

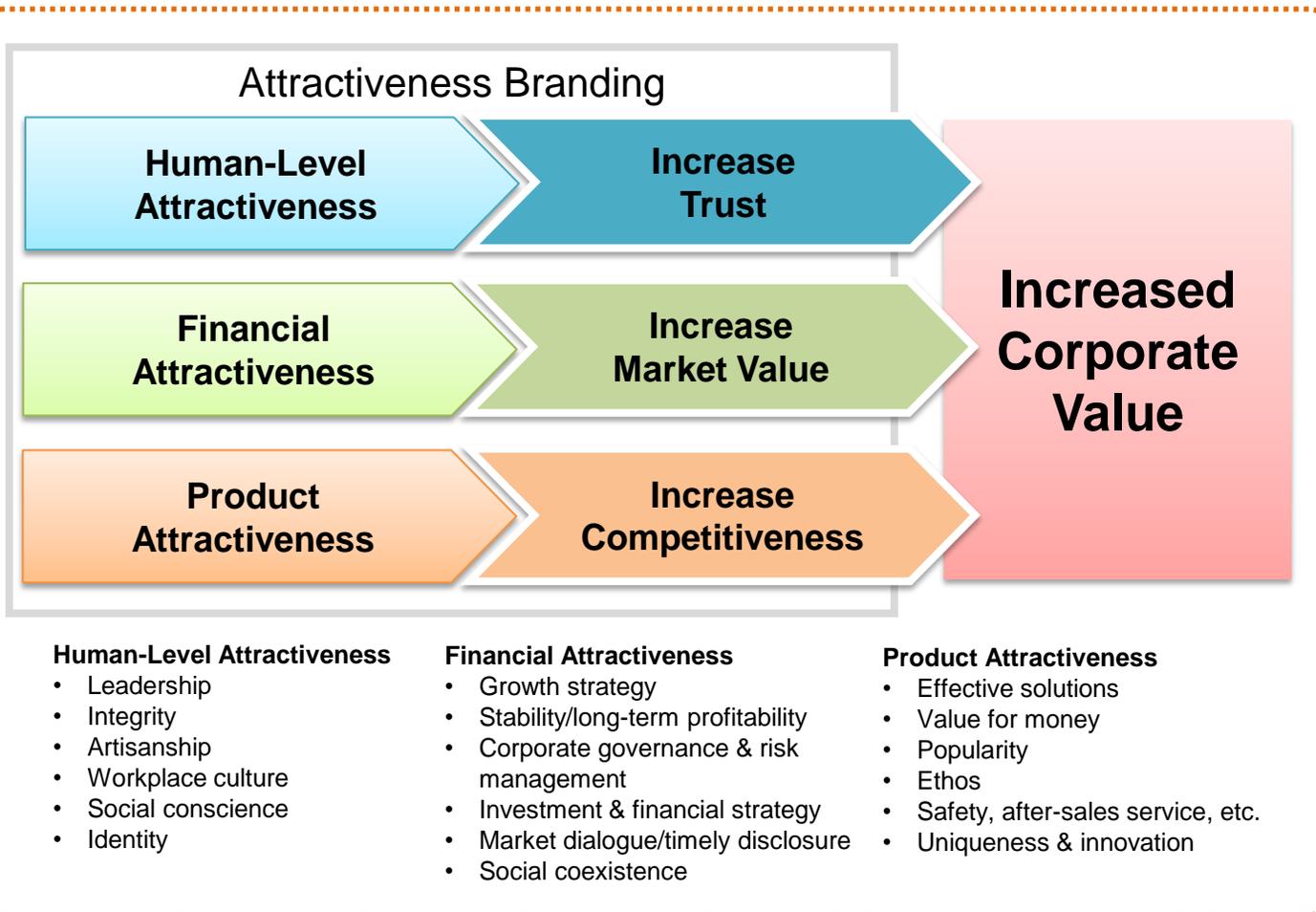
2018 Attractiveness Branding Survey: Key Findings

The Attractiveness Branding Survey, conducted annually by the Corporate Communication Strategic Studies Institute (CSI), seeks to identify what makes companies attractive to the Japanese public, with an emphasis on the three components of the CSI-developed Attractiveness Branding Model: Human-Level, Financial, and Product Attractiveness (Figure 1). In 2018, the online survey was answered by 10,000 participants aged 20-69 from across Japan and provided data on 200 individual companies in 20 industry sectors.

