

# SERX

## Swiss Economy Reputation Index

The Swiss Economy Reputation Index (SERX), which is currently made up of 157 private sector and state-related companies, shows on a consolidated basis how the public perception of the Swiss economy and its key sectors has developed over time.

**2nd Quarter 2020**

Basel, July 9, 2020

# Swiss Economy Reputation Index

## Reputation of Swiss economy has improved again despite corona crisis

- ❖ In the second quarter of 2020, public perception of the Swiss economy was again dominated by the corona crisis and was again marked by strong reputational gains.
- ❖ Once again, the question of whether large companies in particular were aware of their locational responsibility, i.e. what exactly they were doing to support Switzerland as a business location, was a decisive factor in determining their reputation. The majority of Swiss companies have so far succeeded in meeting these societal expectations, as the improved social reputation shows.
- ❖ This change in the valuation perspective triggered by the corona crisis led to an overall improvement in the opinion climate towards the Swiss economy in the second quarter of the year. SERX rose - after 1.9 index points in the first quarter - by a further 1.1 points and now stands at 92.8 index points.
- ❖ The financial sector again achieved strong reputational gains: after a plus of 2.8 points in the 1st quarter, the growth in reputation in the 2nd quarter of the year was also substantial at +2.5 index points. The banks in particular benefited from their positively assessed role in the handling of corona emergency loans as well as from a significantly lower level of public scandalisation than in previous years.
- ❖ At the same time, the insurers were able to defend their top position in the industry rankings - despite sometimes harsh criticism in the context of the distinction between 'epidemic' and 'pandemic', which was considered "petty" - and also increased their relative level of attention thanks to increased societal activities.
- ❖ In addition to the insurers, the life science and engineering industries also remain well positioned, although they too have had to contend with a loss of reputation. While the corona crisis is increasingly having a negative economic impact on the engineering industry, the life science sector has suffered setbacks in Covid 19 research, criticism of managers' salaries and multi-million fines for corruption cases. Overall, with regard to the real economy - despite extensive aid packages - concerns about the future economic consequences of the Corona crisis are becoming more formative.
- ❖ The retail sector has significantly gained in relative public attention, albeit at the cost of a further deterioration in its reputation. In addition to accusations of price suppression and profits at the taxpayer's expense, individual retail companies were also increasingly exposed to socially and morally motivated criticism in the context of the prevailing debates on racism, climate change and sexism.

### SERX - Swiss Economy Reputation Index

The Swiss Economy Reputation Index (SERX), which is currently made up of 157 private sector and state-related companies, shows on a consolidated basis how the public perception of the Swiss economy and its key sectors has developed over time.

Due to its sedimented calculation method (Sedimented Reputation Index®) and the large assessment basis determined on a daily basis (an average of around 20,000 reputation-relevant public reports are calculated on a sedimented basis per day), SERX is a valid indicator of the public acceptance of the Swiss economy and its key sectors.



# Content

Overview

Study Layout  
Reputation Measurement  
Company Selection

Swiss Economy

General Development  
Real vs. Financial Economy  
Functional vs. Social Reputation

Sector Comparison

Reputation Impact  
Resonance Shift

# Swiss Economy Reputation Index

## Study Layout

Focus	The Swiss Economy Reputation Index (SERX), published quarterly by commsLAB AG, is based on content analysis, structuring and assessment of reputation-relevant public information on the most resonant Swiss commercial enterprises (agency reports, radio and TV reports, news articles of Swiss origin).	
Company selection	157 companies from 18 sectors are currently being analyzed.	
Reputation relevance	Only public reports relevant to the company's reputation are encoded. Reporting is classified as reputation-relevant if a company is featured either in the title, in the lead or prominently in at least one section of the article.	
Model SRI®	The reporting data are calculated and indexed using the Sedimented Reputation Index® (SRI®) (starting point = 01/01/2008). The SRI® enables a unique combination of the effects of resonance and rating effects in a long-term context and serves to model the historically grown reputation anchored in public memory.	
	These ratings are based on a high-quality and powerful human coding, showing a significantly lower error rate and a significantly higher relevance than automated procedures.	
Strategic partner fög	Coverage is rated in collaboration with the Research Center for the Public Sphere and Society at the University of Zurich ( <u>fög – Forschungszentrum Öffentlichkeit und Gesellschaft/University of Zurich</u> ). As an independent body, the center safeguards rating consistency and impartiality.	
Database	Current database 2Q2020: Total database (01/2004 – 06/2020): Average sedimented resonance base (01/2004 - 06/2020): Current sedimented resonance base per 30/06/2020	Coding of 3'870 reputation-relevant reports Coding of 190'474 reputation-relevant reports 19'260 reputation-relevant reports (daily basis) 33'520 reputation-relevant reports (daily basis)
Warranty Data	commsLAB/fög guarantees that data are up-to-date as of the indicated reference date. Due to reports only available after the publication date and subsequent corrections, the figures shown may vary slightly compared to the previous period. The same applies to adjustments in the selection of companies. Corresponding updates are carried out regularly and are included in the following publications.	



