

EMBARGOED UNTIL 19 APRIL 2018

## Air New Zealand most reputable company in Australia

*NZ's national carrier leads annual poll for second year running*

**SYDNEY, April 19, 2018** – The reputational strength of New Zealand's national airline continues, with Air New Zealand claiming the title of Australia's most reputable company in an annual survey for the second year running.

Air New Zealand has now taken line honours in the annual Australian Corporate Reputation Index (RepTrak®) twice, ranking highest in the eyes of Australians in both 2017 and 2018. It has also appeared in the list of the top 10 most reputable companies for the past five years according to the study, which has been conducted each year since 2008 by the global Reputation Institute.

Toyota again polled strongly in this year's results, ranking 2<sup>nd</sup> overall – jumping two places from its ranking of 4<sup>th</sup> in 2017. Other airlines also showed strong reputational improvements with Qantas ranking 3<sup>rd</sup> overall (5<sup>th</sup> in 2017), and Virgin following closely behind ranking 4<sup>th</sup>, jumping 12 places from 2017 to make the top four for the first time. Mazda ranked 5<sup>th</sup> overall, dropping slightly from its 2<sup>nd</sup> placing in the 2017 study.

Airlines and car manufacturers now dominate the list of Australia's top five most reputable companies in Australia. Other companies to make the top 10 in this year's study include JB HiFi, AustralianSuper, Devondale Murray Goulburn, Aldi Australia and Samsung (ranking 6<sup>th</sup> to 10<sup>th</sup> respectively).

Managing Director, Reputation Institute Australia and New Zealand Oliver Freedman said the overall results showed Australia was “bucking a global trend” in relation to how consumers view reputation. “Globally, the Reputation Institute is seeing a trend of nationalism, where local consumers rank local companies higher in terms of overall reputation. However, Australia is veering from this pattern, with our top 10 containing a mix of Australian and international companies, showing even those organisations headquartered overseas can make an impact locally with good leadership, a strong product and community involvement among other measures.”

Freedman explained that in addition to measuring overall reputation, the Australian RepTrak® also measures how Australians feel about the country's top 60 companies on the seven individual drivers of reputation; Products/Services, Innovation, Workplace, Citizenship, Governance, Leadership and Financial Performance, and ranks them accordingly.

Companies that saw significant drops in overall reputation this year include Myer which fell from 22<sup>nd</sup> to 45<sup>th</sup> overall, its lowest ranking since the study began (it previously ranked in the top 10 overall in 2008, 2009, 2011 and 2012). It also now ranks 60<sup>th</sup> overall for the individual measurement of Innovation. “These results indicate that Myer has not met the challenge of adapting to the changing demands of consumers and an increasingly competitive landscape. As a result, its previously strong reputation has not been maintained,” Freedman explained.

The Commonwealth Bank of Australia also experienced a significant fall in reputation, moving down 21 places to rank 57<sup>th</sup> overall in the eyes of Australians (it placed 36<sup>th</sup> in 2017). By comparison, the reputation of other major banks remains relatively unchanged in comparison to last year.

“Public investigations into banking practices have resulted in a far greater reputational impact on the CBA than other banks,” Freedman said. “While CBA has previously shown strong results in the individual drivers of Leadership and Citizenship, both these dimensions have dropped significantly this year for the CBA and will need to improve substantially for the organisation to improve in 2019 and beyond.”

Strong improvements were seen by a range of companies including BHP which rose an impressive 25 places to rank 30<sup>th</sup> overall, lifting it from 55<sup>th</sup> last year. Australians viewed its Innovation and Leadership as strong drivers of its reputational improvement, with a rebrand and associated campaign also making it more “visible” to Australians.

Freedman said the strong result for Qantas also shows the power of leadership. “While it ranked highly across all dimensions, the leadership position the company took in 2017 on a few key issues has clearly resonated with consumers and was a component in its improved position in this year’s rankings,” Freedman said.

Other key results include:

- Devondale Murray Goulburn rising 15 places to rank 8<sup>th</sup> overall following a crisis in 2017. Freedman said this showed the “power of a strong reputation, which can help organisations bounce back from issues”
- Apple Australia falling out of the top 10 to rank 17<sup>th</sup> overall (7<sup>th</sup> in 2017). The company ranked 1<sup>st</sup> in 2012
- News Corp Australia has the worst reputation of the 60 largest companies measured, ranking 60<sup>th</sup> overall
- Coca Cola Amatil has seen a pattern of reduced reputation since the survey started in 2008. In the Corporate Reputation Index’s first year, Coca Cola Amatil ranked 11<sup>th</sup> overall – it has gradually fallen year on year to now rank 56<sup>th</sup> overall (from 40<sup>th</sup> last year)

“With a decade of results, we can now see some interesting reputational patterns among Australia’s leading companies. Toyota is the only company to rank in the top 10 overall each year since 2008, demonstrating its ability to maintain its financial performance and connection to Australians, despite dramatic changes to its operations and the auto industry,” Freedman explained.

