

Global Reputation Study:

Detailed Findings for Canada

Study Overview

The study, which was conducted in the fourth quarter of 2004, used TRI*^M, TNS' leading Business Solution for Stakeholder Management, to measure perceptions across 41 countries, surveying more than 36,000 members of the general public.

TNS Canadian Facts conducted the Canadian data collection. In total, 1028 telephone interviews were completed between September 7 and 12. The survey results are nationally representative of the Canadian adult population and are considered accurate to within plus or minus 3.2 percentage points, 19 times out of 20.

The 41 countries covered



* results expected 02/2005

Why does reputation matter?

The reputation of a country amongst its own citizens is a mark of its perceived relative place in the world. To foreigners looking to invest in, immigrate to, or even visit a country, reputation will play a key role in their decision making process. There are of course two ways to view the reputation of a country - from the perspective of the current citizens of the country and from the perspective of people outside of the country looking in. This study provides the internal perspective for each country.

For the citizens of Canada, their perspectives on their country's reputation in key areas are important. It is a reflection of how Canadians see themselves – their country's strengths and weaknesses in key areas. It reflects what they might say to people from other parts of the world who ask about Canada. It provides a benchmark for what Canadians believe about their past and potential future in that the current results reflect not only an opinion of today's strengths and weaknesses but also the country's future needs or priorities.

In the end, Canadians' feelings about Canada as a place to do business and a place to live affects their morale and motivation in seeking ways to better their society and their standards of living. It is Canadians' pride that is on display in these results.

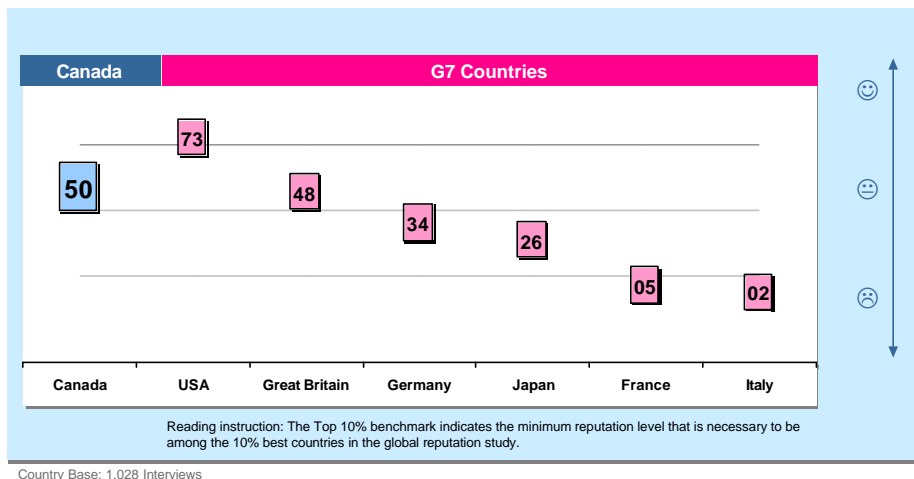
Place to Do Business

Canadians see the country as a good place to do business and are placed in the top-third globally and second in the G7. “Trust” is a key factor but Canadians do question their “Success” and “Quality of products and services”. Canadians tend to believe Canada provides a safe, stable business environment with a well-educated workforce and of course with 80 per cent of all of products going to the United States, Canada offers a location with superb access to the world’s largest consumer market.

Global Results:

- The most striking result for the reputation of the local country as a 'Business Location' is undoubtedly the relatively low ratings for most of the European countries
- The stated reputation of the country as a 'Business Location' by its citizens is a good description of the internal perception of the countries' current economic situation and the peoples' expectations about their own future economic development.
- For example, many of the highly developed countries (e.g. France, Germany, Japan) find themselves in a situation of decreasing growth rates and increasing unemployment figures, resulting in a high degree of pessimism and a low reputation level for 'Business Location'

