

## AMAZON NAMED MOST REPUTABLE UK RETAILER AS SPORTS DIRECT STRUGGLE IN REPUTATION INSTITUTE'S 2018 RANKING

- Amazon named the UK's most reputable retailer despite criticism over tax and working conditions
- Sports Direct is the worst performing retailer, consistent with announcing a 73% decline in profits last month
- Study finds that product, pricing and service is key, but the public increasingly care about retailers' values and ethics

**LONDON (28 August 2018)** — Amazon, Boots and John Lewis top the 2018 UK Retail RepTrak® ranking of the most reputable retailers, Reputation Institute announced today. The research was based on 5,175 individual ratings from among the informed UK general public and based on an assessment of 50 nominated companies.

### Biggest winners

The top 10 companies in the 2018 UK Retail RepTrak® which are considered to have an excellent or strong reputation are:

- |               |                 |
|---------------|-----------------|
| 1. Amazon     | 6. Debenhams    |
| 2. Boots      | 7. Sotheby's    |
| 3. John Lewis | 8. Waitrose     |
| 4. Co-op      | 9. Tiffany & Co |
| 5. Ikea       | 10. eBay        |

Named 2018's UK Retail RepTrak® most Reputable Retailer, Amazon's reputation has significantly improved since last year, boasting an +8.3 pts increase. The UK public voted Amazon as the top retailer across Products and Service, Innovation, Leadership, and Performance.

**Stephen Hahn-Griffiths, Chief Reputation Officer at Reputation Institute, said:** "Amazon's combination of selection, value, personalization, and no hassle customer service is a winning formula. Amazon has a loyal following with more than 100 million Amazon Prime subscribers — 'Prime Day' sales have become a major retail event.

"Despite their position of strength, Amazon is faced with reputation risk based on the proposed "Amazon tax" and growing criticism of working conditions in their vast distribution centres.

Sports Direct is the UK's least reputable retailer, suffering a significant decline in RepTrak pulse score from 53 in 2016 to 48.4 in 2018. Mike Ashley's sports retailer performed worst on four measures in the report: Workplace, Governance, Citizenship and Leadership. This demonstrates that there is a clear link

between declining reputation and declining profits, with their poor ranking following the company announcing a 73% decline in profits in July, from £282 million to just £78 million.

**Stephen Hahn-Griffiths commented:** “Sports Direct’s overall reputation has tumbled in the past year, alongside its profits. The company recently suffered a huge backlash from investigative journalists who compared working conditions to ‘the gulag’ and the firm was investigated by MPs shortly afterwards.”

The rapid rise of discount supermarkets Aldi and Lidl, who rank highly in the study, also highlights that there is a strong link between company performance, good products/services and improved reputation. Perhaps not surprisingly, the report suggests that consumers are increasingly wary about the ethics behind the goods they purchase. The growing trend in the public wanting to understand if products are sustainable and if companies practice moral policies, mean that positive influence on society, fair business practices and ethical behaviour accounted for 17% of overall corporate reputation.

**Stephen Hahn-Griffiths added:** “In the battle to win over consumers in the UK, it is becoming clear that as well as offering great products/services, retailers today have to highlight they are being purposeful and socially responsible. Those who don’t prioritize ethically good values will inevitably see a reputational decline.”

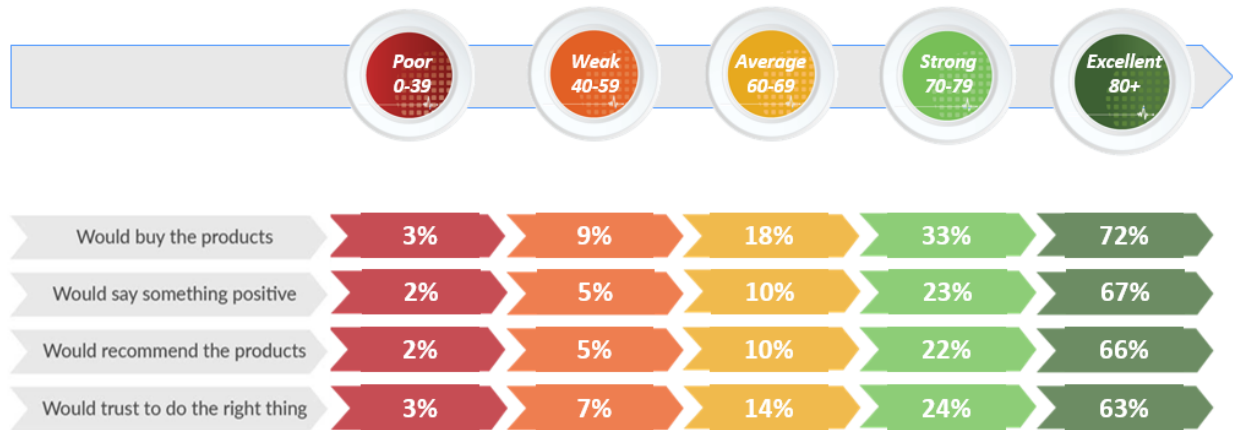
According to the study, supermarkets in the UK are the prime example of a subset of retailers that have adopted ethical initiatives to stand out in this fiercely competitive space. Co-op for example has a longstanding commitment to ethical sourcing and has donated £21 million to local causes since 2016, Waitrose has focused on animal welfare and donated £4.4 million to local charities through its Community Matters scheme in 2017, while Sainsbury’s rolled out their Active Kids initiative earlier in the year.

## The current state of the retail sector

1. FMCG
2. Automotive
3. Industrial
4. Retail
5. Technology
6. Food & beverage
7. Airlines
8. Hospitality
9. Financial
10. Media & publishing

Despite the well documented woes of some of the UK’s retailers and an overall fall in UK corporate reputations in 2018, the retail sector continues to enjoy a strong reputation and outperform most sectors. Interestingly, nine of the ten most reputable retailers in the UK blend online and offline retail, suggesting an integrated retail solution is a key path to success.

**Stephen Hahn-Griffiths concluded:** “While more than 2,000 stores have closed or are at risk of closure so far in 2018, the report shows the rapid change in the retail sector creates opportunities for companies who get the balance of high quality products/services and responsible business right.”



Download the full 2018 UK RepTrak® report here: [www.reputationinstitute.com](http://www.reputationinstitute.com)

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**About Reputation Institute**

Reputation Institute powers the world’s most reputable companies. By mining, measuring, and managing reputation, we unleash the power of reputation intelligence to build better companies. Our RepTrak® model analyses the reputations of companies and is best known as the Forbes-published RepTrak 100. Underlying the model is the RepTrak methodology, known as the global gold standard for measuring reputation. Learn more at: <http://www.reputationinstitute.com>