



MEDIA RELEASE

13 October 2008

EMBARGOED TILL 3.30 PM ON 13 OCTOBER 2008

Singapore's Corporate Reputation Survey finds good customer service, strong financials and regular stakeholder communication as top reputation drivers during economic uncertainty

Singapore – A study into the drivers of corporate reputation has found that at a time of financial market turmoil and economic uncertainty, good customer service and a strong profitability record – backed by efforts to communicate regularly with stakeholders – are the essential ingredients needed by financial institutions to become **leaders in reputation**.

The *Corporate Reputation Survey 2008*, which polled 800 members of the public in June and July this year on what shapes corporate reputation of more than 80 companies and brands in Singapore, has found that during periods of economic uncertainty and slowdown, Singaporeans expect top companies to provide excellent customer service, demonstrate strong profitability and growth prospects as well as communicate actively with their various stakeholders and constituents.

Commissioned for the third year running by Singapore-based issues management consultancy Reputation Management Associates (RMA) Pte Ltd, the Singapore survey zeroed in on the metrics or drivers used by the public to define good corporate reputation. The survey was conducted in collaboration with second year media and communication students from Singapore Polytechnic's School of Communication, Arts and Social Sciences.

"Working on the Corporate Reputation Survey is beneficial for the students as it allows them to apply and integrate the knowledge and skills that they have learnt from their course," said Mrs Lam Yoke Peng, Director of the School of Communication, Arts and Social Sciences.

An overwhelming majority of respondents (72.4%) agreed that companies should spend as much time managing their reputations as promoting their brands. On why companies need to have a good corporate reputation, respondents cited long-term business sustainability and increased product sales as the top two impetuses.

The *Corporate Reputation Survey 2008* has also concretised into an index, called the Corporate Reputation Index (CRI), the intangible asset of a company's reputation. The CRI measures the ability of Singapore companies to manage the activities that directly contribute to their corporate reputations, such as the company's **Employee Focus, Market & Customer Focus, Community Focus, Shareholder Focus, Financial Focus** and **Communications Performance**.



The companies that garnered the highest CRI in their respective industries in the 2008 Survey are:

Industry Vertical	Company	CRI
Retail Banking	DBS Bank	2.82
General Insurance	NTUC Income	2.81
Life Insurance	AIA	2.99
Mobile Phone Companies	SingTel	2.43
Petroleum Companies	Shell	3.28
Small and Medium Enterprises	BreadTalk	1.85

Commenting on the results, RMA CEO John Lim said: “The results of the *Corporate Reputation Survey 2008* clearly indicate that in this period of financial turmoil, customers and the public expect top companies in a ‘Show Me World’ to exercise greater transparency and have more frequent dialogues and engagement with them. This is not surprising given the spat of mega corporate collapses recently.”

According to the Survey, negative media coverage was a major impairment to good corporate reputation. Brickbats and negative letters and stories in the media were listed by respondents as the top influence of negative perceptions of corporate reputation, a finding that resounded in particular across the financial services sector. “In addition to regular communication with their customers and other stakeholders, companies should not gloss over or disregard negative media reports. The halo effect of negative media coverage on customer perceptions may result in long term reputational damage,” said Mr Lim.

The *Corporate Reputation Survey 2008* has also identified the industry-specific metrics that govern good customer service, the chief determinant of good corporate reputation across all sectors surveyed:

1. **Retail Banking:** Valuing customer feedback and giving personalised service bolster corporate reputation, while bad customer service together with negative letters in the media exact the heaviest toll on a retail bank’s reputation.
2. **General Insurance:** The expeditious settling of claims using clear and consistent procedures is the primary driver of corporate reputation, while frequent negative media coverage and taking a long time to settle claims are the main factors that impair a general insurer’s reputation. Cumbersome/difficult claims procedure is also an impairment.
3. **Life Insurance:** Delivering on promises with regards to bonus and dividends and the expeditious settling of claims are the primary drivers of corporate reputation, while taking a long time to settle claims and inaccurate and frequent negative media coverage on investment-linker products (ILPs) greatly impair a life insurer’s reputation.



4. **Mobile Services Providers:** A telco that offers attractive bundling of innovative and highly-valued products and one that values customer satisfaction and feedback embodies good customer service and bolsters its reputation, while service quality issues – from ineffective customer service to long waiting times at the counter – destroy a telco’s reputation.
5. **Petroleum Companies:** The competitiveness of pump prices can make or break a petroleum company’s reputation.
6. **Small and medium enterprises:** Professional and quality service forms the most important aspect of customer service expected from SMEs.

This year’s Corporate Reputation Survey is Singapore’s third national survey on reputations of companies based locally since 2005. It was undertaken to help companies and members of the public better understand what constitutes corporate reputations by measuring public opinion and consumer perception of key Singapore-based companies. It also underscores the need to enhance, manage and preserve this vital and intangible asset.

ENDS ISSUED BY REPUTATION MANAGEMENT ASSOCIATES PTE LTD

For more information, please contact:

John Lim, CEO
Reputation Management Associates

Mobile: 9756 3582

Tel: (65) 6298 2520

Fax: (65) 6291 3624

E-mail: jlim@reputation.com.sg

Ann Toh, Executive Consultant

Reputation Management
Associates

Mobile : 9766 3043

Tel: (65) 6298 2520

Fax: (65) 6291 3624

E-mail: ann@reputation.com.sg

Ms Jaime Goh
Executive, Corporate Communications
Singapore Polytechnic

T: 6870 6122 / M: 9106 1969

E: jaime@sp.edu.sg

Ms Teo Hung Noi
Manager, Corporate
Communications

Singapore Polytechnic

T: 6772 1350 / M: 9670 9088

E: hungnoi@sp.edu.sg

**About:****Reputation Management Associates Pte Ltd**

RMA is an issues and perception management consultancy based in Singapore, with offices in Malaysia and Shanghai. Formed in 2000, RMA has helped clients in the banking and insurance, energy and shipping as well as telecommunications industries safeguard and enhance their reputations. For more information, visit www.reputation.com.sg.

Singapore Polytechnic

Established in 1954 to meet the manpower needs identified by the government, Singapore Polytechnic (SP) is Singapore's first educational institution of its kind. Its nine academic schools offer 45 full-time diploma courses for its 14,900 students and courses are kept relevant through close links with industry and government bodies, as well as with various overseas institutions.

SP offers broad-based, multi-disciplinary and flexible curriculum dedicated to hands-on experience and is committed to the development of its applied research and development capability to enhance the quality of teaching and commercialisation efforts.

Beyond the classroom, close to 90 student clubs covering areas like arts, culture, sports and community service make student life vibrant and fulfilling. The presence of foreign students from countries such as China, India, Myanmar and Indonesia also provides a variety of cultures and perspectives, nurturing a global mindset in Singapore Polytechnic students.

Among SP's 144,400 graduates are successful entrepreneurs, top executives in multinational and public-listed corporations, and well-known professionals, many of whom are captains of industries, university professors and researchers, and leaders in government.

Please visit www.sp.edu.sg

DMC Research Project

Every year as part of their Mass Media Research module, the Year two Diploma in Media and Communication (DMC) students conduct a research project, whereby they apply the research skills learnt in the module. Previous years' topics include Singapore Youth and politics, Singapore Youth and their portable gadgets, Singapore Youth and the Internet and Wassup with Youth: A survey of Singapore Youth's attitudes, values and online communication patterns.