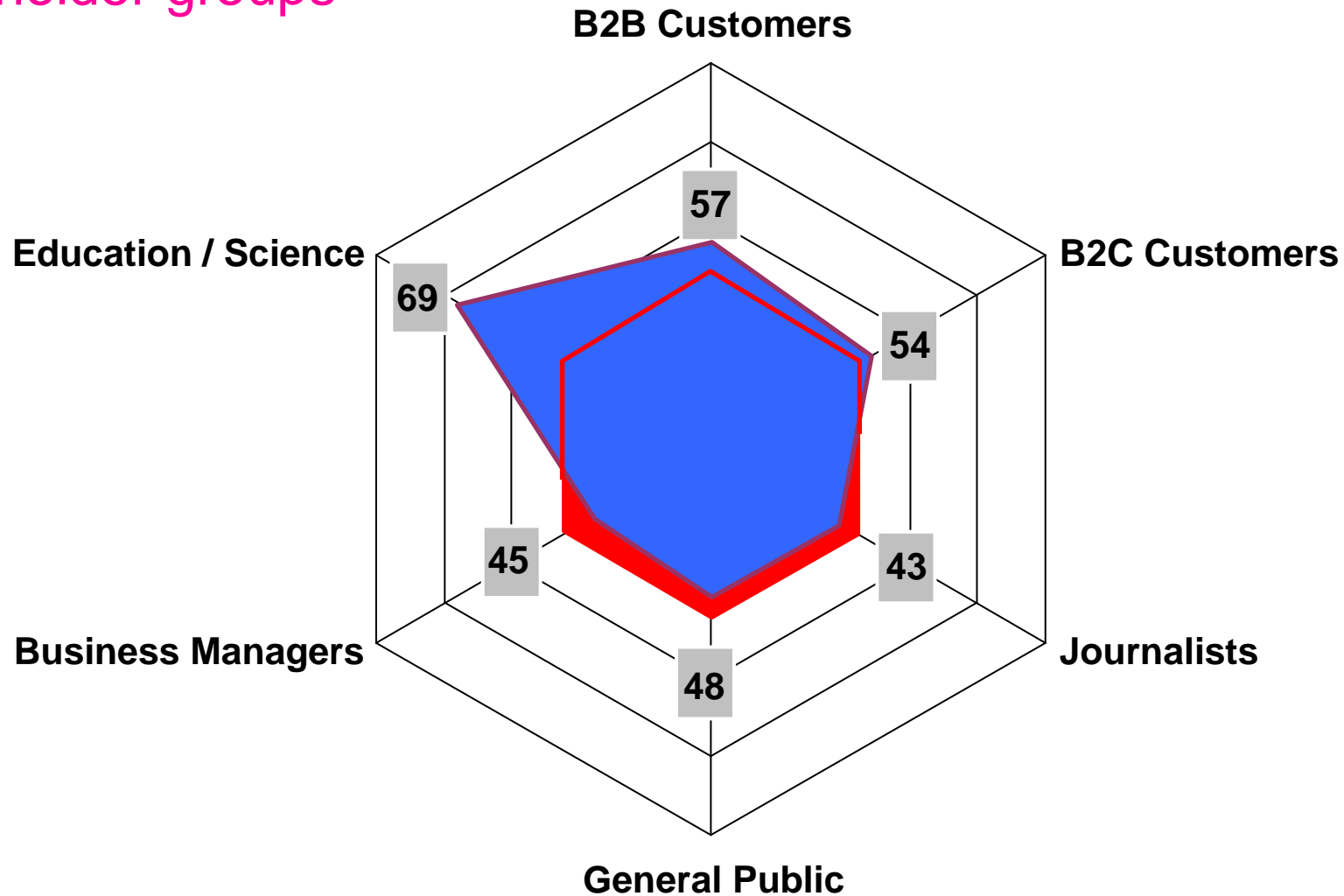
TRI*M Corporate Reputation Radar

Overview of Reputation in different Stakeholder Groups



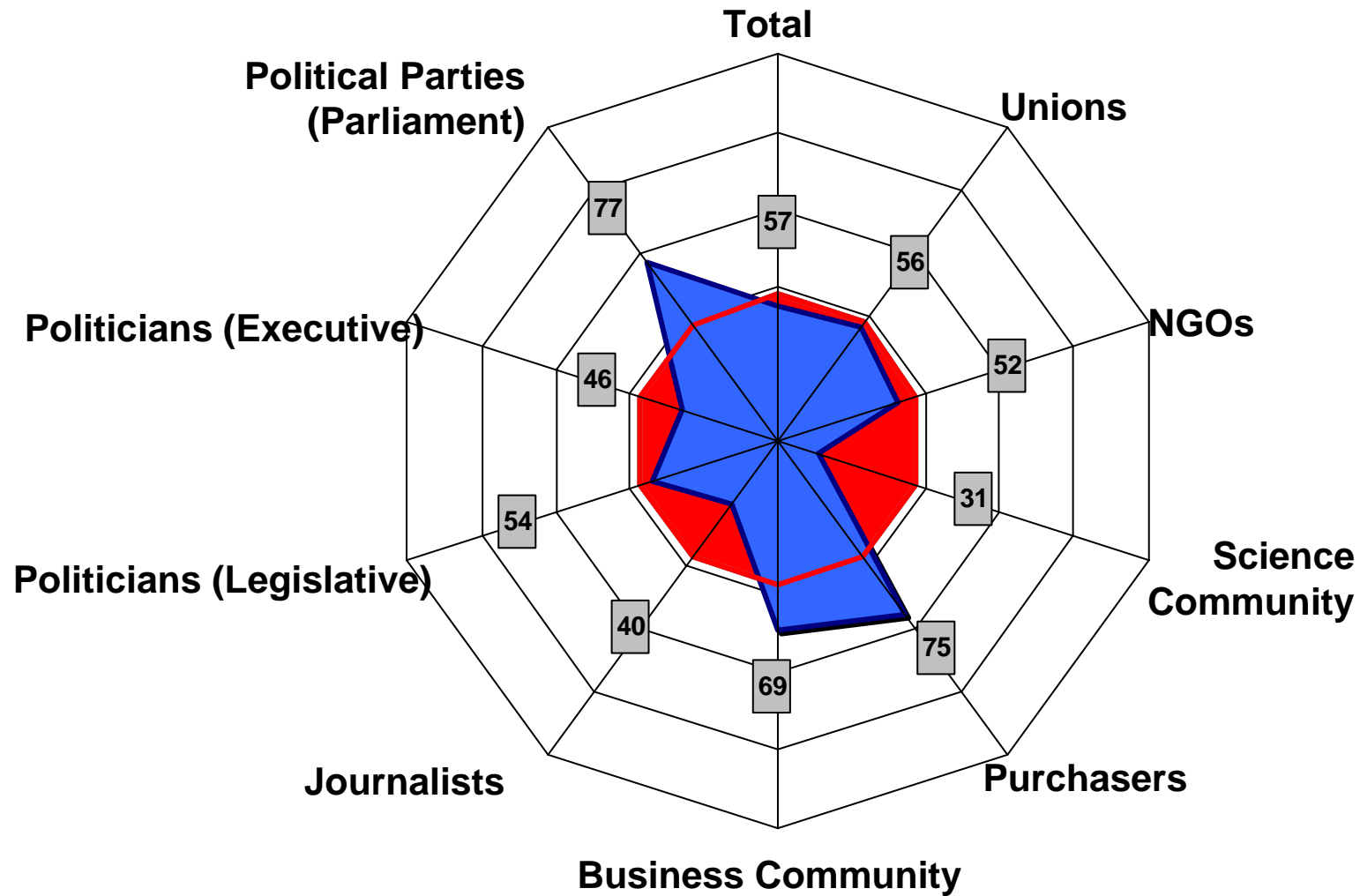
