New Zealand Corporate Reputation stays stable and strong

*Top reputation rankings fluctuate far less than Australian counterparts; annual study*

**Auckland, April 16, 2019:** The overall reputation of New Zealand’s top corporations continues to be the most stable in the region, with an annual survey showing the perception of local business remains consistently strong despite organisational turbulence seen in some sectors across the ditch.

The annual NZ Corporate Reputation Index (RepTrak®), released this week by the Reputation Institute, shows that Toyota and Air New Zealand have proven again to have the strongest reputations in New Zealand, ranking 1st and 2nd respectively, and both within the top two for the sixth year in a row.

The Reputation Institute’s Australia and New Zealand MD Oliver Freedman said having the same top two companies so many years in a row was “highly unusual, and not seen in other markets across the globe”.

“Compared to Australia and other major markets around the world, which have seen far greater fluctuations and changes over the same time period, New Zealand has shown itself to be more consistent in how its corporations behave and are viewed by consumers in terms of overall reputation,” he said.

Freedman said while Air New Zealand had taken line honours in the 2017 and 2018 Australian Corporate Reputation Indexes, other companies that made up the top ten in Australia had changed regularly over the past six years. Other examples of fluctuation outside of New Zealand and Australia include Amazon, which ranked outside the Top 50 in the recently released 2019 US Corporate Reputation Index, but previously ranked first in 2016.

“Given that Toyota and Air New Zealand have traditionally ranked well in both New Zealand and Australia’s rankings, you could be fooled into thinking Australians and New Zealanders have similar views on reputation. But there are significant differences between the two, particularly when you delve into levels of trust in certain industries,” Freedman explained.

For example, New Zealanders view most of the main business sectors more positively than Australian consumers, with a comparison of results from both studies showing:

* 54% of New Zealanders feel positive about their local banking industry, with just 24% viewing it negatively. By comparison, just 30% of Australians feel positive about local banks
* 52% of New Zealanders view the Energy and Utilities sector positively (18% negative); while only 35% of Australians feel positive about the same sector and 41% take a negative view

However, Freedman said the trend does not extend to the supermarket industry, where an overwhelming majority of both New Zealanders and Australians view the sector positively (74% and 69% respectively). “The work that the supermarket sector has done in both countries to support local communities while providing strong products and services has clearly paid dividends,” he said.

The New Zealand RepTrak® is the longest running survey of its type in New Zealand, and measures how New Zealanders view the nation’s top 25 companies across seven reputation drivers; Products/Services, Innovation, Workplace, Citizenship, Governance, Leadership and Financial Performance, and then ranks them accordingly. It also uses a consistent methodology globally that allows for comparisons between the results in NZ with those of companies in other countries around the world.

Other results from this year’s NZ Index shows that The Warehouse Group also joined Toyota and Air New Zealand in the top three rankings for the first time since 2016, improving from 7th in last year’s Index to take third place this year. This is despite ranking quite low on the individual ‘Products & Services’ dimension.

“New Zealanders clearly recognise the actions undertaken by The Warehouse Group in the key reputation drivers of Citizenship, Governance and Leadership. It is also viewed positively for Innovation, and is recognised for having a good Workplace, despite placing lower down the list at 16th for its Products.

“This proves that a company does not need to have top scores in all the individual measurements to have a strong overall reputation. Even if perceptions are less positive in one area, having a consistent approach that is recognised by the public across each of the other key drivers will create high levels of trust, admiration and respect among the public. The work that The Warehouse Group has done outside of simply providing products demonstrates this.”

Other key results from this year’s index include:

* Kiwibank ranking fourth overall for reputation; the first time it has been included in the rankings
* Zespri moving up seven places to rank 5th overall
* Mainfreight ranking 7th overall; jumping 10 places from 17th in the 2018 Index
* Fulton Hogan improving nine places from 2018 to rank 11th overall this year
* A decline seen by ANZ which fell from 3rd place overall in 2018 to rank 16th this year
* Fletcher Building and ExxonMobil have again been ranked as New Zealand’s least reputable companies, ranking 24th and 25th overall respectively (both were ranked in the bottom two in 2018, with Fletcher Building ranked 25th and ExxonMobil 24th)

“New Zealand’s corporate sector should be congratulated for its committed approach to building and maintaining strong reputations across all the key drivers. Those companies that have seen sharp declines would do well to look at a consistent and committed approach to all the individual reputation measurements. And those that consistently rank low, may also need to up their game and generate more activity in key areas if they want to see any improvement in 2020,” Freedman concluded.

Ends.

**Methodology**

Data was collected online between 22nd February and the 8th of March 2019 among a representative sample of the New Zealand population, total n=2400.

The 25 companies included in the New Zealand RepTrak® 2018 are sourced from the Deloitte Top 200 Company list, which ranks companies by revenue.

The reputation scores (RepTrak® Pulse scores) are based on four 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® in New Zealand, with results weighted according to Stats NZ 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® also measures how New Zealanders feel about each of the 25 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® model analyses the reputations of companies and is best known as the Forbes-published Global RepTrak® 100. Underlying the model is the RepTrak® methodology, the global gold standard for measuring reputation. Learn more at:

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

**Further information**

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