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Corporate America Take Note: Environmental Responsibility Is High On Consumers' Priority List

New York, NY, March 16, 2007 – Amid growing concerns about climate change, Americans are increasingly taking action to reduce their environmental footprint. Six-in-ten adults (61%) have sent items to be recycled in the past 12 months, a 6-percentage-point increase from last summer; more than half (58%) have also chosen products with recycled content; and just under half (44%) have taken steps to be more energy-efficient at home.

According to the second edition of **I-Rep**, Ipsos' biannual survey on perceptions of large companies, Americans overwhelmingly say that companies do not pay enough attention to their social and environmental responsibilities (60%) and should work to improve their products and services' wider impacts (77%). Only one-third (35%) say that companies are listening and responding to the public's concerns.

Americans identify environment and wildlife protection as the area large companies should contribute to the most (45%), placing this slightly ahead of fighting poverty in the United States (42%) and education and schools for children and teens (33%).

Americans say providing affordable healthcare for employees (39%) and dealing with inflation and oil prices (31%) are the two most pressing issues for large companies over the next few years. However, the environment places fifth in issues mentioned (cited by 20%), on par with managing costs (21%) and competing with emerging economies (21%).

"While quality of products and services is the most important factor for consumers judging companies, environmental and social responsibility is as strongly related to goodwill as customer service and value for money," states Annabel Evans, vice president of Ipsos Public Affairs and author of the study. "Companies that are spontaneously thought of as particularly responsible are primarily recognized for their environmental initiatives."

That said, Americans find it difficult to judge the social and environmental performance of individual companies. Only one-third (35%) can think of a company they feel acts particularly responsibly and no company stands out as a leader among more than 2% of the population. "Companies that receive high ratings for social and environmental responsibility are those with widely reported philanthropy or environmentally friendly products," notes Evans. "Companies that attract high negative ratings are criticized across most aspects of their business, tend to operate in sectors that are perceived as environmentally damaging, and are corporate goliaths in terms of their overall revenue and profitability."

Companies that put good social, environmental, and ethical behavior at the core of their business have great potential for winning the hearts, minds, and wallets of increasingly ethics-savvy consumers. Americans who are aware of good corporate practices act on their knowledge: one-in-five (19%), for example, have bought a product or service because of an established link to a charitable organization. However, most consumers find it difficult to know which products are better for society and the environment (61%) and they claim that more information about companies' social, environmental, and ethical behavior would influence their purchase decisions (62%).

lpsos has identified a group of men and women who are more vocal and opinionated about companies than others and could help large corporations spread the word about their ethical standpoint. Around one-quarter of Americans fall into the group lpsos calls "Ethical Advocates": people who regularly advise their friends, family, colleagues, and others to use—and more often, not to use—a particular company due to their beliefs about whether it acts responsibly or not.

Methodology

Online interviews were conducted as part of Ipsos' i-Rep American Public program between February 23 and March 5, 2007, with a nationally representative sample of more than 1,000 adults aged 18 and over from Ipsos' U.S. internet panel. The margin of error is \pm 3.1. The research investigates the expectations for and perceived performance of major companies from a variety of sectors on a range of reputation metrics.



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Ipsos Public Affairs is one of the company's five research specializations. In the US, it has offices in New York City, Washington, DC, Chicago and Seattle. It specializes in corporate reputation, issues management, strategic communications and sociopolitical trends, serving the needs of corporations, non-profit organizations, public relations firms, news media and governments. Its toolbox for conducting tailor-made solutions includes rapid turnaround quantitative polling, qualitative focus groups, online panels, elite and stakeholder interviewing, syndicated subscriptions, and proprietary research techniques. Ipsos Public Affairs is well known as the polling partner of *The Associated Press*, the world's oldest and largest news organization. To learn more, visit: www.ipsos-na.com/pa

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