TRI*M Corporate Reputation Radar

Oil company – widespread perception among stakeholder groups

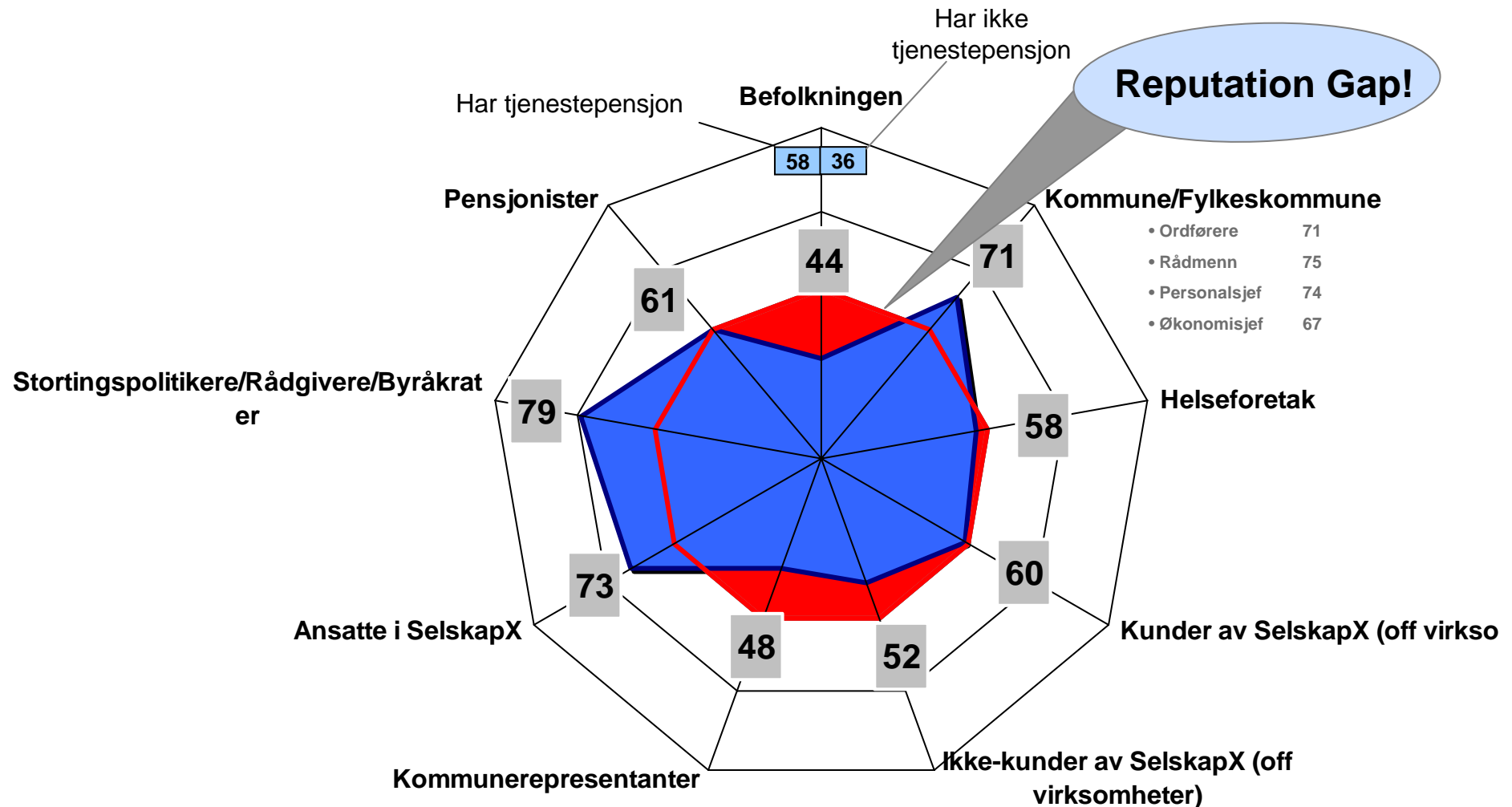


TRI*M Corporate Reputation

Multinational Food Company