# Swiss Economy Reputation Index

## Reputation Measurement

### Sedimented Reputation Index® (SRI®)

The reporting data are calculated by using the Sedimented Reputation Index® (SRI®) developed by commsLAB AG and the fög - Research Center for the Public Sphere and Society at the University of Zurich. The SRI® models the historically grown reputation anchored in public memory and allows the presentation of long-term, sedimented reputation developments.

The SRI® combines in a unique manner the effects of resonance and reputation in a long-term perspective. It is calculated over time and takes into account—on a daily or weekly basis—the values of the previous period, weighted with a “forgetting” rate. The SRI® is expressed on a scale ranging from +100 (exclusively positive resonance) to –100 (exclusively negative resonance).

The methodology stems from the insight that reputation of an actor is defined not only by current events but also, to some extent and for a period of time, by past events that have attracted public attention. The SRI® takes account of the fact that, in the long run, major high-resonance events determine the reputation dynamics of organizations and companies.

The key point is that the initial value of a reputation value (SRI®) calculated on a daily or weekly basis can be based on a meaningful and stable starting value. This usually requires data over a period of twelve months. The presentation of the sedimented reputation values therefore starts on 01/01/2005.

### SRI®-based impact procedure

The impact procedure focuses on the effect or significance of a particular unit under review (e.g. sector, company, positioning field, etc.) within a defined benchmark.

This allows, for example, to map the relative competitiveness advantages or disadvantages of individual companies in a defined sector along individual units of analysis.

To measure the Impact SRI® of Company A in a competitive situation (benchmarking), the relevant data of Company A is eliminated from the benchmark sample. This allows to answer the question of how the benchmark reputation would change if Company A were not part of the benchmark or, conversely, what influence - or impact - that Company A actually exerts on the benchmark reputation.

# Swiss Economy Reputation Index

## Company Selection

Meta-Sector	Sectors (18)	Companies under review (157)
Other (1)	Health & Accident Insurers(9)	Concordia, CSS, Groupe Mutuel, Helsana, KPT, Sanitas, Suva, Swica, Visana
Financial Sector (3)	Global Banks (5)	Credit Suisse, Julius Bär, Partners Group, UBS, Vontobel
	Domestic Banks (30)	Bank Cler, all Cantonal Banks, Migrosbank, Postfinance, Raiffeisen, Valiant
Real Economy (14)	Insurers (10)	Allianz, Axa, Baloise, Helvetia, Mobiliar, NAG (until 2014), Swiss Life, Swiss Re, Vaudoise, Zurich
	Audit (4)	Deloitte, Ernst & Young, KPMG, Price Waterhouse Coopers
	Construction & Real Estate (9)	Allreal, Arbonia Forster Group, Geberit, LafargeHolcim, Implenla, PSP, Sika, SPS, Steiner AG
	Chemical Industry (6)	Ciba (until 2008), Clariant, Ems-Chemie, Givaudan, Lonza, Syngenta
	Retail (9)	Aldi, Coop, Dufry, Fenaco-Landi, Lidl, Migros, Manor, Valora, Volg
	Services & Technology (8)	Adecco, AMS, Dormakaba, Kudelski, Logitech SGS, SIX, Temenos
	Energy (3)	Alpiq, Axpo, BKW
	Life Science (17)	<i>PHARMA</i> : Johnson&Johnson, Novartis, Roche, Santhera, Serono (until 2006), Vifor. <i>BIOTECH</i> : Actelion, Basilea, Biogen, Idorsia. <i>MEDTECH</i> : Alcon, Nobel Biocare., Sonova, Straumann, Synthes (until 2012), Tecan, Ypsomed
	Luxury Goods (3)	Richemont, Rolex, Swatch
	Engineering (16)	ABB, Bucher Industries, Bühler, Conzzeta, Dätwyler, Georg Fischer, Huber+Suhner, Interroll, Landis+Gyr, Oerlikon, Rieter, Schindler, Schweiter Technologies, SIG Combibloc, Stadler Rail, Sulzer
	Media (6)	Edipresse, Publigroupe, Ringier, SRG, Tamedia, NZZ Mediengruppe
	Food (5)	Aryzta, Barry Callebaut, Emmi, Lindt & Sprüngli, Nestlé
	Raw Material (8)	Glencore, Gunvor, Mercuria, Petroplus (until 2012), Trafigura, Transocean, Vitol, Xstrata (until 2014)
	Telecom (4)	Cablecom, Salt, Sunrise, Swisscom
Transport & Logistics (5)	Flughafen Zürich, Kühne & Nagel, Post, SBB, Swiss	