This report summarizes some of the 2018 survey's key findings, including the growing importance of Human-Level Attractiveness as a measure of corporate appeal; the most attractive industry sectors overall; and the role of environmental, social, and governance (ESG) factors in establishing a viable brand.

Figure 1. Attractiveness Branding Model

Developed in 2016 as a tool to increase corporate value, the Attractiveness Branding Model breaks down corporate appeal into a broad range of corporate traits and activities in the three overarching categories of Human-Level, Financial, and Product Attractiveness.



Survey Results

1 “Strong vision and industry leadership” becomes top-ranking aspect of corporate attractiveness for the third year running

For the third consecutive year, “strong vision and industry leadership” was the most commonly chosen aspect of corporate attractiveness among the survey’s ten thousand respondents, with 49.4% indicating that they found it to be an attractive quality in a company (Table 1).

Additionally, this was the first time in the survey’s three-year history that aspects of Human-Level Attractiveness occupied all of the top four spots, suggesting that items in this category are increasingly pertinent to consumers when evaluating a company’s appeal.

Two of the most frequently chosen items—“employees who are passionate about improving quality” (ranked third at 39.4%) and “sincere and trustworthy workforce” (ranked fourth at 39.0%)—concerned company personnel, marking the first time that employee-related aspects have scored in the top five.

The high rankings for employee-related aspects that were obtained in the present survey can be seen as a reflection of developments in society at large. Employee motivation and workplace culture are increasingly in the spotlight, driven in part by the government’s promotion of work-style reform initiatives. This general trend is evident from the increasing number of articles about work-style reform in nationwide newspapers, which jumped from 2,000 items of coverage in 2016 to well over 3,500 in 2017, representing an 80% increase. In the first half of 2018 alone, according to an ELNET article search, the number was already above 2,500. Both survey and real-world data thus suggest that the perceived importance of employee-related factors is on the rise, indicating that this may be a key area to consider when developing a corporate brand strategy.

Table 1. Top five aspects of attractiveness (N=10,000)

	1	Strong vision and industry leadership	49.4	(%)
	2	Ambitious leaders/managers	45.7	
	3	Employees who are passionate about improving quality	39.4	
	4	Sincere and trustworthy workforce	39.0	
	5	Stable revenue base	39.0	

 Human-Level Attractiveness  Financial Attractiveness

Survey Results

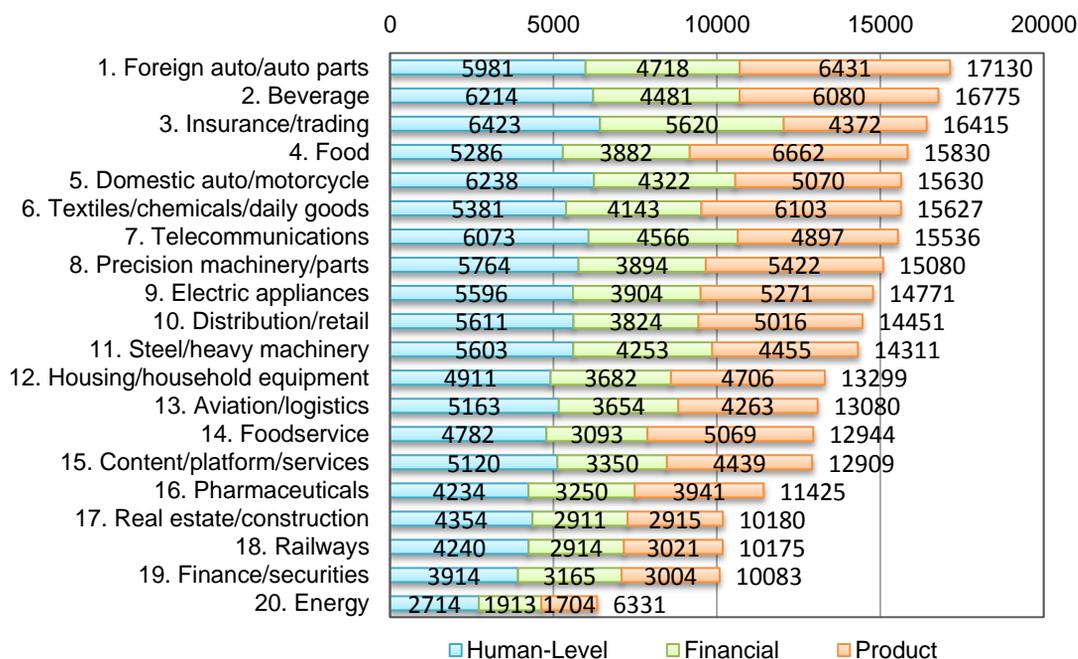
2 Foreign auto/auto parts industry earns top attractiveness score, followed by the beverage and insurance/trading sectors

The number of aspects that respondents marked as attractive for companies in a given industry were tallied to generate an overall score for each sector. The foreign auto/auto parts industry secured the top score with 17,130 points, while the beverage industry ranked second at 16,775 points. Third place went to the insurance/trading industry with 16,415 points (Graph 1).