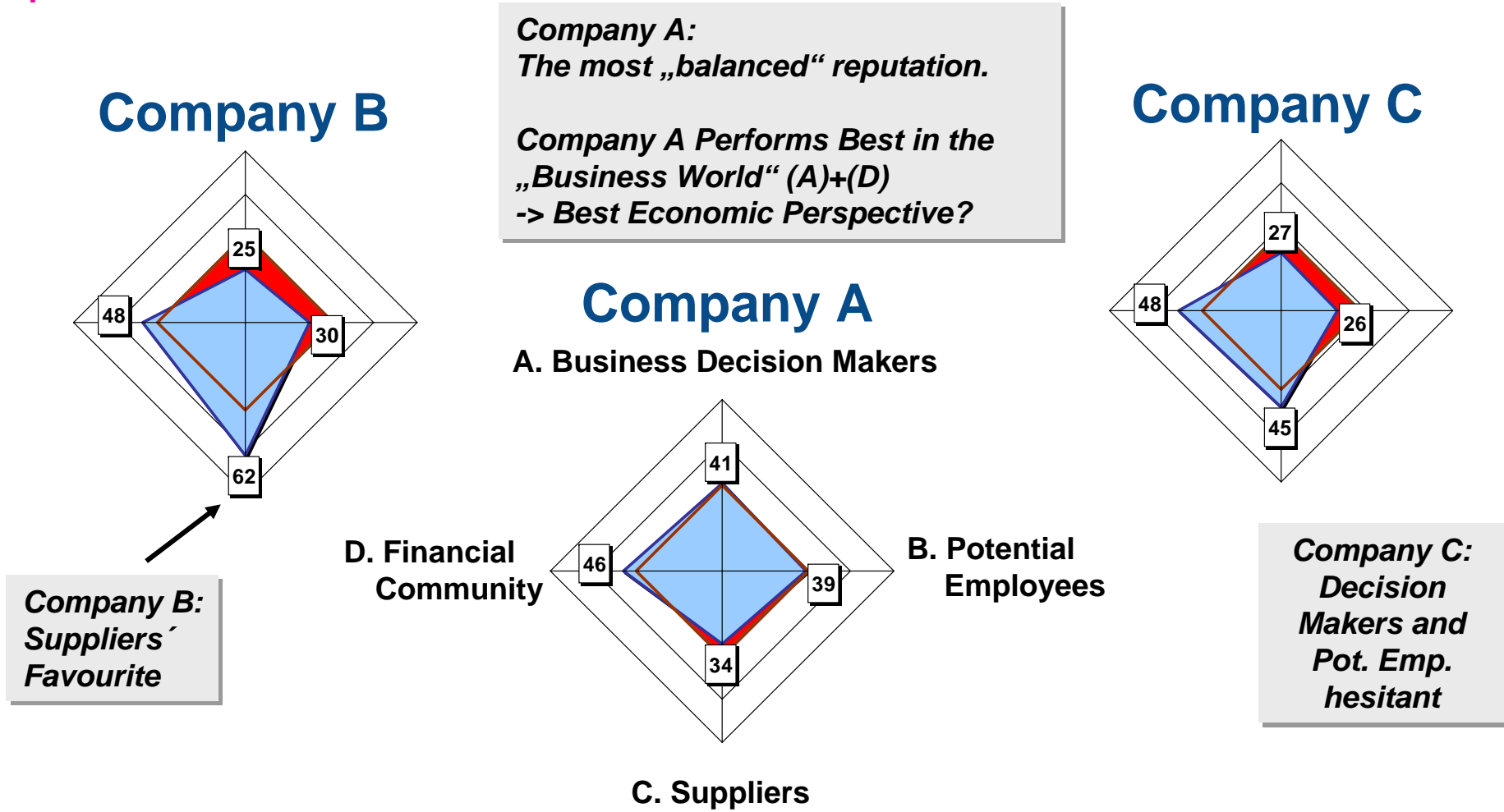


TRI*M Reputation Radar – Financial institution



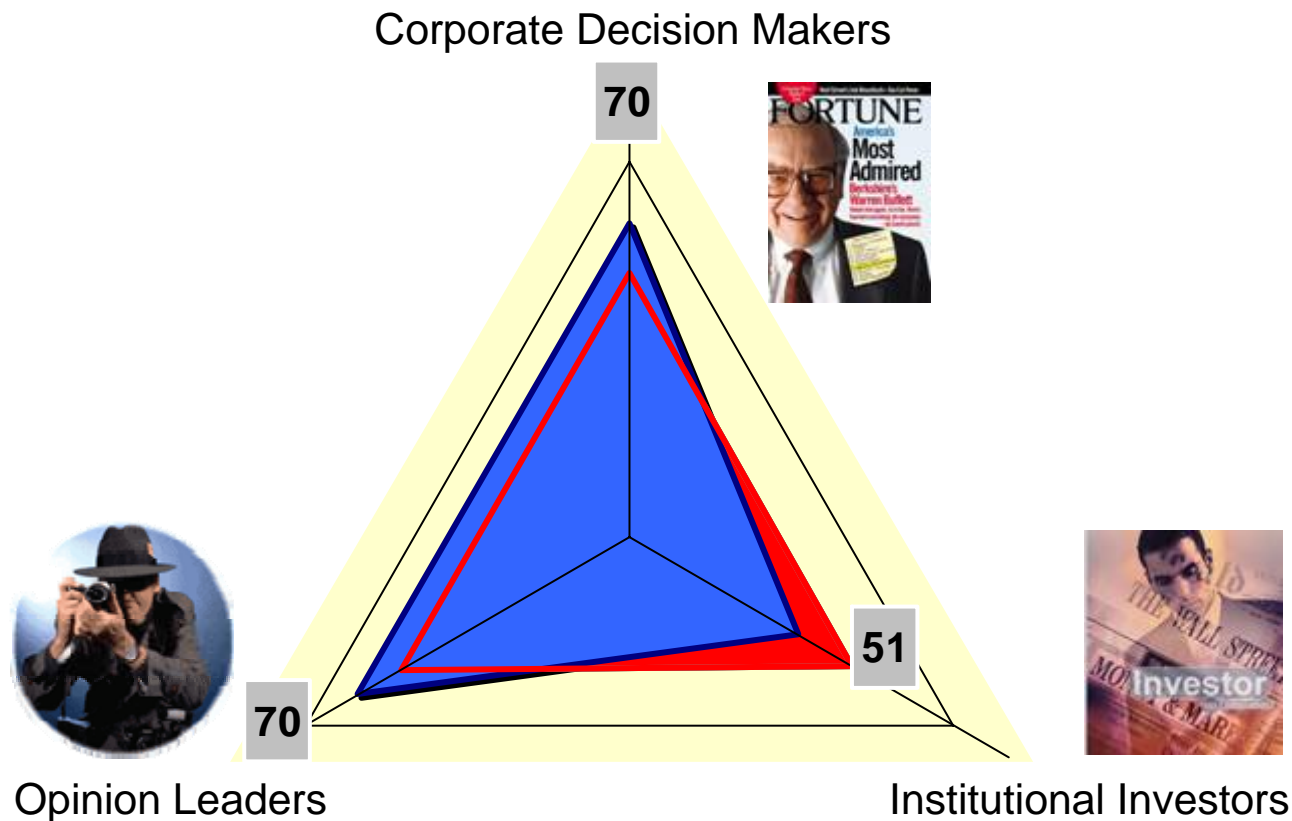
Results from TRI*M Corporate Reputation Radar