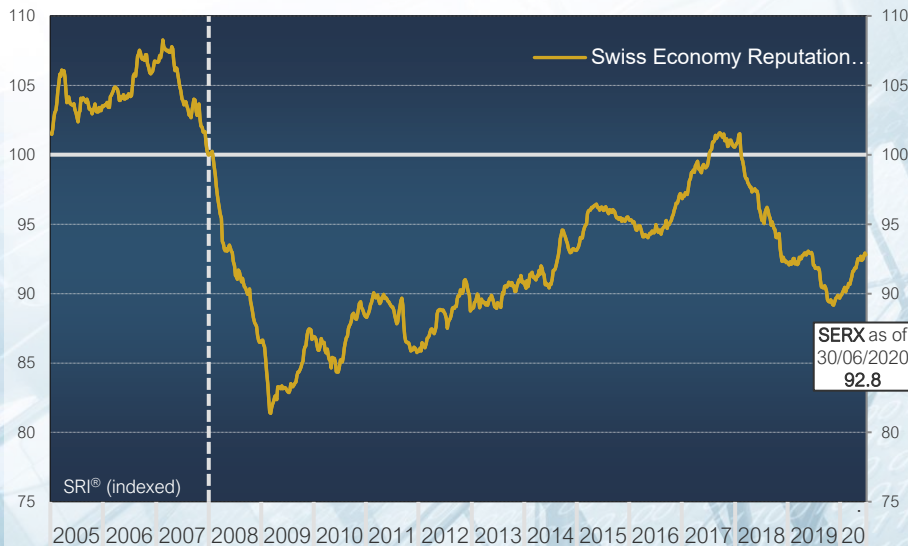


# Swiss Economy Reputation Index

## Swiss Economy - General Development (as of 30/06/2020)

SERX Swiss Economy Reputation Index  
SRI® indexed 2005 - 30/06/2020 (01/01/2008 = 100)

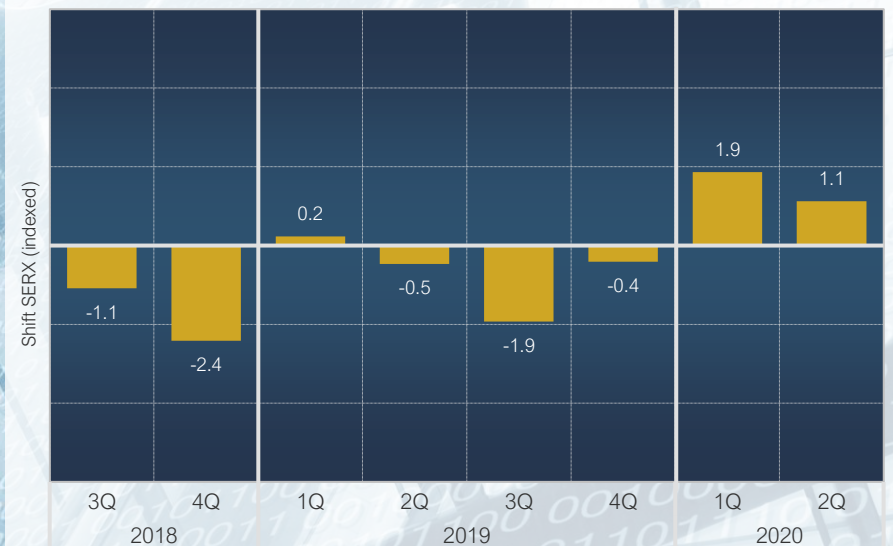
© commsLAB AG /  
fög - University of Zurich



The graph shows the indexed sedimented reputation development (SRI®) of SERX (golden curve). The reference point for the indexation is January 1, 2008. The SRI® models the historically grown reputation anchored in public memory.

