

## KWD Webranking 2011

15<sup>th</sup> edition in Europe, 7<sup>th</sup> in Austria

20 largest companies analysed in Austria and 950 in Europe in 28 industry sectors

Analysis of corporate websites in English through an evaluation

protocol composed of 120 criteria, of which one third is dedicated to financial information

More than 500 responses to the two KWD Webranking Questionnaires

## KWD Webranking 2011 Austria Top 10

1	OMV	61.75 points
2	Erste Group	56
3	Zumtobel	55
4	Telekom Austria	54
5	Evn	53.25
6	Verbund	52.75
7	Wienerberger	51.75
8	Vienna Insurance	50.25
9	Voestalpine	49.5
10	Strabag	48.25

## Best improver

Raiffeisen International	(+4.75 points)
OMV	(+1.5)
Telekom Austria	(+0.75)
RHI	(+0.5)
Verbund	(+0.25)

## KWD Webranking Austrian Hall of Fame

2011	OMV
2010	Wienerberger
2009	Wienerberger
2008	Wienerberger
2007	Telekom Austria
2006	Telekom Austria
2005	Telekom Austria

## 7<sup>th</sup> Edition

### KWD Webranking 2011 Austria Top20

## OMV tops ranking in Austria for best corporate website followed by Erste Group and Zumtobel

The research reveals that Austrian companies are weak in presenting financial, corporate governance and sustainability information

The Austrian oil and gas company **OMV**, with 61.75 points out of 100, won for the first time the award as the best Austrian company in online financial communications in the annual **KWD Webranking 2011 Austrian Top20** (previously H&H Webranking). This is the 7th Austrian edition of the study conducted by **KWD** (the digital division of Hallvarsson&Halvarsson) in collaboration with **Lundquist** and published by **Wirtschaftsblatt**.

OMV edged out **Wienerberger**, which had won the title three years running and this year fell to seventh place. With 56 points out of 100, **Erste Group** maintained second place while **Zumtobel** finished third.

Only five companies improved their score this year. The corporate and investment bank **Raiffeisen International** is the "best improver" with an increase of 4.75 points, followed by **OMV** (+1.5), **Telekom Austria** (+0.75), **RHI** (+0.5) and **Verbund** (+0.25).

This year the Austrian ranking took into consideration the 20 blue chips companies included in the ATX index, down from the 44 evaluated last year (drawn from the ATX Prime index). The average Austrian score rose to 44.8 from 42.8, but considering only the 20 companies analysed both in 2011 and 2010, the average score last year would have been 49.1 points, 4.3 points more than this year's average. This result confirmed that most of the Austrian companies are losing ground and that no significant progress was made over the past year.

"Austrian companies are still using their corporate websites as static platforms rather than as strategic tools to build reputation and respond to stakeholder needs", said **Joakim Lundquist**, KWD's representative in Austria and the founder of Lundquist.

The 2011 evaluation protocol is based on 120 criteria, drawn on the basis of the more than 500 responses to the **KWD Webranking questionnaires** that annually investigate what information and functionalities are required by various stakeholders who use corporate websites. The new protocol, which eliminated the section devoted to technology and website structure, assigned greater importance to corporate governance, corporate responsibility and employer branding.

## KWD Webranking Europe 500 top 10

1	Telecom Italia	89 points
2	Eni	87
3	BASF	83
4	Repsol YPF	81.75
5	SCA	79.5
6	Neste Oil	79.25
7	Deutsche Post DHL	79
8	Fortum	78.5
9	UniCredit	77.25
10	Danske Bank	58.5

## KWD Webranking Europe 500 Best Austrian companies

52	OMV	61.75 points
87	Erste Group	56
108	Telekom Austria	54
125	Verbund	52.75
160	Vienna Insurance	40.25

## Austria is slowly improving in the European ranking, but still no Austrian company is in the top 50

The Austrian ranking is part of a larger study that in 2011 evaluated more than 900 companies at a global level. This includes the Europe 500 (companies included in the FT Europe 500), the Global 100 (the largest companies in the FT Global 500) and different country rankings.

Telecommunications operator **Telecom Italia** won the European ranking followed by Italian energy company **Eni** and German chemical producer **BASF**.