A major component of the foreign auto/auto part industry's appeal was Product Attractiveness, which accounted for 37.5% (6,431 points) of its total score. Aspects such as "offers products and services with a strong fan base" and "offers products and services founded on superior technology and know-how" earned a particularly high number of points, a result that illustrates foreign auto makers' excellent engagement with fans.

By contrast, aspects of Human-Level Attractiveness were the biggest factor contributing to the beverage industry's appeal at 37.0% (6,214 points). A number of beverage manufacturers scored particularly high on items such as "strong vision and industry leadership" and "substantial engagement in cultural, artistic, educational, and sports activities," with these strong numbers pulling up the rating of the industry as a whole.

Finally, the third-ranking industry of insurance/trading had the largest relative share of Financial Attractiveness points of any industry, at 34.2% (5,620 points). "Stable revenue base" was the most frequently identified aspect of attractiveness across all the companies covered. Human-Level Attractiveness also contributed a high 39.1% (6,423 points) of the total score, with "sincere and trustworthy workforce" included within the top three aspects for all of the insurance companies investigated.



Graph 1. Attractiveness ranking by industry

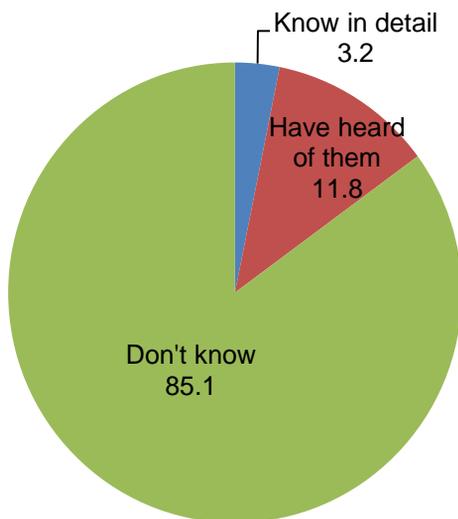
Survey Results

3 Awareness of ESG at 15%, with environmental initiatives rated most appealing

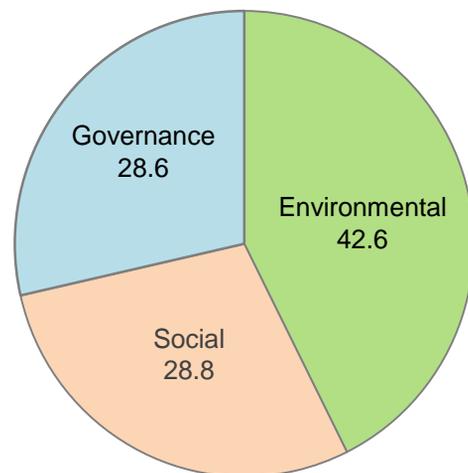
Consideration for environmental, social and governance (ESG) factors has become increasingly common. The 2018 Attractiveness Branding Survey sought to shed light on the extent of ESG awareness among consumers, while also investigating which ESG initiatives contribute most to perceived attractiveness.

Awareness of ESG (Graph 2) was found to be low, with only 15% of respondents reporting that they are familiar with it.

Next, respondents were given a list of nine common ESG activities, three from each category, and asked to choose the three activities they found most appealing. Analysis revealed that environmental initiatives came out on top with a 42.6% share of points awarded (Graph 3). The findings indicate that consumers are keenly interested in environmental issues and expect companies to make efforts to address them.