SERX Shift per Quarter  
3Q2018 - 2Q2020

© commsLAB AG /  
fög - Universität Zürich



The graph shows the shift in the reputation of SERX according to SRI® per month.  
Reading example: In the 2<sup>nd</sup> quarter of 2020, SERX gained 1.1 SRI® index points.

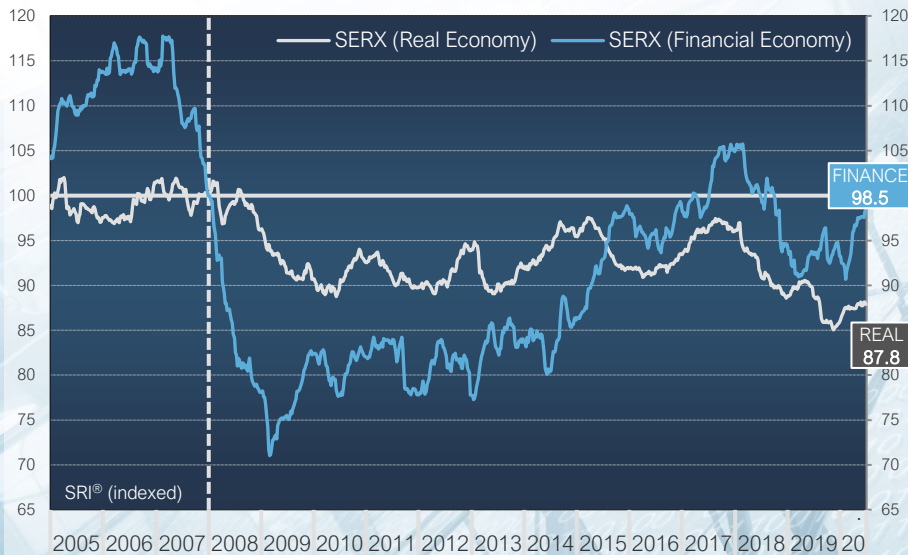
# Swiss Economy Reputation Index

## Real vs. Financial Economy (as of 30/06/2020)

### SERX Real- vs. Financial Economy

SRI® indexed 2005 - 30/06/2020 (01/01/2008 = 100)

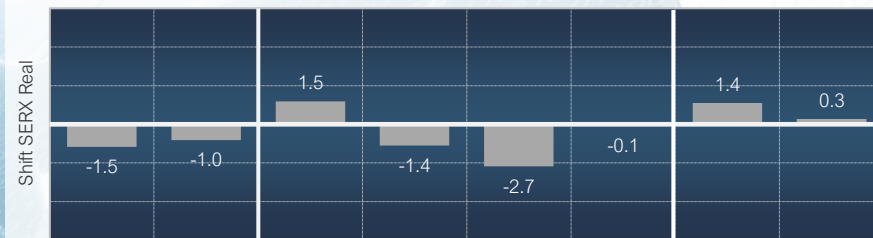
© commsLAB AG /  
fög - University of Zurich



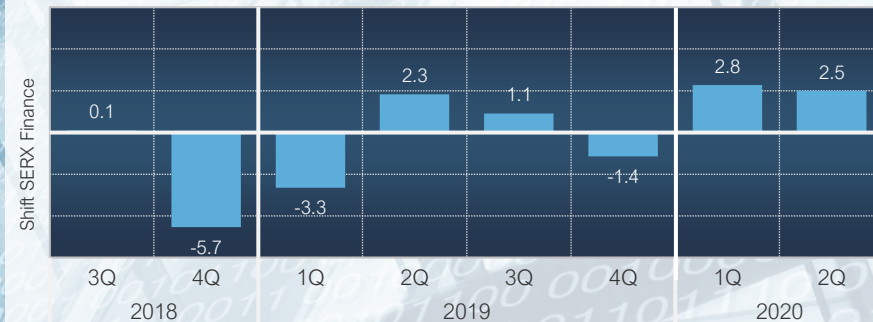
The graph shows the indexed sedimented reputation development (SRI®) of SERX for the meta-sectors real economy (grey curve) and financial economy (blue curve). The reference point for the indexation is January 1, 2008.