Eight of the 9 Austrian companies included in the **KWD Webranking Europe 500** improved their score compared with last year, receiving an average score of 48.8 points. This result is slightly higher than the Europe 500 average (44.2 points) however, no company scored high enough to enter the top 50. **OMV**, the best Austrian performer, ranked 52<sup>nd</sup> overall followed by **Erste Group** in 87<sup>th</sup> place and **Telekom Austria** in 108<sup>th</sup>.

The Austrian results show that there has been improvement made during the last year, but companies still did not understand how to utilize the web to its maximum communicative potential, exploiting it as a tool to increase disclosure while building credibility and openness.

KWD (King Worldwide Digital), is an International consultancy specialised in online corporate communications. KWD became the digital division of H&H (Hallvarsson&Halvarsson) in 2010. KWD has a global presence with offices in London, Stockholm, Milan, Dubai and Lisbon.

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## Main results of KWD Webranking 2011 Austria

The study found no significant improvement in the results between 2010 and 2011, Austrian firms are at a standstill. The score of the top performers increased slightly in 2011, although it remains very low compared to the European counterparts. In addition, more than half of the companies scored less than 50 points, what is considered a minimum level for an effective corporate website that responds to the needs of users.

The areas where Austrian firms performed best were **company information** and **financial reporting**. They do quite well in describing their geographical spread, providing financial presentations as well as archived annual and interim reports, and presenting key information about the company, its history and businesses.

Austrian companies scored very low in **interactivity and online engagement**. For example, only 30% of the companies provide a link between the website and the company's social media outlets. Moreover, only half of the companies present a corporate film and 25% have a video gallery.

**KWD Webranking 2011: facts and figures**

- Each site evaluated twice (top performers a third time)
- 4 hours on average spent analysing each corporate website
- Almost 180 hours of evaluations in Austria
- 4.800 judgments made in Austria
- Hundreds of best practice examples identified
- Team of 7 people dedicated to the research

## Meeting the user's expectations on sensitive information

The Austrian research highlighted that there are big gaps between what professional users and stakeholders want to find on a corporate website and what companies present. For example, information about the outlook for the business has emerged as one of the most requested pieces of information in our survey on professional users. The study found that 90% of the companies do not offer any information about their business model, while 85% do not state their financial targets.

Austrian companies are good at describing their activities, but they fail to provide information about their sector (75% provide no information), which is one of the most useful pieces of information for users (see results of the KWD Webranking Questionnaire). Moreover, no Austrian companies present speeches by key executives and just one company provides transcripts from teleconferences.

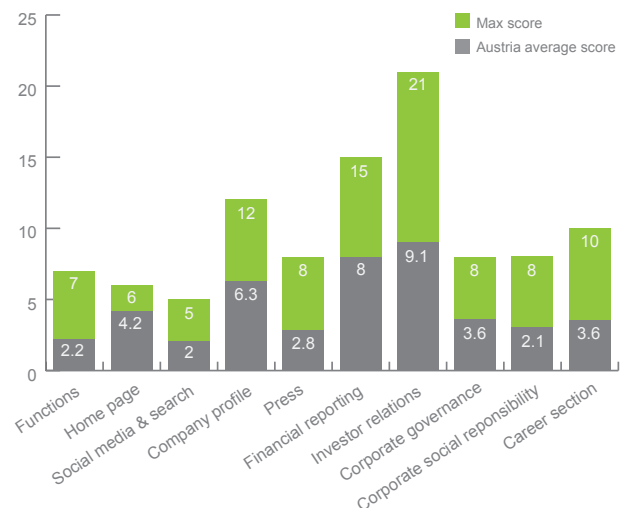
In this way, firms are missing the chance to use the web to communicate their equity story and explain why investors should consider their company. This year, the protocol

introduced a new criterion on the **company proposition to investors** and only one company met the requirements to get the full score.

**Corporate governance** issues have grown in importance during the global economic crisis, above all as a measure of transparency and risk. But in the last couple of years Austrian companies have made limited steps forward in this area. All Austrian companies do a good job in presenting curricula of board members, at the same time, more than half fail to publish insider trading information and 70% do not provide any information on remuneration policies on their websites.

"Austrian companies are missing an opportunity to use the web to build trust among their key stakeholders," explained **Giulia Dini**, a KWD Webranking researcher in Milan. "Openness and transparency have become essential."