Case Study: The shape of three Telecom companies' reputation



Corporate Reputation Radar for a big European bank

Case Study 2003: Radar identifies problem among institutional investors



Base: corporate decision makers of Top 700, institutional investors, analysts and journalists worldwide



TRI*M Grid - Understanding the Reputation Drivers

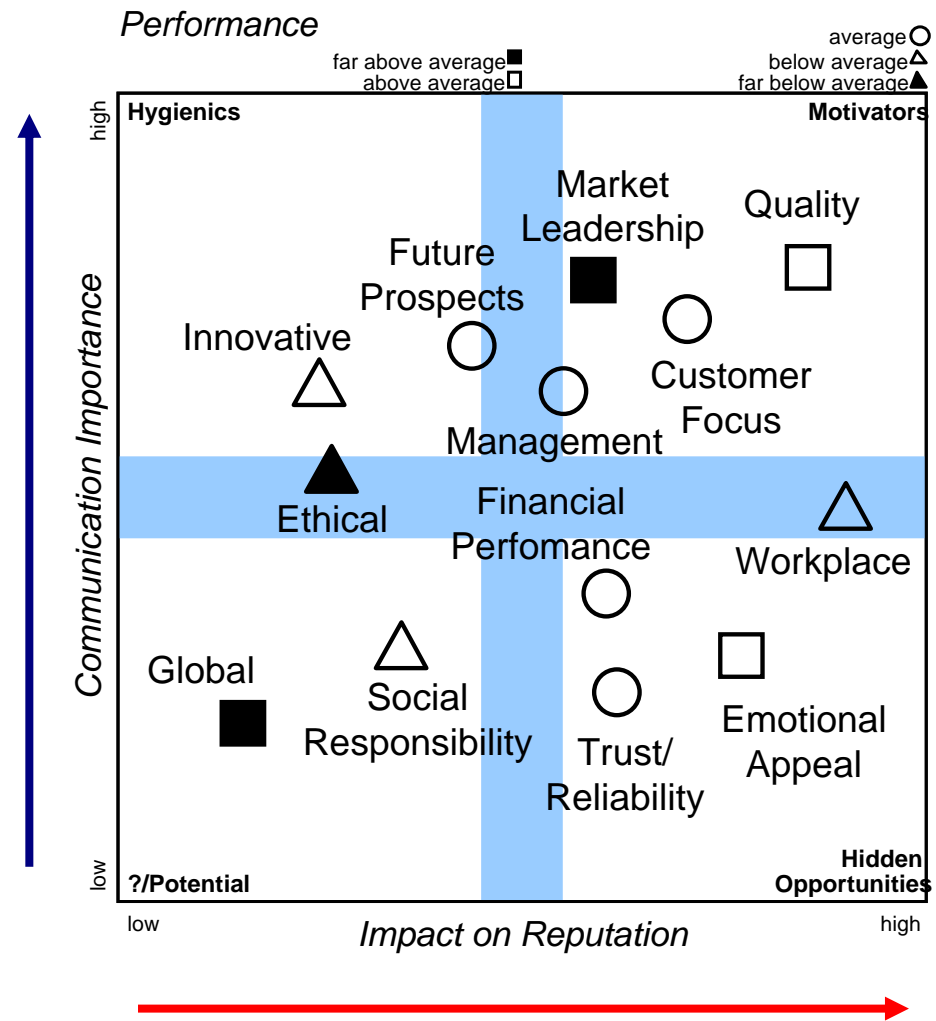
Examples for possible reputation drivers

- Well-established organization
- Symbol of leadership in business
- Strong future ahead
- Standing behind its products/services
- Providing a good work environment for its employees
- Investment in research and development
- Providing quality products and services
- Reliability
- Demonstration of ethical business practices
- Emotional connection with its customers and the public
- Focus on caring for its customers
- Commitment to the communities in which it operates
- Major global player
- Innovativeness
- Social responsibility
- Good communication
- Responsiveness
- Investment in employees
- Transparency (of activities)
- Good Information
- Strong management
- Has a true leader as CEO
- ... *and so on*

The TRI*M Grid

Grid analysis identifies the levers of Reputation Management

1. What aspects do stakeholders talk about (Communication Importance)?
2. What aspects really drive your reputation (Impact on Reputation)?
3. What is your company's performance (Symbols)?