Country as business location



Country Base: 1,028 Interviews

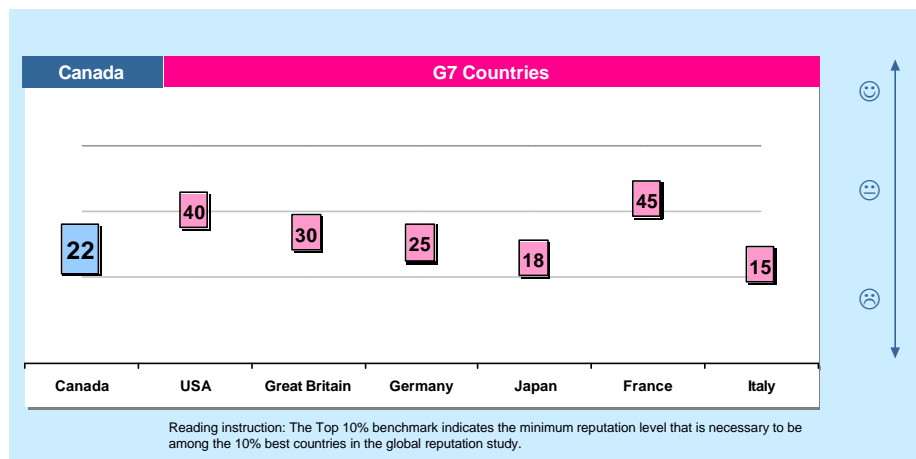
Reputation of the Health Service

Canada has a long history of public medicare and they have tended to view their healthcare system as one of the best in the world. However, in recent years there has been considerable criticism and debate over the future of this system. The results show that Canadians are not as confident in the system as they may have been in the past. Placing the global average and 5th amongst the G7 is a reflection of the current concerns and debate. The results show that in general Canadians still “Trust” the healthcare system but are questioning the “Effectiveness” and “Quality of service”.

Global Results:

- Overall, the mainly public managed sector 'Health Service' has a very low reputation in all countries (TRI*M Index global average: 22). Only Singapore, Malaysia and Belgium score above a TRI*M Index of 50.
- European countries again show on average a lower reputation level than countries in Asia Pacific and America. In contrast to 'country as business location', the low European rating for 'Health Service' comes from a poor reputation in many of the former Eastern Block countries (e.g. Poland, Slovakia, Romania). These countries are still in a transition phase as they try to build up an efficient health system.
- Many of the other countries find themselves in a situation where on the one hand they have a well established health system (e.g. accessible for all social classes; high level of assurance), but on the other, are also faced with increasing costs and a decreasing level of reimbursement which is causing strong uncertainty within the average household.

Reputation of health service



Country Base: 1.028 Interviews

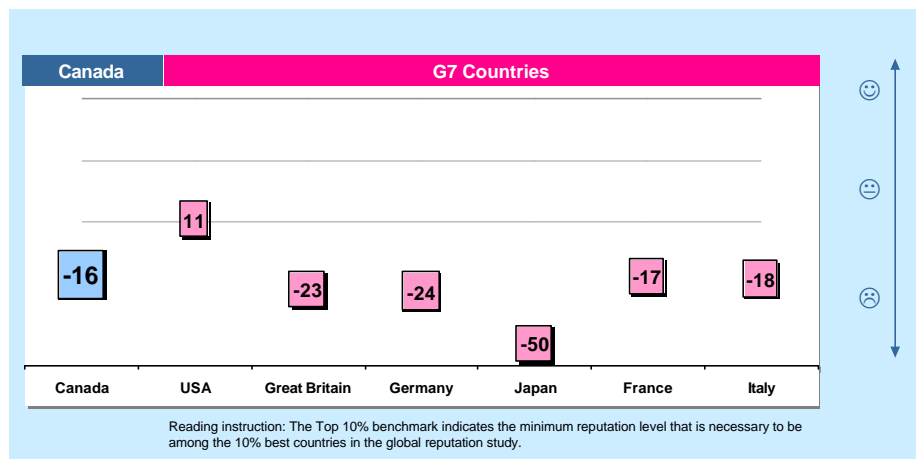
Reputation of Political Parties

The global results clearly show widespread dissatisfaction with political parties and Canada is no exception. Measures for “Trust” and “Effectiveness” are very low. In spite of the poor ratings though, Canada still ranks 2nd in the G7. Part of the Canadian dissatisfaction will be related to the availability of a viable alternative to the current Liberal government. For most of the past decade, the traditional alternative – the Conservative Party – was fractured into two separate parties.