KWD Webranking Austria 2011: Austrian companies' score comparison by section



Source: KWD Webranking Austria 2011

**KWD Webranking Austria 2011: key findings**

**What works**

- 12 out of 20 Austrian companies present their business purpose
- All companies present key information about the company
- All companies provide archived annual reports
- All companies provide investor relations contacts
- 17 Austrian websites work well on mobile

**And what doesn't**

- No Austrian companies provide information about their peers
- 18 do not provide any information about investment and divestment activities
- 12 do not offer any debt information and credit ratings
- 15 do not give an explanation of how their CR strategy is linked to the overall corporate strategy
- Only 3 present social data

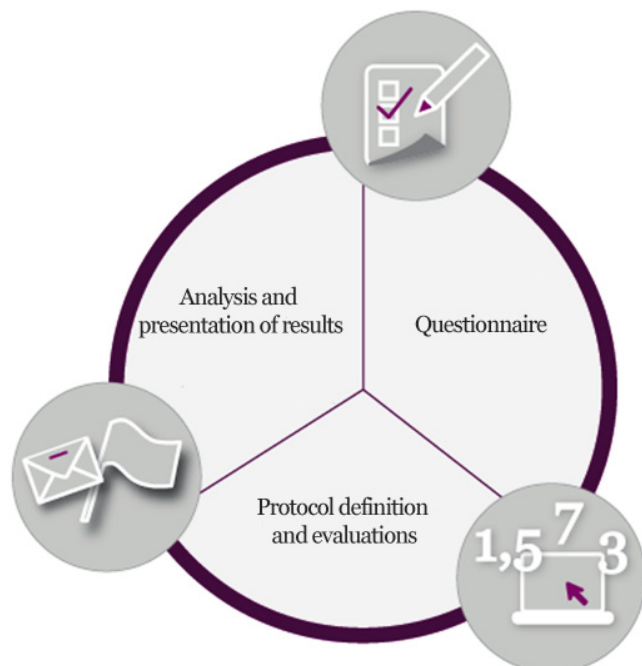
## KWD Webranking 2011

The KWD Webranking survey (previously known as the H&H Webranking), now in its 15<sup>th</sup> European edition and 8th Austrian edition, is the most in-depth analysis of online financial and corporate communications in Europe. The KWD Webranking is a valuable instrument not only for measuring the effectiveness of a company's online communication, but also for comparing results with other national and international companies. The study evaluates the English language version of corporate websites, excluding commercial sections.

In Austria, the research ranks the 20 biggest companies by market capitalisation as of June 2011 (from the ATX index) while on the European level 950 companies are evaluated. This includes national classifications in 20 countries as well as a European ranking consisting of the largest 500 companies by market value (based on the FT Europe 500 index). In addition to the European ranking, the research includes a classification that ranks companies in the FT Global 100 list. The European classification included 9 Austrian companies.

The communication needs of the financial market are reflected in the research via a questionnaire submitted to analysts, investors and financial journalists every year. The results are used as the basis for updating evaluation criteria. After revising the protocol, the annual evaluation of the corporate websites takes place. The results of the research are published by some of the most important newspapers across the continent.

## KWD Webranking 2011 process



## The KWD Webranking 2011 questionnaires

The KWD Webranking research protocol is defined and updated annually based on the results of two questionnaires, the first aimed at the financial community and the second at people working in employer branding.

The questionnaires surveyed how respondents use the web and what information and functionality they require from the corporate websites of listed companies. The evaluation protocol is refined on the basis of the responses to the questionnaires.

### KWD Webranking questionnaire for the financial market

296 analysts, investors and financial journalists responded to questionnaire aimed at the financial market

According to 70% of respondents, corporate websites should include information on the industry sector of the company and its market position

67% of respondents say an internal search engine is one of the most important functions on a corporate website

The KWD Webranking questionnaire asked analysts, investors and business journalists what they expect from a corporate website. Based on replies from 296 respondents, the following ten areas are the most important:

1. Financial reports, annual reports and interim reports
2. Presentations from presentations and shareholders' meetings
3. Market share, market statistics and competitors
4. Financial calendar
5. Archive for annual reports, interim reports and press releases
6. Financial targets and target achievements
7. Latest press release, clearly labelled on the home page
8. Growth drivers, an indication of future performance
9. Contact details, in particular personal contact information
10. Company's debt maturity structure and interest-bearing liabilities

The second annual employer branding questionnaire collected responses from 205 professionals from across Europe and determined the criteria for the employer branding section.