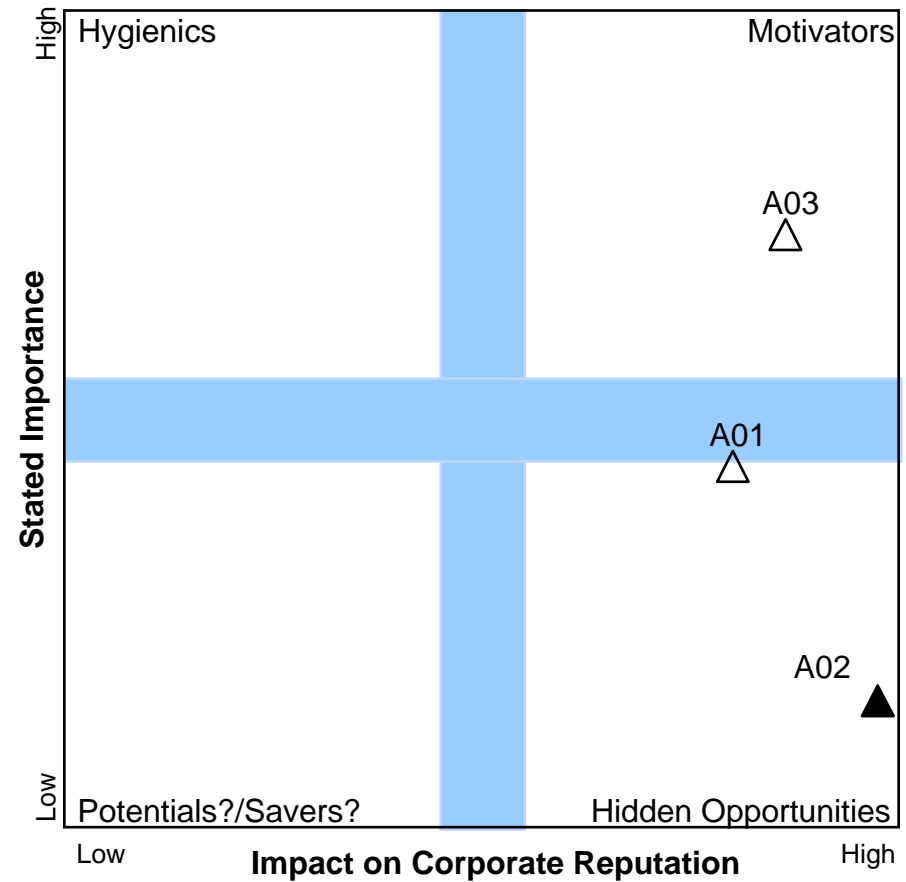


TRI*M Grid – Oil Company

TRI*M Index 57

Emotional attractiveness

- A01 Gives a symphathetic impression
- A02 An enterprise I admire and respect
- A03 Keep their promises



Base 1000
Base 1001 (weighted)



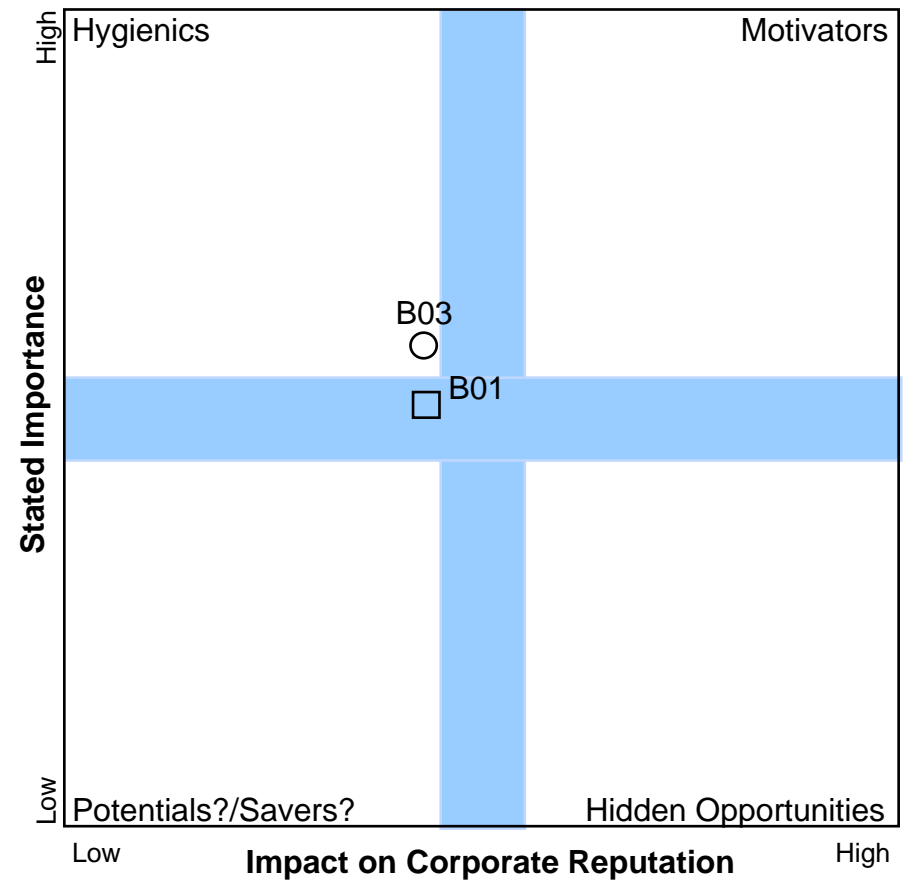
Performance	
■	Far above average
□	Above average
○	Average
△	Below average
▲	Far below average

TRI*M Grid – Oil Company

TRI*M Index 57

Products and services

- B01 Engaged in innovation and technological development
- B03 Has products and services with good value for money



Base 1000
Base 1001 (weighted)



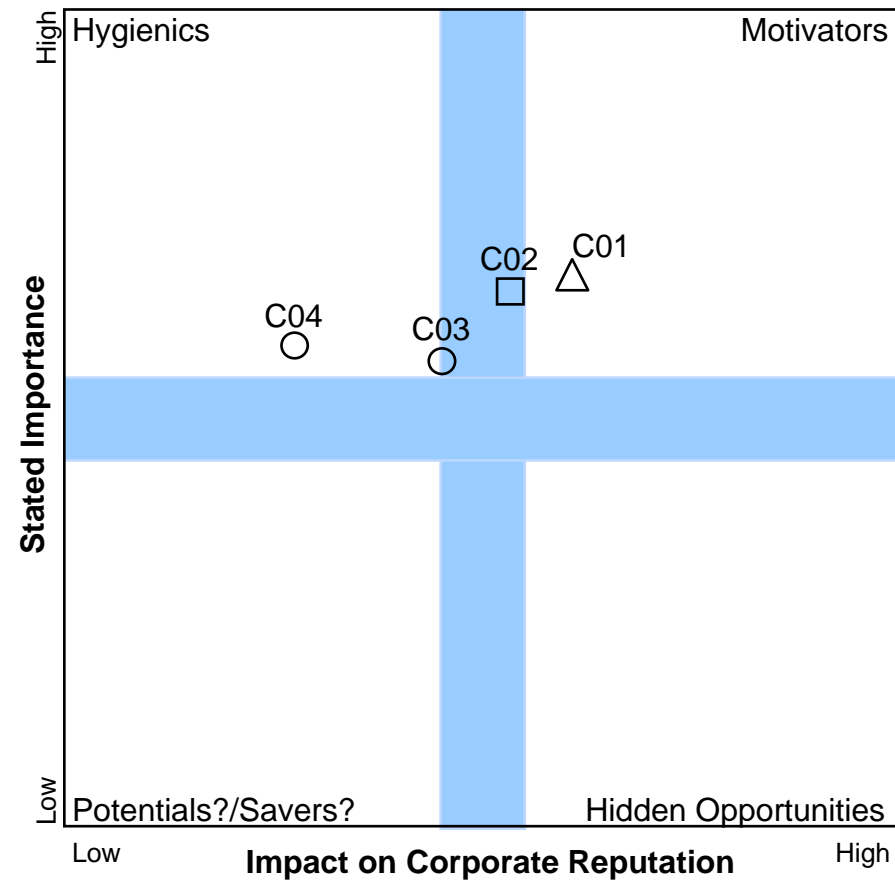
Performance	
■ Far above average	○ Average
□ Above average	△ Below average
	▲ Far below average

