

### FOR IMMEDIATE RELEASE ###

## Lessons from the Pandemic – Corporate Reputation Drive Stock Price Outperformance worth US \$11.2 trillion

- Corporate reputations worth US \$11.2trn - \$3 in every \$10 of marketcap
- Most valuable corporate reputations found at Apple, Amazon and Alphabet
- Talent has become a top reputation driver
- Financial services and healthcare generate greatest reputation contribution
- Looking ahead, winners and losers predicted in line with changing investor interests on ESG and competitiveness

**28 July 2021** – As of April 2021, company reputation underpins close to 30% of market capitalization through the confidence it inspires among the investment community. This, according to the latest [The 2021 US Reputation Dividend report](#) released today, equates to US\$11.2 trillion of shareholder value across the S&P 500.

### The Top 10 Most Valuable Reputations – the A's have it

The study finds that confidence inspired by company reputations directly support nearly \$3 in every \$10 of market cap. The top ten most valuable reputation assets are led by Apple, Amazon and Alphabet, each with some 56% of their marketcap attributable to their reputation alone.

	Reputation Contribution	Change in rank position	Reputation value (at June '21)	Rank market cap.
	56.9%	+1	\$1,234 bn	1
<b>amazon</b>	56.4%	+3	\$957 bn	3
<b>Alphabet</b>	55.9%	+3	\$924 bn	4
<b>Microsoft</b>	55.3%	-3	\$1,079 bn	2
<i>Johnson &amp; Johnson</i>	53.3%	+6	\$231 bn	10
<b>TARGET</b>	52.6%	+16	\$61 bn	80
<b>Walmart</b>	52.3%	+21	\$204 bn	11
	52.2%	+6	\$112 bn	33
<b>UNITEDHEALTH GROUP</b>	52.1%	-5	\$197 bn	14
<b>VISA</b>	51.4%	-1	\$263 bn	8

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### Talent Rises To The Top

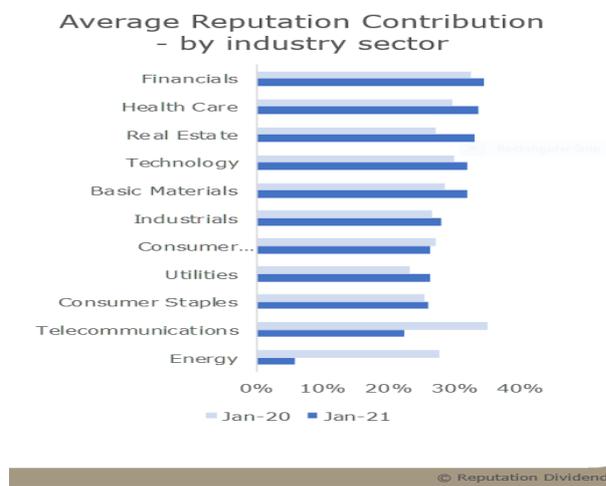
In all, nine reputational components are measured including Quality of products / services, Quality of Management, Financial Performance, Innovation, ESG, Use of Corporate Assets, Global Competitiveness, Long-Term Investment Potential and People Management.

This year, interest in these last two factors combined account for almost one third (29.8%) of all reputation value across the index. Said Simon Cole, author of the study, “investors, prompted by the pandemic, are both looking beyond the crisis for growth and sensitive to the competition for talent that will fuel it as the present scramble subsides and attention shifts to retention and development.”

Reputation research expert and director, Sandra Macleod added: “Further covid flare-ups, concerns for rising inflation, a possible ‘crypto-quake’, post pandemic economic policy etc all contribute to the only certainty in an uncertain world which is that market sensitivity is likely to persist for some time. All of which has implications for how companies manage their reputation assets to secure shareholder value in the months ahead.”

### It’s Not Just About Size

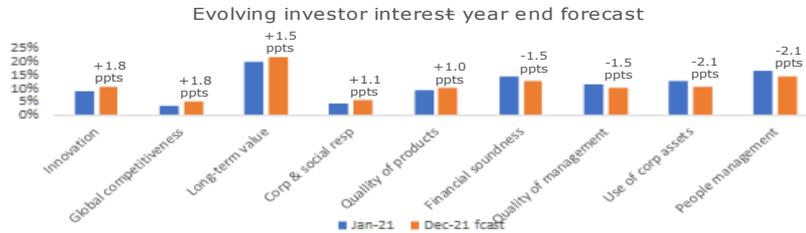
While size is a driver, it is only part of the story. Those in financial services and healthcare saw the biggest rises, and telecoms and energy, the lowest.



### Likely Winners and Losers

Overall, reputation is seen as a positive asset for the majority of the S&P, being a net contributor in 91% of companies, but a drain in 9% at the bottom end. And that is likely to be exacerbated ahead as investor interests evolve, with a greater focus on ESG and global competitiveness. This, the study finds, will create up to \$400 bn of value across the index, with losers being those less well placed on these key drivers.

Key to optimizing reputation impact lies in being alert to changing investor interest



Changes will create up to \$400 billion\* of shareholder value across the S&P, 1.1% if the total market cap in the index



\* All else being equal

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The full report is available freely [here](#).

About Reputation Dividend

Founded by data specialists and investment analysts, Reputation Dividend is the only recognized index of the financial value of corporate reputation as measured as a percentage of market capitalization. Reputation Dividend's Valuation Study is used by leading corporations to support value-creation planning and strategic messaging by explaining the locus of investor interests in the US, Europe and Brazil. Now in its 14th year, the Valuation Analysis, covers some 360 of the largest companies in the US. The 2021 US study was run in parallel with its sister UK study, and is based on data reported up to April 2021.

FOR FURTHER INFORMATION:

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