### SERX Real Economy Shift per Quarter

© commsLAB AG /  
fög - Universität Zürich



### SERX Financial Economy Shift per Quarter



The graph shows the shift in the reputation of SERX according to SRI® per month.  
Reading example: In the 2<sup>nd</sup> quarter of 2020, SERX Financial Economy gained 2.5 index points.



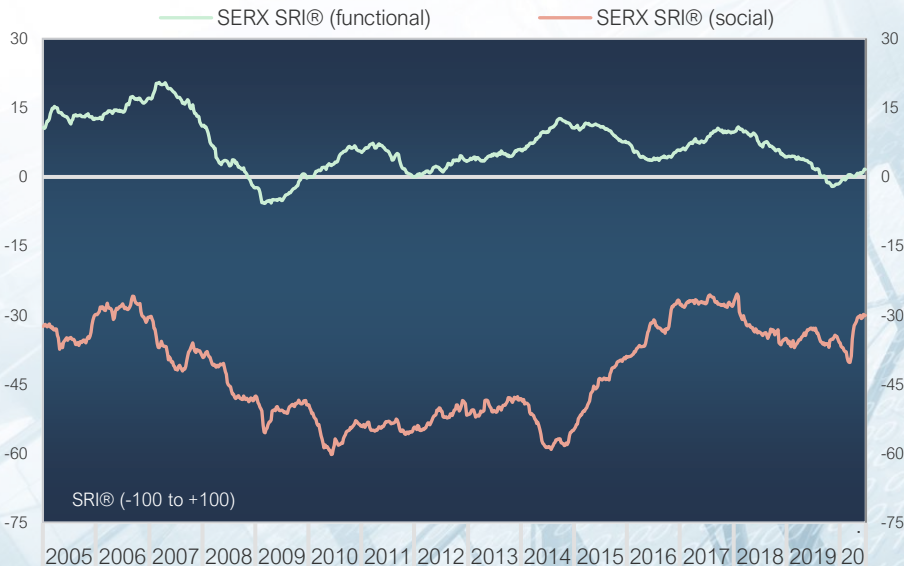
# Swiss Economy Reputation Index

## Functional vs. Social Reputation (as of 30/06/2020)

### SERX Reputation Dimensions

SRI® 2005 - 30/06/2020

© commsLAB AG /  
fög - University of Zurich



The graph shows the sedimented reputation development (SRI®) of SERX divided into functional (green curve) and social reputation (red curve). The SRI® is adjusted to a scale of +100 (exclusively positive response) to -100 (exclusively negative response).