“Overall the reputation of Australian companies is strong, with many organisations clearly showing that consistent and strong efforts across the range of reputational drivers will not only improve overall rankings, but help them weather the storm of any issues. Those companies that have let these efforts slip will continue to see a slide. The rankings of the 2018 RepTrak® clearly tell that story,” Freedman concluded.

Ends.

**Editors please note – a full list of rankings and outline of methodology follows**

## **Methodology**

Data was collected online between 23<sup>rd</sup> February and 16<sup>th</sup> March 2018 among a representative sample of the Australian population, total n=5,969.

The 60 companies included in the Australia RepTrak<sup>®</sup> 2018 are sourced from the IBISWorld Top 2,000 Company list, which ranks companies by revenue.

The reputation scores (RepTrak<sup>®</sup> Pulse scores) are based of 4 questions relating to trust, esteem, good feeling, admiration and respect. Respondents rate each statement on a 1 to 7 scale which is used to calculate the over reputation score ranging from 0 to 100. Reputation scores are then used to create the ranking.

Adults aged 18 and older are surveyed as part of the RepTrak<sup>®</sup> in Australia, with results weighted according to ABS to ensure they represent appropriate gender and age groups.

To qualify to rate a company a respondent must indicate they are very or somewhat familiar with the company.

In addition to collating overall reputation, RepTrak<sup>®</sup> also measures how Australians feel about each of the 60 companies according to seven parameters; Products/Services, Innovation, Workplace, Citizenship, Governance, Leadership and Performance.

## **About Reputation Institute**

Reputation Institute powers the world's most reputable companies. By tracking and analysing stakeholder perceptions, we unleash the power of reputation to enable leaders to build better companies. Our RepTrak<sup>®</sup> model analyses the reputations of companies and is best known as the Forbes-published Global RepTrak<sup>®</sup> 100. Underlying the model is the RepTrak<sup>®</sup> methodology, the global gold standard for measuring reputation. Learn more at:

<http://www.reputationinstitute.com>.

## **Further information**

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**AUSTRALIA REPTRAK® 2018 RESULTS**

RepTrak® SCORE	COMPANY	RANK 2018	RANK 2017	CHANGE 2017 vs 2018
<b>STRONG REPUTATION SCORE (70-79)</b>	Air New Zealand	1	1	-
	Toyota Motor Corporation	2	4	+2
	Qantas Airways	3	5	+2
	Virgin Australia	4	16	+12
	Mazda Australia	5	2	-3
	JB HI-FI	6	3	-3
	AustralianSuper	7	10	+3
	Devondale Murray Goulburn	8	23	+15
	ALDI Australia	9	9	-
	Samsung	10	14	+4
	Hyundai Australia	11	15	+4
	Ingham	12	25	+13
	Nestle Australia	13	11	-2
	BlueScope Steel	14	8	-6
	Hewlett-Packard	15	12	-3
	Nissan Australia	16	n/a	NEW
	Apple Australia	17	7	-10
	Bendigo and Adelaide Bank	18	18	-
	Harvey Norman	19	28	+9
	Wesfarmers	20	19	-1
	Insurance Australia Group (IAG)	21	13	-8
	Woolworths	22	26	+4
	IBM Australia	23	20	-3
	Flight Centre	24	27	+3
	Suncorp Group	25	30	+5
	Reserve Bank of Australia	26	31	+5
	Ford Australia	27	32	+5
	Australia Post	28	29	+1
	Visy Industries	29	17	-12
<b>AVERAGE REPUTATION SCORE (60-69)</b>	BHP	30	55	+25
	Allianz Australia	31	45	+14
	Stockland	32	21	-11
	TPG	33	n/a	NEW
	GM Holden	34	34	-
	ANZ	35	35	-
	Optus	36	41	+5
	Macquarie Group	37	46	+9
	Caltex Australia	38	42	+4
	Bupa	39	33	-6
	Energy Australia	40	54	+14
	QBE Insurance Group	41	38	-3
	AMP	42	47	+5
	National Australia Bank (NAB)	43	43	-
	RioTinto	44	53	+9
	Myer	45	22	-23
	Westpac	46	48	+2
	AGL Energy	47	57	+10
	BP Australasia	48	50	+2
	Medibank Private	49	39	-10
	Crown Resorts	50	51	+1
	Australian Taxation Office (ATO)	51	52	+1
	Foxtel	52	59	+7
Lendlease	53	37	-16	
Origin Energy	54	44	-10	
Vodafone Hutchison Australia	55	56	+1	
Coca-Cola Amatil	56	40	-16	
<b>WEAK REPUTATION SCORE (50-59)</b>	Commonwealth Bank of Australia (CBA)	57	36	-21
	7-Eleven	58	58	-
	Telstra	59	49	-10
	News Corp Australia	60	60	-