

Methodology

SIGWATCH tracks the messages and issues generated by NGO (non-governmental organization) campaigns, to help business and government manage and anticipate activist risk.

The initiatives of over 9,000 NGOs across the world are reported and quantified constantly to reveal how they are driving some 1,000 issues and measure their potential impact on more than 20,000 companies, projects and brands, both locally and globally. The data and insights from this campaign tracking is being used by dozens of leading multinationals and investors in energy, chemicals, mining, FMCG, financial services, healthcare, retail and communications across the world to help them stay on top of campaigns and issues that could affect their businesses and portfolio performance.

Every working day 30 to 40 new campaigning actions are alerted to users, capturing breaking campaigns as they happen or in advance. A campaigning action might be the launch of a new public awareness initiative, a new target or tactic, a new publication or report, new litigation, or a direct action or street protest. By focusing on 'new' actions rather than repetition, and reporting them as soon as, or before they happen, users can be sure they are able to respond at the most critical point of an emerging risk.

SIGWATCH monitoring of NGOs is conducted in a wide range of languages, not just English, but also French, Italian, Spanish, Portuguese, German, Dutch, Swedish, Danish, Norwegian, Finnish Turkish, Greek, Romanian, Bulgarian, Albanian, Polish, Russian, Ukrainian, Japanese, Chinese, Indonesian, Malay and Thai.

Selection of NGOs

SIGWATCH monitors campaigning, advocacy and grassroots groups and think tanks that are independent of political parties or business interests, across all causes and issues. Labor unions and professional associations are also covered when they speak out on issues of public concern (eg. labor unions on supply chain abuses, medical associations on air pollution). SIGWATCH is not in a position to judge the veracity of NGO allegations, but we have to recognise that the generally high credibility of NGOs means their claims are likely to influence the media and other stakeholders, and thus affect the reputation of businesses and the decisions of investors.

Quantification

As well as reporting the substance and nature of campaigning actions, SIGWATCH quantifies these actions in terms of levels of targeting of industry sectors and individual companies. A key metric arising from this process are Reputational Impact scores, which assign a notional value to the relative potential effect of an NGO action on the public perception of a corporation's or industry's trustworthiness.

Because Reputational Impact scores measure the view of NGOs rather than from any ensuing media coverage (or in many cases, absence of coverage), they are a valuable indicator of what NGOs are really worried about and provide a unique early warning system for emerging reputational problems.

Reputational Impacts are calculated using the following formula:

$$\text{Reputational Impact} = \sum \{ (NGO \text{ influence}) \times (Sentiment) \times (Prominence) \}$$

NGO influence

Value represents the geographical reach of the NGO, as a measure of its ability to disseminate its message. Domestic US groups are weighted more strongly than those in other countries, to take into account their relatively greater resources (eg. if California was a sovereign state, it would have the world's fifth largest GDP).

Local NGO: influence weighting 0.5, USA 1.0

National NGO: 1.0, USA 1.5

National coalition: 1.5, USA 2.0

World Regional NGO: 2.0, USA 2.5

World Regional Coalition: 2.5

Global NGO: 2.5

Global Coalition: 2.75

Sentiment

-2: Strong criticism – the entity is described in hostile and very negative terms (“XXX is murdering the planet”). -

1: Mild criticism – the entity is criticized, but in moderate way (“XXX makes products that damage the environment”).

0: Neutral – the entity is neither criticized nor praised, or is only mentioned for reference (eg. in “YYY, famous for ZZZ, drowned the world in hazardous beverages...”, ZZZ is treated as a neutral mention).

+1: Mild praise – the entity is praised but not effusively (“AAA has effective policies on animal welfare”), or the entity is included in a list of ‘these are the good guys’.

+2: Strong praise – the entity is praised in emphatic terms, usually also being singled out (“AAA leads the world on animal welfare standards”).

Prominence

4: Named in the headline of the NGO’s principal communication (eg. a press release or report), or being that communication’s sole subject.

3: Named in the sub-headline or first paragraph of the principal communication.

2: Named less prominently in the principal communication.

1: Mentioned only in an accompanying report or document, if there is one.

0: Not mentioned.

When multiple NGOs are involved in the same action, separate reputational impact scores are calculated for each NGO and these scores summed to give an overall score for the action.

Praise, criticism and neutral scores are tallied separately for each corporation. By keeping these three values separately, changes in NGO attitudes to corporations can be accurately captured.

Other significant attributes captured

NGO types

A critical data element we capture is the name of the NGO behind the reported campaigning action. Up to five names will be recorded for each action, and we distinguish between national and local branches of the same NGO. So if Greenpeace launches a campaign simultaneously in France, Germany and Brussels (for pan-EU), there will be three NGO tags: Greenpeace France, Greenpeace Germany, and Greenpeace Europe.

Issues

Every campaigning record is tagged with two issues from a possible 900+ options. The issue tags capture the main focus of the campaigning action. Where the action is about a single topic, eg. caged eggs and hen welfare, one of the

issue tags will be broad ('Animal welfare in food production') and the other will be narrow ('Battery cages'). If more than one issue is involved, then the two most prominent issues will be captured.

'Active' and 'Target' countries

Every campaigning record is tagged for Active and Target countries. Active countries capture where the NGOs are campaigning. Target countries capture which countries are directly affected by the campaign. For example, if an NGO in Canada campaigns about a mine in Canada, the Active country is Canada, and so is the Target country. If a Canadian NGO is campaigning about a mine project in Colombia, the Active country is Canada, but the Target country is Colombia. If the Canadian company that owns the Colombian mine is also targeted by the Canadian campaign, the Active country is again Canada, but both Canada and Colombia are the Target countries.

Industry sectors

If specific industry sectors are mentioned, the campaigning record will be tagged to capture this. Each sector name will be recorded, along with a prominence and sentiment rating, in the same way we record corporate mentions (see above for more details).