TRI*M Grid – Oil Company

TRI*M Index 57

Visionary leadership

- C01 Has a highly competent leadership
- C02 Thinks and acts in a longer term perspective
- C03 Manage to see and exploit opportunities in the market
- C04 Is inventive and future oriented



Base 1000
Base 1001 (weighted)



Performance	
■ Far above average	○ Average
□ Above average	△ Below average
	▲ Far below average

TRI*M Grid – Oil Company

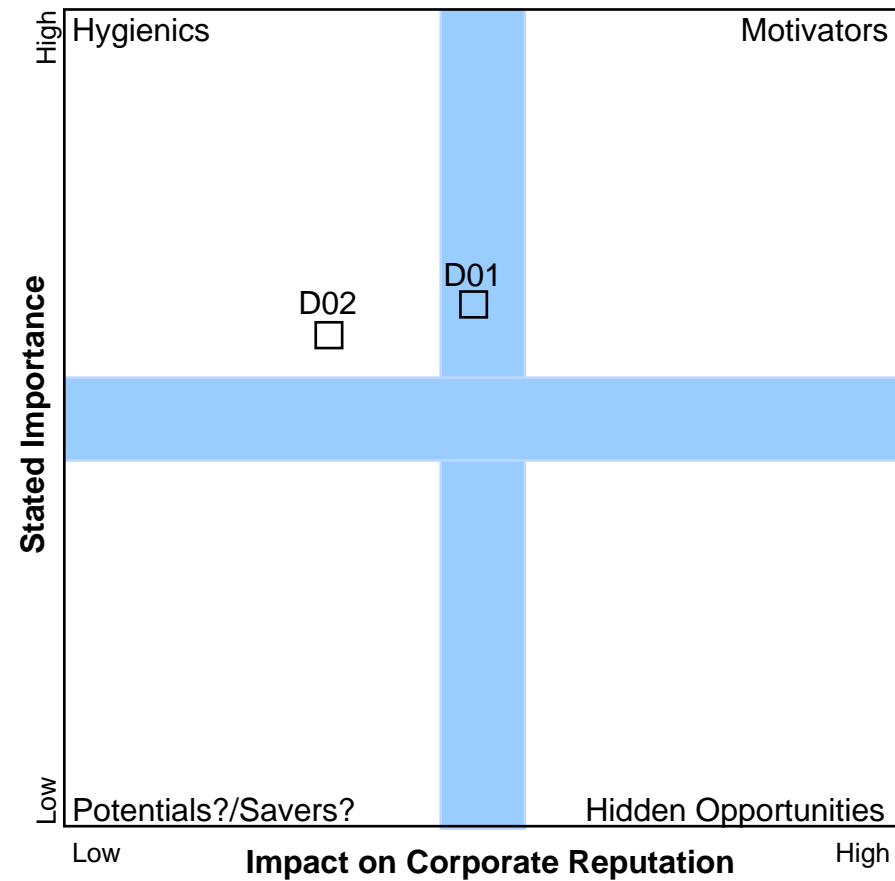
TRI*M Grid - Wave 1

Overall

TRI*M Index 57

Working environment

- D01 Present themselves as a good working place
- D02 Appears as an enterprise with competent employees



Base 1000
Base 1001 (weighted)



Performance	
■ Far above average	○ Average
□ Above average	△ Below average
	▲ Far below average