Graph 2. Awareness of ESG (N = 10,000)



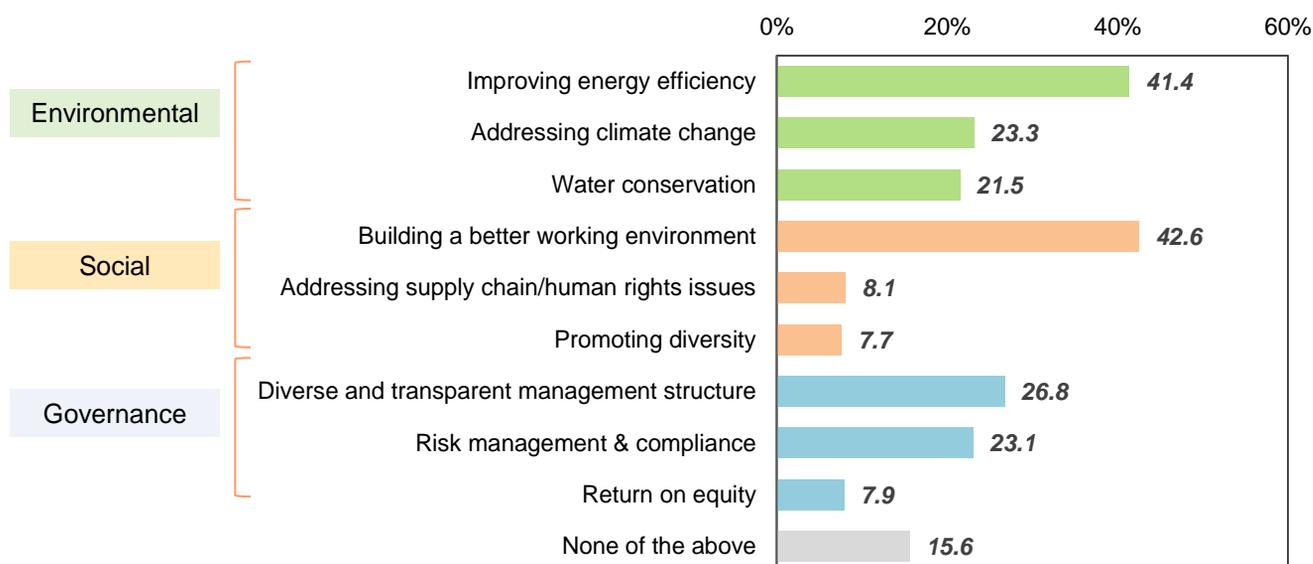
Graph 3. Perceived attractiveness of ESG initiatives (N = 10,000)

Survey Results

Meanwhile, “building a better working environment” (social) was the highest rated single activity, found appealing by 42.6% of respondents, followed by “improving energy efficiency” (environmental) at 41.4% (Graph 4).

The results hint that in the years ahead, companies may find it essential to identify and engage in ESG activities suited to their line of business.

It is also notable that respondents who own stock rated “return on equity” as the most important factor, and “diversity” the second most important, suggesting that companies should establish separate themes for different stakeholders as a part of strategic branding efforts.



Graph 4. Perceived attractiveness of individual ESG-related corporate activities (N = 10,000)

Survey Overview

Respondents: 10,000 men and women aged 20-69 from across Japan (500 respondents per industry sector)

Industry sectors: 20 (10 companies per sector, 200 companies total)

Survey Method: Online survey

Survey Period: July 6 – July 13, 2018

Survey Topics: Attractive industries, attractive companies, aspects of attractiveness, etc.

Surveying Organization: Corporate Communication Strategic Studies Institute (Dentsu Public Relations Inc.)

Note: Please reprint or quote from this research at your own responsibility, and clearly indicate that the survey and analysis were performed by the Corporate Communication Strategic Studies Institute of Dentsu Public Relations Inc.

Attractiveness Branding Model

The Attractiveness Branding Model was developed by the Corporate Communication Strategic Studies Institute (CSI) in 2016 as a tool to increase corporate value based on an understanding of what makes companies appealing to consumers and investors. The model encompasses 36 aspects of attractiveness in three categories (Human-Level, Financial, and Product Attractiveness) to cover a broad range of corporate traits and activities. In 2017, CSI members won a Japan Marketing Academy Best Paper Award for research based on the model.

Corporate Communication Strategic Studies Institute (CSI)

A research group headed by Kentaro Miura, established in December 2013 within Dentsu Public Relations Inc. The CSI conducts surveys, research and analysis of corporate communication strategies and frameworks in collaboration with management and communication specialists including university professors and researchers.

Website: <http://www.dentsu-pr.co.jp/csi/>

Inquiries

Dentsu Public Relations Inc.
Shiodome City Center, 35th Floor
1-5-2 Higashi Shimbashi Minato-ku, Tokyo 105-7135
Tel: 03-6263-9000 Fax: 03-6263-9001 E-mail: info@dentsu-pr.co.jp
<http://www.dentsu-pr.com/>