The results of this questionnaire showed that for 76% of respondents the corporate website is the main source of information when searching for job vacancies and other career information.

Also considered very important is the possibility to file job applications through the website (76%), and the availability of information on career opportunities (83%) and the company's human resources strategy (80%).

## KWD Webranking 2011 protocol

The KWD Webranking 2011 protocol includes 120 criteria divided in 10 sections for a maximum score of 100 points. Changes were made to several sections, in particular to the one dedicated to **functions and interactive applications**. In this section, new criteria linked to tablet and smartphone applications were added as were some tied to the possibility to leave feedback and personalise the website.

### Employer branding questionnaire

**205** responses from across Europe ranging from new graduates to experienced professionals

**83%** say a corporate website should include a section dedicated to professional opportunities

More than **80%** say corporate websites should have contact information for the heads of human resources

New to the research is the elimination from the protocol of the section dedicated to **design & technology**, which included several criteria linked to usability, navigability and accessibility. The section that groups together the criteria connected to **social media**, introduced in the 2010 research, was confirmed and increased its weight.

The section on **financial information** remains the most important in the protocol and this year was divided into two separate sections, one dedicated to financial reporting, the other to general financial information. The number of criteria rose to 39 from 35 (12 in the financial reporting section and 27 in the general financial information area).

The maximum score in the sections dedicated to **corporate governance**, **corporate responsibility** and **employer branding** were raised. The maximum score in the section dedicated to corporate governance rose to 8 points from 6.5 in the previous edition. More significant changes were made to the corporate responsibility section (8 points compared with 4.25) and employer branding (10 points compared with 6).

Category	Criteria	2011 Points	2010 Points
<b>Technology</b>			
A. Corporate/IR front page	8	6	5.25
I. Social media & search	5	5	4
J. Global/interactive functions	10	7	10.75
<b>Contents</b>			
B. About us	14	12	10
C. Press	10	8	7.25
D. Financial reporting	12	15	33.25 <sup>1</sup>
E. Investor Relations	27	21	
F. Corporate governance	10	8	6.5
G. Corporate responsibility	13	8	4.25
H. Career section	11	10	6
<b>Total</b>	<b>120</b>	<b>100</b>	<b>87.25<sup>2</sup></b>

<sup>1</sup> In 2010, the section dedicated to financial information had three sub-sections (reporting, financial information and information on the stock) for a total score of 33.25 points. In 2011, the section was divided into two separate areas: reporting and financial information.

<sup>2</sup> The total score is 87.25 without considering the section "Structure, design & technology", that is no longer present in the Protocol 2011

## KWD Webranking 2011 Austria Top20 classification

2011 Position	Change	2010 Position	Company	2011 Score	Position in Europe 500
1	↗	3	OMV	61.75	52
2	→	2	Erste Group	56	87
3	↗	4	Zumtobel	55	n.a.
4	↗	7	Telekom Austria	54	108
5	→	5	Evn	53.25	n.a.
6	↗	8	Verbund	52.75	125
7	↘	1	Wienerberger	51.75	n.a.
8	↗	9	Vienna Insurance Group	50.25	160
9	↘	6	Voestalpine	49.5	171
10	→	10	Strabag	48.25	n.a.
11	↗	22	Raiffeisen Bank International	45.25	233
12	↗	18	Andritz	42.75	268
13	↗	14	Ca Immobilien Anlagen	42	n.a.
14	↘	12	Oesterreich Post	41.5	n.a.
15	↗	35	Rhi	37.5	n.a.
16	↘	15	Intercell	34.75	n.a.
17	↗	23	Semperit	32.25	n.a.
18	↗	19	Conwert Immobilien Invest	30.5	n.a.
19	↗	29	Immofinanz	30.25	413
20	↗	41	Schoeller-Bleckmann	26.5	n.a.

The maximum point score is 100 points. The 20 companies have been chosen because of capitalization as of June 2011 (source: Wiener Borse). Each site has been evaluated twice by different researchers between beginning of July and 2<sup>nd</sup> of September. Companies in the top five have been ranked evaluated three times.

Previous years ranking can be found on [www.webranking.eu](http://www.webranking.eu).