TRI*M Grid – Oil Company

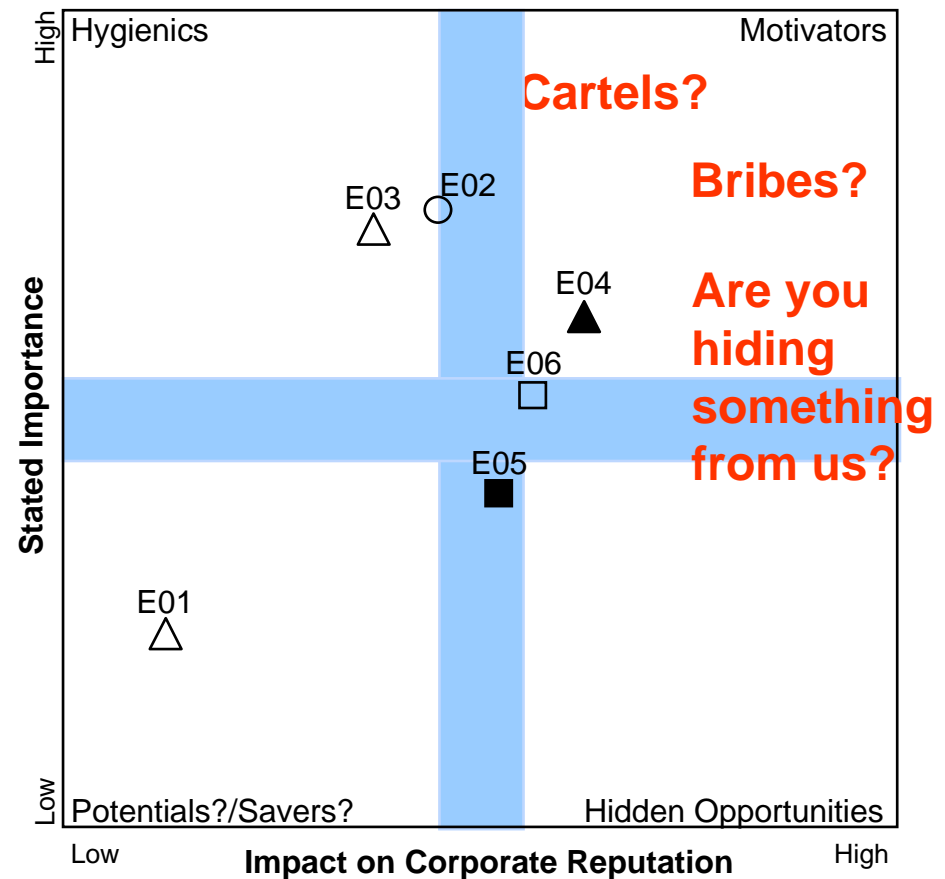
TRI*M Grid - Wave 1

Overall

Social and environmental responsibility

- E01 Support charities
- E02 Puts an effort to avoid doing things harmful to people
- E03 Puts an effort to avoid doing things harmful to the environment
- E04 Operates at a high moral and ethical level
- E05 Is an important part of the country's social economy
- E06 Gives a positive contribution to society at large

TRI*M Index 57



Base 1000
Base 1001 (weighted)



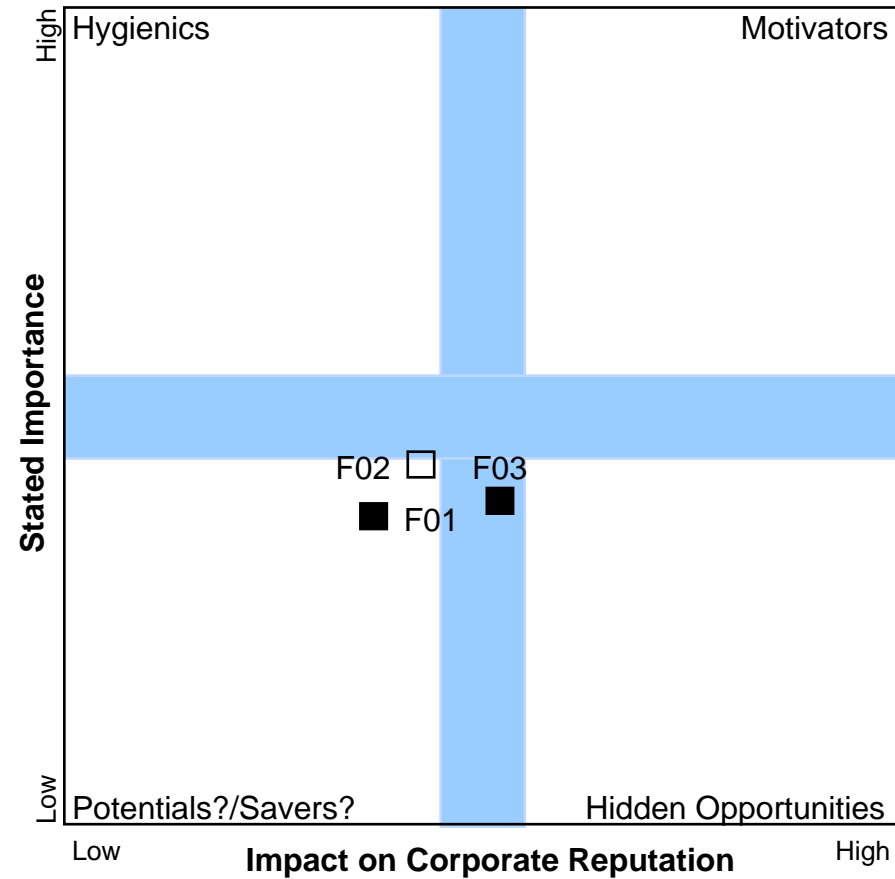
Performance	
■ Far above average	○ Average
□ Above average	△ Below average
	▲ Far below average

TRI*M Grid – Oil Company

TRI*M Index 57

Economic performance

- F01 Has a strong position within its business areas
- F02 Does well in competition with other companies
- F03 Is a domestic enterprise with international success



Base 1000
Base 1001 (weighted)



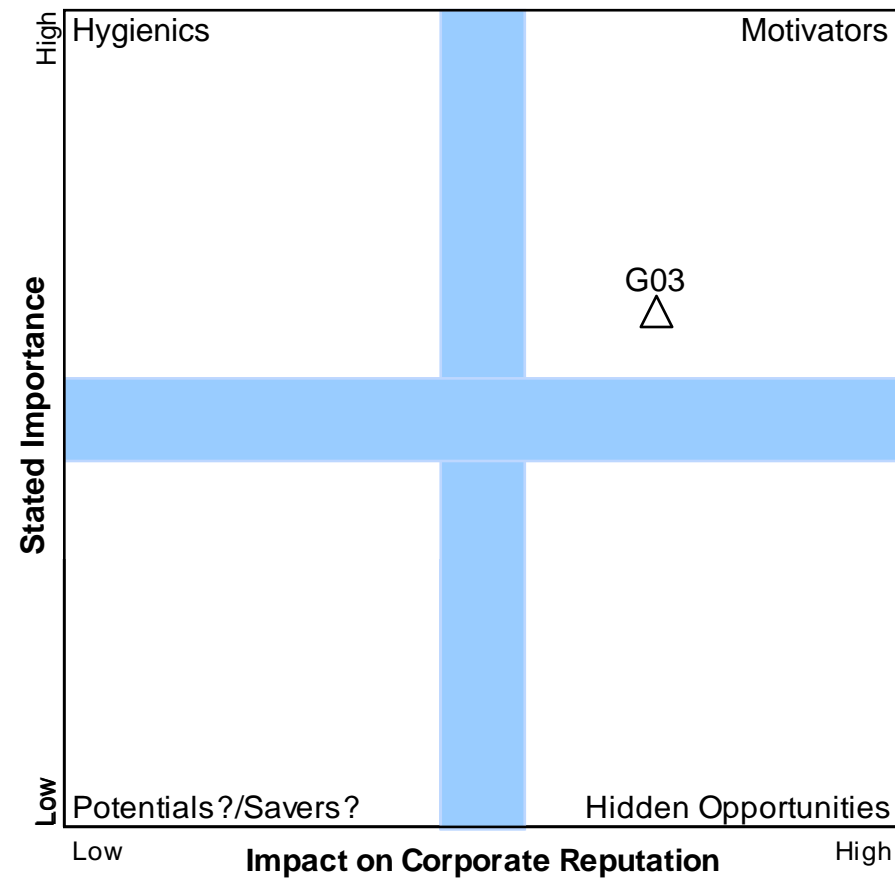
Performance	
■ Far above average	○ Average
□ Above average	△ Below average
	▲ Far below average

