

# SHOPPING FOR A BETTER REPUTATION

Perspectives on the Retailing Industry

The RepTrak Company | Content and Community

The global Retailing industry is still well-positioned to grow its reputation in 2021. In 2020, it led as one of the top 10 most reputable sectors for the third year in a row. As the industry heads into 2021, it maintains its “strong” position, with an overall Reputation Score of 73.

While the industry is resilient, its present challenges continue from last year. With the COVID-19 pandemic still surging, stay-at-home, and social distancing protocols in effect, for 2020, retail sales are forecast to fall 5.7 percent. Consumers continue to utilize a combination of alternative shopping services such as curbside pick-up and digital or online shopping.

Products, Governance, and Citizenship most influence the Retail sector’s reputation. Heading into 2021, the industry performs strongest across Products; yet, despite modest improvements, it performs just average (<70) across Citizenship and Governance.

Retailers have worked hard to provide a safe shopping environment for consumers and employees, resulting in a lift in their overall Reputation Scores. Yet this is not translating into business outcomes - the industry is at risk for Workplace, with one-fifth of the IGP reticent to work for retailers. Since 2018, "Work For" has been the lowest-scoring business outcome, where it lags the industry Reputation Score by an average of 10 points. COVID-19 has only exacerbated this trend; in 2020, nearly half of retail managers report frequent employee departures due to COVID concerns.

To better realize Workplace outcomes, retailers must take Workplace-related actions and connect them to Governance and Citizenship ideas. Retailers can meet external and internal stakeholder needs by focusing on their employees' well-being, rewarding them fairly, and being open and transparent about the way their companies operate.

## RETAILING INDUSTRY

73.3

December 2020  
Reputation Score for  
Retailing Industry  
(+1.5 from 2019)

20%

Most Influential Driver  
Shaping Retail - Products

+1.8

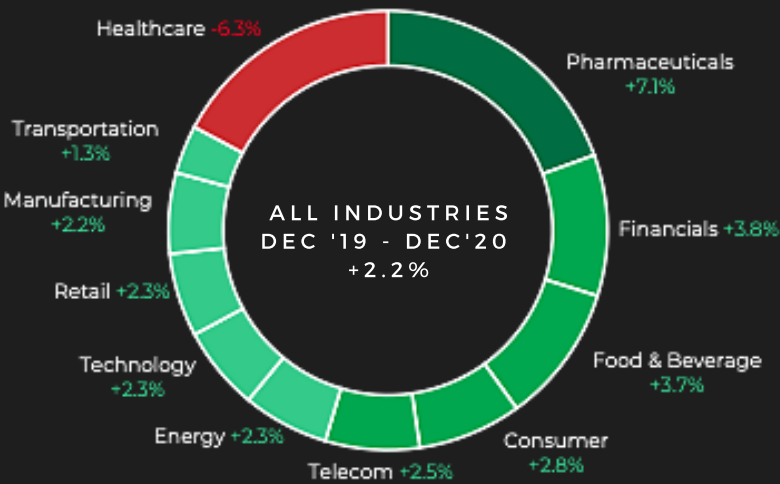
Most Improved Driver  
Score - Innovation

51%

Percentage of the IGP who  
are Ambassadors "Willing  
to Buy" from Retailers

## GLOBAL CONTEXT

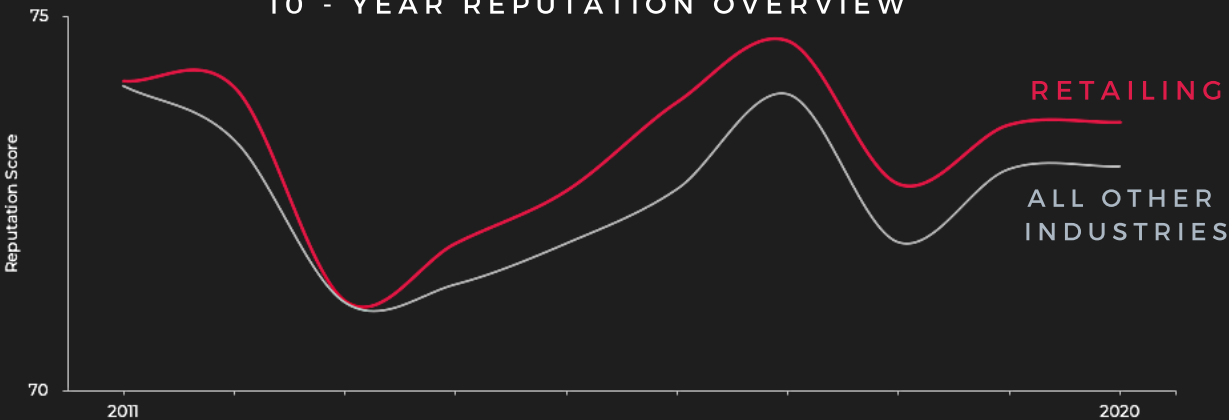
### INDUSTRY POINT % CHANGE



### INDUSTRY POINT SCORE CHANGE

All Industries	Dec-19	Dec-20	Score Change
Consumer	71.8	73.8	2.0
Energy	63.3	64.8	1.5
Financial	66.5	69.0	2.5
Food & Beverage	72.1	74.8	2.7
Healthcare	73.8	69.2	-4.6
Manufacturing	65.8	67.2	1.4
Pharmaceuticals	66.9	71.6	4.8
Retail	71.9	73.6	1.6
Technology	71.0	72.6	1.6
Telecommunicat	59.2	60.7	1.5
Transportation	66.1	67.0	0.9

### 10 - YEAR REPUTATION OVERVIEW



## INSIDER Q&A

The RepTrak Company spoke with Keith Dailey, CCO, and Chief Sustainability Officer, at Kroger, in September 2020 to get his perspective on which areas were most critical for retailers to pay attention to and how to grow their reputations the next year.

Keith says that retailers are called to “meet the moment.” Keith spoke regarding an ongoing trio of crises: the global pandemic, the related economic downturn, and, at the time, the racial unrest in the United States. He recommends that any company concerned with their reputations, or, even more broadly, how they can best affect society, must first consider how to live their purpose, values, and decide how to “authentically show up.”

For Kroger, this meant operating through the early stages of the pandemic and onward while prioritizing clean, safe, and open stores to provide what Keith calls “a fundamental service.” From an economic downturn standpoint, Kroger was able to hire 100,000 new workers in three months. Lastly, concerning racial unrest, Keith says it is essential for companies to “take time to listen closely, listen deeply, and be willing to take action, serious and committed action to change the face of both your company and society.”



Keith Dailey  
CCO, Kroger

As group vice president of corporate affairs, Dailey serves as Chief Communications Officer and Chief Sustainability Officer. He also serves in leadership roles with both The Kroger Co. Foundation and The Kroger Co. Zero Hunger | Zero Waste Foundation.