

## FOR IMMEDIATE RELEASE

### Contacts:

Allison Young  
Reputation Institute  
(212) 495-3855 x320  
[ayoung@reputationinstitute.com](mailto:ayoung@reputationinstitute.com)

Jennifer Kuhl  
Peppercom  
(212) 931-6111  
[jkuhl@peppercom.com](mailto:jkuhl@peppercom.com)

## JOHNSON & JOHNSON RANKS AS MOST REPUTABLE AND RECOMMENDED U.S. COMPANY ON REPUTATION INSTITUTE'S PULSE STUDY; AIG FINISHES AT BOTTOM

### *Study Reveals Critical Link Between Reputation and Word of Mouth Support In Driving Bottom Line Results*

**NEW YORK, April 29, 2009** — Johnson & Johnson moved up one spot to take the lead as the most reputable U.S. company on Reputation Institute's 2009 U.S Reputation Pulse. Kraft Foods, UPS, General Mills, and FedEx rounded out the top five U.S. companies in 2009, all with excellent reputations. AIG, the beleaguered financial services firm, suffered the biggest drop in the index, finishing 152 out of the 153 companies included in the survey. Last year's winner, Google, fell to number eight and lost significant reputation capital. Dow Chemicals and Wal-Mart saw the largest gains in reputation, improving their Reputation Pulse scores by more than 12 points from 2008 to 2009. The Reputation Pulse measures the corporate reputations of the largest U.S companies based on consumers' trust, esteem, admiration, and good feeling about a company across seven dimensions of reputation.

"In today's tough economic climate, corporate reputation is critical to sustaining and growing business," said Anthony Johndrow, managing director, Reputation Institute. "This year's results illustrate a direct correlation between how well a company manages its reputation across seven key dimensions and how likely consumers are to recommend or reject the company. A good reputation is not just a nice to have, it's a bottom line business imperative."

### **Recommendations Lead to Lucrative Bottom Line Results**

According to the U.S. 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 6.5 percent. In a competitive situation, increasing recommendations by two to five percent can have a dramatic impact on the bottom line. With 65 percent of consumers saying they would recommend one of the top 10 most reputable U.S. companies to others, organizations like Johnson & Johnson, Caterpillar and Whirlpool showed they have effectively used recommendations to drive business and reputation in a time when consumer confidence is on a continuous decline.

The Reputation Pulse also shows that 54 percent of consumers would give the most reputable U.S. companies the benefit of the doubt in a time of crisis and that perception of a company's ethical behavior and transparency in business dealings holds the most weight in influencing their willingness

to do so. 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, companies with low levels of support may see more criticism and negative activity within the general public, putting their reputation and business results at risk.

“In times of a crisis, a strong reputation will provide the support needed to help a company weather the storm. Unfortunately, too many companies wrongly manage reputations on one dimension alone, and whether times are good or bad, this is simply not enough to sustain them,” added Kasper Nielsen, managing partner, Reputation Institute. “However, these companies can overcome this obstacle by broadening their reputation platform and communicating to consumers across the seven dimensions of reputation. In turn, they will create a connection with the U.S. consumers that will garner them resiliency and support in any situation.”

### **Building a Strong Reputation**

The 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, the Reputation Pulse found that eight of the top 10 most reputable U.S. companies ranked within the top tier of four or more dimensions of reputation. The most influential dimension on reputation in the U.S. is Product/Services followed by Governance. However to earn trust, admiration, good feeling and support companies need to address all seven dimensions of reputation. In the U.S., each one alone accounts for over 12 percent of reputation.

Other key highlights from 2009 U.S. Global Reputation Pulse study include:

- In a year to year comparison, 11 companies (**Dow Chemical, Wal-Mart, Microsoft, Sears, Koch USA, Abbott Labs, TJX Companies, Verizon, US Bank Corp, Bank of America, and Altria**) increased their reputation scores by seven points or more due to major improvements in stakeholder trust, admiration and respect.
- 75 percent of companies measured in both 2008 and 2009 saw changes of no more, or less, than five Reputation Pulse points.
- U.S. consumers feel the most respected and reputable industries are 1) Consumer Products, 2) Transportation & Logistics, 3) Industrial Products, 4) Computers and 5) Food Manufacturing.
- With mergers, bankruptcies and bail-outs, financial industries suffered the most with volatility in the composition of the list and the greatest individual company changes in reputation.

### **Global Reputation Pulse – U.S. Top 25**

<b><u>Rank</u></b>	<b><u>Company</u></b>	<b><u>Score</u></b>
1	Johnson & Johnson	83.58
2	Kraft Foods	81.09
3	UPS	80.84
4	General Mills	80.80
5	FedEx	80.30
6	Whirlpool	79.86
7	Walt Disney Company	79.44
8	Google	78.80
9	Caterpillar	78.69

10	Costco Wholesale	78.53
11	Microsoft	78.05
12	3M	77.88
13	Colgate-Palmolive	77.65
14	Kimberly-Clark	77.47
15	Procter & Gamble	77.08
16	PepsiCo	76.69
17	General Electric	76.20
18	Apple	76.15
19	Kroger	75.89
20	Amazon.com	75.74
21	Lowe's (Home Improvement)	75.33
22	Berkshire Hathaway	75.03
23	Publix Super Markets	75.02
24	Texas Instruments	74.70
25	Hewlett-Packard	74.59

For in-depth information about the U.S. Reputation Pulse findings please join Kasper Nielsen, managing partner, Reputation Institute for a complimentary webinar on Thursday, April 30th, from 2 p.m.–3 p.m. EDT.

Sign up for the webinar at <http://www.reputationinstitute.com/advisory-services/global-pulse>

#### **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 U.S. mean for all companies included in the study was 66.31. A report on the 2009 Global Reputation Pulse findings can be downloaded at [www.ReputationInstitute.com](http://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](http://www.ReputationInstitute.com) to learn how you can unlock the power of your reputation.

###