### SERX Functional Shift per Quarter

© commsLAB AG /  
fög - Universität Zürich



### SERX Social Shift per Quarter



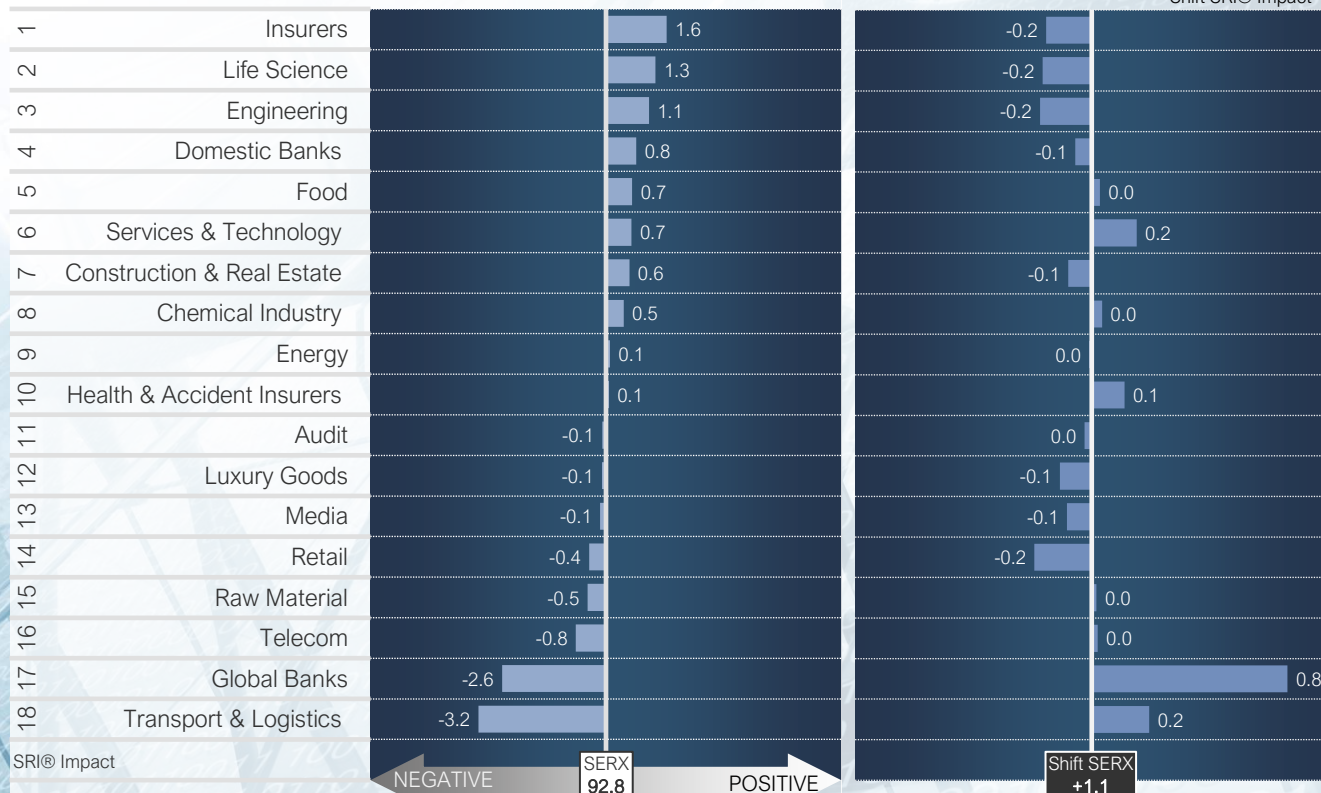
Functional or economic reputation is an indicator for economic success, specialist competence and plausible action with regard to organizational policy. Social reputation refers to the fulfilment of society standards.

# Sector Comparison

## Reputation Impact Sectors as of 30/06/2020

### SERX Reputation Impact per Sector on Overall Reputation Swiss Economy as of 30/06/2020

### Shift Impact 2Q2020 Shift to 31/03/2020



The sector reputation impact shows what impact an individual sector has on the reputation of the Swiss economy as a whole and is therefore a valid indicator of the effective reputation of individual sectors in the Swiss public.

*Reading aid:* Without the 'Transport & Logistics' sector, the Swiss Economy Reputation Index would be 3.2 index points higher than the current 92.8 (left chart). The impact of this sector improved in 2Q2020 (+0.2 - right chart).