Global Results:

- With the exception of only a few countries (e.g. Singapore and Malaysia) 'Political Parties' definitely do not enjoy a good reputation within the country population. The overall TRI*M Index (-10) indicates a reputation level that clearly has to be improved.
- 'Political Parties' currently do not meet the expectations of citizens, showing deficits in both dimensions of the Reputation Index: emotional appeal and competence.

Reputation of political parties



Country Base: 1,028 Interviews

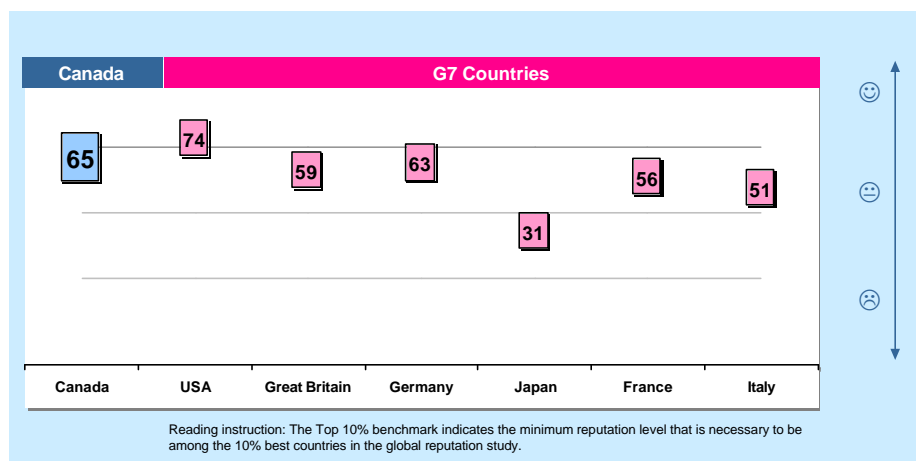
Reputation of Supermarkets

Most Canadians feel their primary supermarket has a strong reputation and overall they have significantly higher ratings than the global norm and the 2nd highest ratings amongst G7 countries. “Trust” is high although there are some evident issues with the “Quality of product and service delivery”.

Global Results:

- The highest reputation of all sectors analysed in this study can be found within the retail sector. Supermarkets’ good global average reputation score of 53 is the best result for any of the sectors analysed.
- Both competence as well as emotional appeal drive the index. However, it is emotional appeal, and especially trust, that makes the difference between this and the other areas analysed.
- The reputation index for supermarkets in many countries stands for a plethora of retail shop types as well as companies. The country results depend on what respondents had in mind while assessing the shop they visit most frequently. Therefore higher emotional appeal for smaller, often family owned mini markets competes with the higher quality of products and services at competitive prices in hypermarkets.
- Sometimes, the general costs of living are assigned to the retail sector. So, in some countries with decreasing price levels, the reputation of the supermarkets is assessed very positively (e.g. Australia), whereas countries that are confronted with rising costs of living tend to rate supermarkets lower.

Reputation of supermarkets



Country Base: 1,028 Interviews

Global Base: 36,859 Interviews

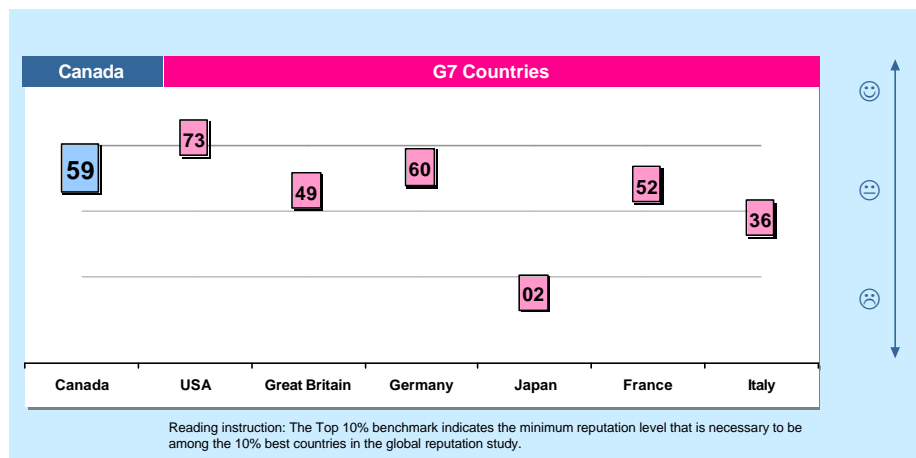
Reputation of Banks

Canadian banks also fair well in the minds of most Canadians. “Trust” is again a leading indicator for reputation and something that is associated with banks given the way the sector is regulated to protect consumers. In spite of the trust they place in banks, many Canadians feel there are “Quality of product and service” issues that should be addressed. Bank reputations are better amongst women and the reputation of banks improves as people age.

