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Consumers continue to prioritize social responsibility across business sectors, despite recession

Washington, DC, March 29, 2010 - According to a survey released today, social responsibility remains a high priority for consumers, regardless of the recession. The second annual Corporate Social Responsibility Perceptions Survey, conducted by research-based consultancy Penn Schoen Berland in partnership with brand consulting firm Landor Associates and strategic communications firm Burson-Marsteller, analyzed consumer views of companies operating across 14 industries ranging from Apparel to Telecommunications. The survey finds that more than 75% of consumers say that it is important for companies in each of the industries tested to be socially responsible.

The research also reveals that consumers think that companies most often come up short in the sectors where they believe responsible behavior is most important. Of the five industries where respondents most highly value responsibility, financial services, healthcare and media are perceived as performing worst on the issue. The healthcare industry fares especially badly, as just 35% of consumers say that the industry has performed well on social responsibility over the last five years – a 10 percentage-point drop since 2009.

“Industries consumers perceive as lacking in responsibility may have the greatest opportunity to benefit from authentically improving their image.” said Scott Osman, global director of the Landor Associates Citizenship Branding practice. “Johnson & Johnson, a recognized leader in corporate responsibility, performed very well relative to the healthcare sector this year. The fact that consumers cite the poor performance of these industries shows that they care and are paying attention. By communicating real success in the area of corporate responsibility, corporations have the potential for considerable benefits.”

The survey also found that companies have an opportunity to influence consumer perceptions if they are able to communicate their social responsibility efforts more effectively. Just 13% of consumers report having read about a company’s social responsibility agenda on its website – but 75% of those who have done so indicated that it made them more likely to purchase products or services from that company.

“Companies need to combine strong social responsibility programs with effective communication of what they are doing,” noted Eric Biel, Managing Director for Corporate Responsibility at Burson-Marsteller. “While many consumers may not be precise in how they define terms like “corporate social responsibility,” they do have a clear sense of how they expect companies to behave. They expect companies to offer high-quality products at good prices and to explain how they treat their employees well, give back to their communities, and respect the environment,” added Biel. “Those companies that can clearly articulate how they advance these values to consumers can achieve real benefits for their brands and their overall reputation.”

Socially responsible behavior can also have significant positive business impact. Even during tough economic times, 38% of respondents still plan to spend the same or more for products and services from socially responsible companies. And 70% are willing to pay more for a \$100 product from a company they regard as responsible.

“Social responsibility remains a differentiator for purchases. Though the recession is causing consumers to be even more price-sensitive than usual, many are still willing to put their pennies where their principles are,” said Scott Siff, Executive Vice President of Penn Schoen Berland. “And when price is comparable, the choice is no contest – 55% are more likely to choose a product that supports a certain cause when choosing between otherwise similar products.”

Other key findings of the survey include:

- Of 14 tested industries, Food, Consumer Goods and Retailers are perceived as performing best, while Financial Services, Healthcare and Media are perceived as performing worst. .
- Consumers perceive General Mills to be the most responsible of 64 tested brands.
- 72% say they will make some sacrifices in their spending or in their salary to support social responsibility.

About the Corporate Social Responsibility Perceptions Survey

Penn Schoen Berland, in conjunction with Burson-Marsteller and Landor, conducted 1001 online interviews with the general public in the U.S. (ages 18+) from February 10-12, 2010. Overall, the margin of error is +/- 2.53%, and greater for subgroups.

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About Landor Associates

Landor Associates is one of the world's leading strategic brand consulting and design firms. Founded by Walter Landor in 1941, Landor pioneered many of the research, design, and consulting methods that are now standard in the branding industry. Partnering with clients, Landor drives business transformation and performance by creating brands that are more innovative, progressive, and dynamic than their competitors. Landor is part of WPP, one of the world's largest global communications services companies. For more information, please visit www.landor.com

About Burson-Marsteller

Burson-Marsteller (www.burson-marsteller.com), established in 1953, is a leading global public relations and communications firm. It provides clients with strategic thinking and program execution across a full range of public relations, public affairs, advertising, and web-related services. The firm's seamless worldwide network consists of 57 wholly-owned offices and 46 affiliate offices, together operating in 59 countries across six continents. Burson-Marsteller is a part of Young & Rubicam Brands, a subsidiary of WPP (NASDAQ: WPPGY), one of the world's leading communications services networks.

About Penn Schoen Berland

Penn Schoen Berland is a global research-based consultancy that specializes in messaging and communications strategy for blue-chip political, corporate and entertainment clients. PSB has over 30 years of experience leveraging unique insights about public opinion to provide clients with a competitive advantage. PSB executes polling and message testing services for Fortune 100 corporations and have helped elect more than 30 presidents and prime ministers around the world. Penn Schoen Berland is a part of Young & Rubicam Brands, a subsidiary of WPP, one of the world's leading communications services networks. More information is available at www.psbresearch.com.