TRI*M Grid – Oil Company

TRI*M Index 57

Advertising information

G03 Presents credible information in the media



Base 1000
Base 1001 (weighted)



Performance	
■ Far above average	○ Average
□ Above average	△ Below average
	▲ Far below average

Conclusions – Oil Company

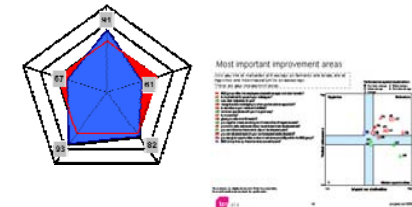
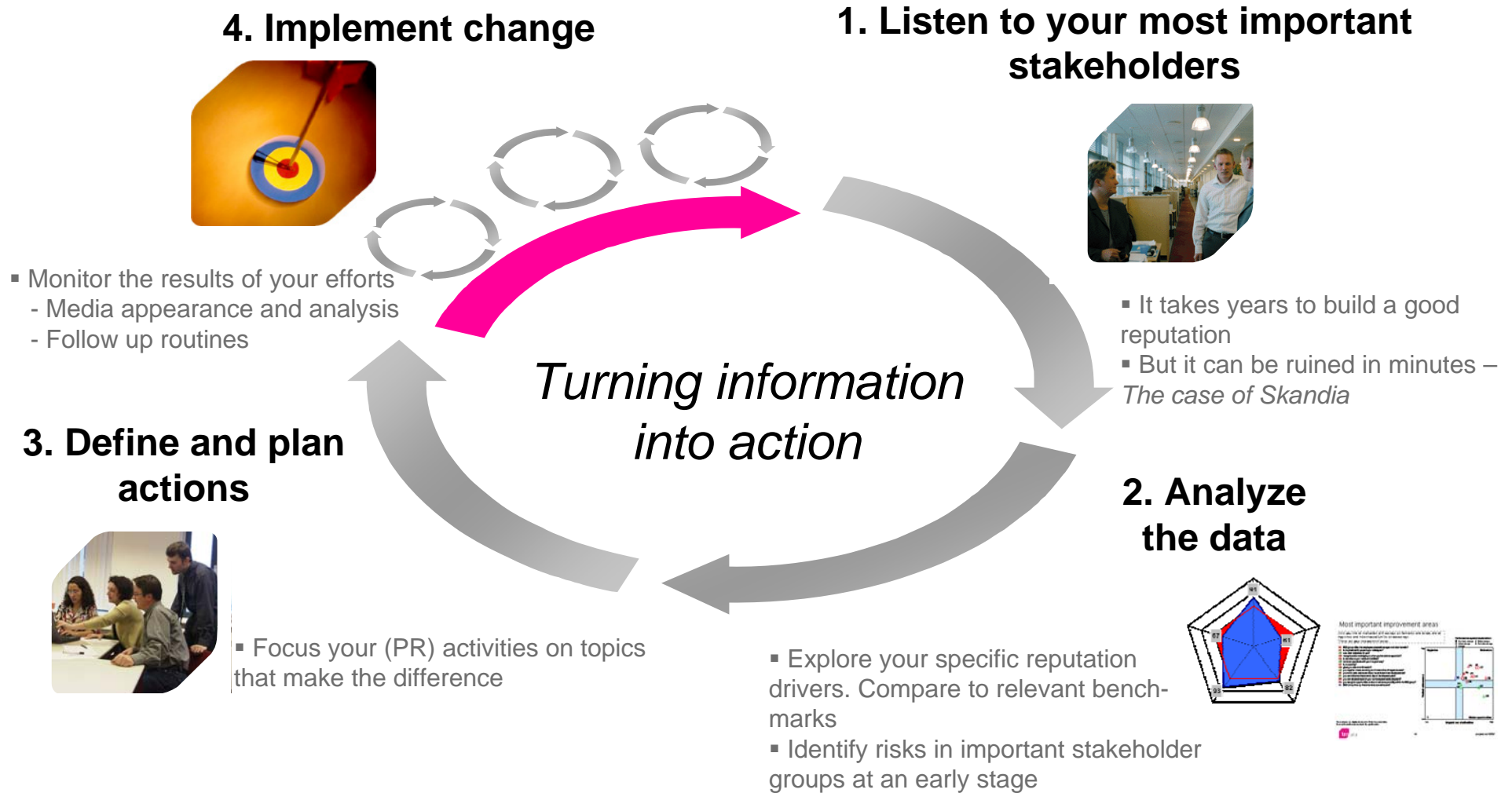
TRI*M Index

- Oil Company reaches an **average** reputation index overall. **Strong** position in the *academic* and *scientific* community. **Weak** position among *business managers*, *journalists* and *general public*. Clear **warning** but no crisis yet! **Actions must be taken!**

Reputation drivers and improvement areas

- Results clearly show that last year's incidents have created a lower trust in the company. Most important drivers are the **emotional attributes** *keeping promises*, *giving a sympathetic impression*, and *operating at a high moral an ethical level* together with *presenting credible information in media*.
- Most important **improvement areas** should focus on **showing that the company operates on high moral and ethical levels**, **keep their promises** and **is trustworthy**.
- **Strengths** to maintain mainly relate to the **economic performance** of the company together with **quality of core products** and **being a good employer**.

Manage your Corporate Reputation by Closing the loop





the sixth sense of business™