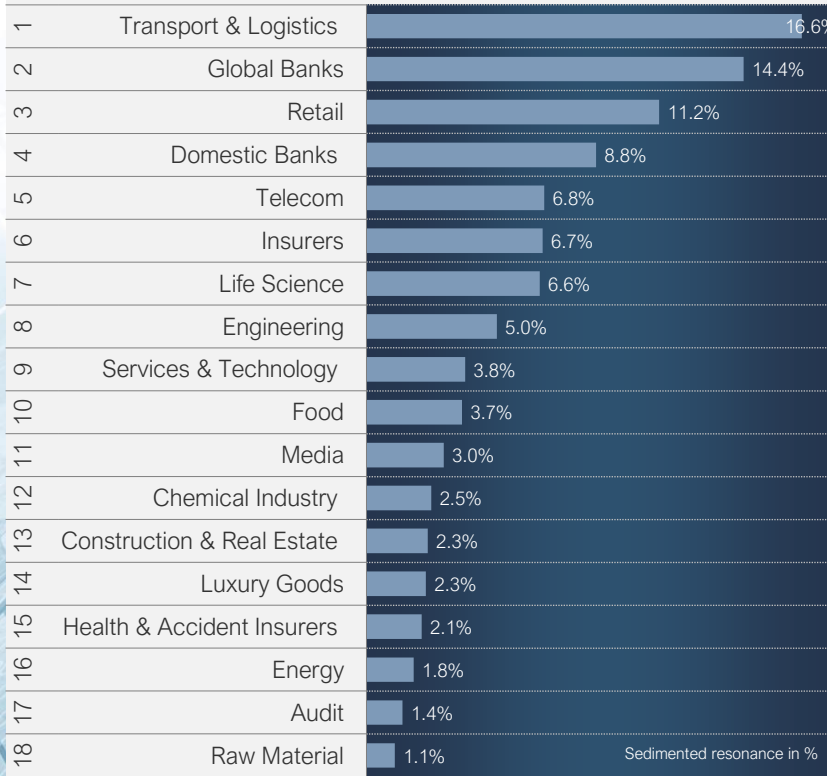


# Sector Comparison

## Resonance Shift Sectors as of 30/06/2020

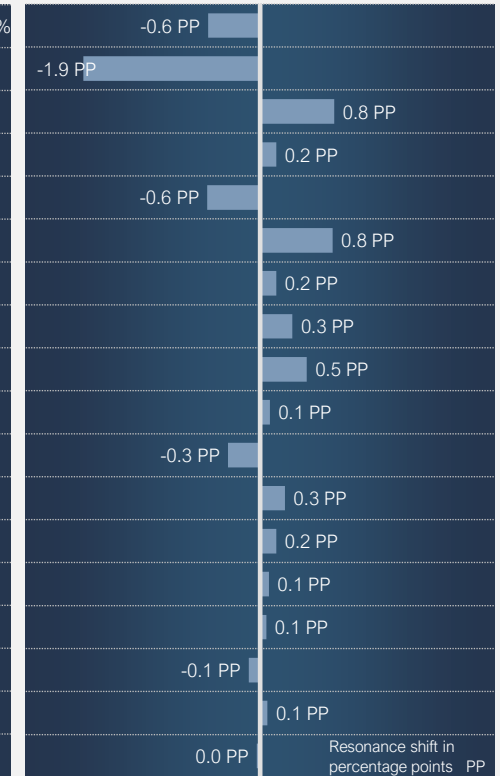
### Sectors Media Response

Shares in % as of 30/06/2020



### Shift in PP 2Q2019

Shift to 31/03/2020



The left chart shows the breakdown of media attention (sedimented resonance) for the individual sectors as of the reporting date. Reading aid: The 'Transport & Logistics' sector generates 16.6% of the media attention in the leading media examined in the context of reporting on the Swiss economy.

The right chart shows the shift in sedimented resonance in percentage points compared to the previous period. Reading aid: The share of the 'Transport & Logistics' sector has fallen by -0.6 percentage points compared with the previous period.

# About Us Contacts

**commsLAB AG**

Malzgasse 7A / CH-4052 Basel  
Zentrale: +41 61 205 25 70

[info@commslab.com](mailto:info@commslab.com) / [www.commslab.com](http://www.commslab.com)

## commslab

Profile Research & Management

commsLAB AG is a research-based consulting boutique founded in 2004. We support private companies, nonprofit and political organizations with concrete decision criteria for a long-term profile-compliant and value-adding positioning

Based on an empirical, scientifically sound data basis, we point out concrete opportunities for action whether and where the public appearance of your organization needs to be corrected or whether and where fundamental strategic course corrections need to be done.

In the areas of reputation and issue monitoring, we work closely with our long-term strategic partner, the fög - Research Center for the Public Sphere and Society at the University of Zurich. More details: <https://www.foeg.uzh.ch/>

Together with fög, commsLAB guarantees an independent approach that is recognized in international communication research. This includes a methodology that is committed to strict quality standards and consistently integrates state-of-the-art scientific findings.

### Contact Person

### Function / Background

Daniel Künstle  
*Owner & Senior Consultant*

+41 61 205 25 71

Over 25 years of professional experience in the field of reputation management. Ten years of which as Group Spokesman and Head of Corporate Reputation Analysis at SBC/UBS (1994-2004) as well as Chief of Staff at FOPI/FINMA (2004-2008).

Mario Schranz  
*Senior Consultant*

+41 61 205 25 74

Over 20 years of experience in the implementation of scientifically based reputation and issue management processes in business and politics. Many years thereof as head of fög/UZH.

Angelo Gisler  
*Senior Consultant*

+41 61 205 25 73

Over 15 years of experience at the interface of scientific (fög/University of Zurich) and practical (commsLAB) reputation research in business and politics.

Oscar Villiger  
*Head of Data Analysis*

+41 61 205 25 72

B.A. in Economics UZH with focus on Banking & Finance and over ten years of experience in software development (Java, Python) and data analysis (Pandas, R, SQL).