Global Results:

- Based on global averages, respondents perceive the reputation of their primary bank to be significantly better than any other sector in this study, with the exception of their supermarket.
- Emotional appeal, mainly driven by trust, is still quite high. Historically, this is one core asset that has positively influenced the perception of the banking sector in most of the highly developed Western countries.
- Various developments might be held responsible for slightly lower ratings in the aspects of “general reputation in public” and “quality of services”. In many countries the banking sector has undergone change. Deregulation of markets, consolidation of the number of market players and difficult economic environments has led to a redefinition of the bank-client relationship.
- After almost a decade of significant growth, the stock market decline in many countries since around 2001 has dampened clients’ positive experiences. Insider scandals in some countries were another burden which impacted reputation scores.

Reputation of banks



Country Base: 1,028 Interviews

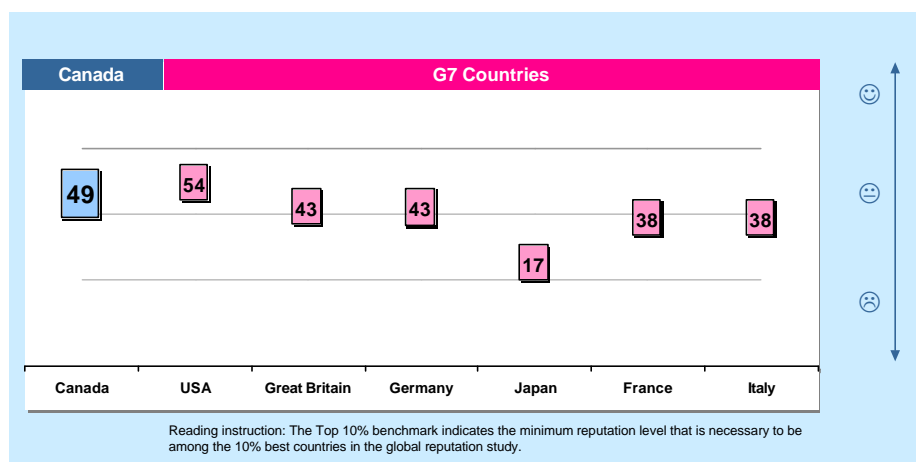
Reputation of Telecoms

Telephone services also do well with results that exceed the global norm and which place Canada 2nd in the G7. Women are more favourable than men. As in most of the categories, “Trust” is a major factor in the ratings and Canada’s telephone service providers rate well. This can also relate to the nature of the market. Traditionally Canada had regional telephone companies that held a regulated monopoly within their territories for both local and long-distance services. The market was deregulated in the 1990s. Most of the original monopolies still hold most of the local service market, although the long-distance market has become fractured. In addition, these former monopolies have successfully entered the Internet service provider market and they hold a substantial market share for these services. There are clear opportunities to improve the “Quality products and services” as roughly one-quarter of the respondents provided low ratings on these dimensions.

Global Results:

- The reputation of 'Telephone Providers' among citizens does not differ much between the various countries. From a customer's perspective, telephone providers still need to improve in order to provide top of the range service quality.
- In some of the countries (e.g. France, Germany) the telecoms market was deregulated only a few years ago. At the moment, the companies in these countries are still in a transition period with its resulting essential image adjustments: expected public service versus profitability and competitiveness. In most countries, this dichotomy is also responsible for the below average perception of telephone providers compared to the other sectors.
- In some other countries (e.g. Greece, Turkey), telephone providers are still owned by the state and operated as monopolistic entities with low reputation scores. However, such a monopolistic position does not inevitably lead to a lack of quality and reputation. The state-owned fixed-line provider in South Africa has a strong focus on building and maintaining its image and service levels and the rating in the top 10 per cent is therefore not unexpected.

Reputation of telephone service providers



Country Base: 1.028 Interviews

Global Base: 36.859 Interviews

Reputation of Mail Service

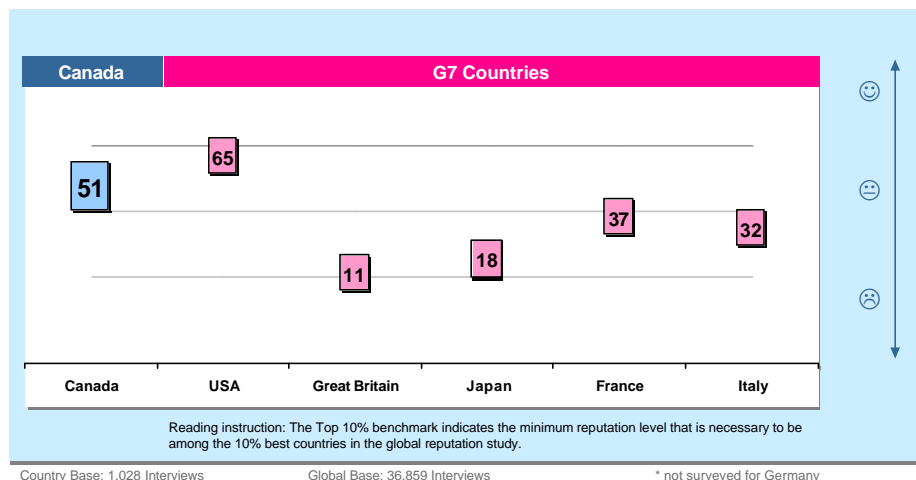
Reputation of the mail service in Canada is very good. Canadians think better of their postal service than the residents of most other countries think of their service, including almost all of the G7.

- Canada is in the top third of all tested countries (41)
- Canada is ranked 2nd among G7 countries.

Global Findings:

- The situation of the mail service can be compared in many countries to the situation of telephone services a few years ago. Mail companies either are still owned by the state or the liberalisation and deregulation of the mail market took place just a short time ago.
- The reputation of the mail service in the countries is to a great extent driven by service quality. Service and quality levels vary a lot between the different countries – both in reality as well as in the minds of the citizens.
- Current, large structural changes in the mail service to achieve better profitability has led to lots of complaints about impaired public service in some of the countries (e.g. Norway, Sweden) leading to a fairly low reputation level. In other countries (e.g. Australia, Hong Kong) the mail service has a long-established tradition ("national pride"), but also provides first class service and product quality and therefore scores quite well in terms of reputation.

Reputation of mail service providers



About TRI*M and the Corporate Reputation Study:

TRI*M is TNS' world leading tool for measuring, managing and monitoring stakeholder relationships. Over the course of the last 10 years, TRI*M has been successfully applied across all industries and more than 6,000 studies. TRI*M enables you to gain vital, ongoing information and insights about your relationships with all kind of stakeholders, be it customers, employees, dealers or shareholders.



Using the TRI*M corporate reputation index, *TNS Global Reputation Study 2005* surveyed almost 37,000 people in 41 countries around the globe to gauge perceptions of their country's top corporations and institutions. Conducted during the fourth quarter of 2004, the survey questioned residents across countries in North America, South America, Europe, Asia and Africa. The study details how residents rate the reputations of their nation's institutions such as healthcare, telecoms, political parties, mail service, business location, financial/banking outlets and supermarkets. The TRI*M Corporate Reputation Index allows comprehensive cross-country and cross-industry comparisons.

To download a copy of the full global report, including findings from 40 countries please go to www.tns-global.com/reputation2005.

About TNS Canadian Facts

TNS Canadian Facts (www.tns-cf.com) is one of Canada's most prestigious full-service marketing, opinion and social research organizations.

About TNS

TNS is a leading global provider of market information. The company collects, analyzes and interprets information to help its clients better understand the needs and wants of their customers. TNS provides research, advice and insight on market segmentation, advertising and communications, new product development, brand performance and stakeholder management. The company is also one of the leading providers of social and political polling.

From its global network, which spans 70 countries, TNS provides local expertise and knowledge, together with internationally consistent information and analysis to multi-national organizations.

TNS is listed on the London Stock Exchange (TNN). Further information can be found on www.tns-global.com.