



BLUE RIVER STONE

EXECUTIVE SUMMARY
BEST CORPORATE WEBSITE AWARDS 2006

Financial Mail Best Corporate Website Awards Executive Summary Report 2006

Introduction

For the first time in its 3-year history the evaluation of corporate websites that BRS does for Financial Mail has become an award. As an award we have raised the standards both in the way in which we do the methodology and in the range of metrics we use to assess the websites. This was also the first year that we have opened the evaluation to JSE and AltX listed companies who fell outside the top 100 by market capitalisation. This was made possible by the award sponsors, who were most helpful in validating our metrics based on their extensive experience in the industry. MWeb in particular assisted us in developing a communication strategy to support the awards. It has been a great challenge to communicate simply what is quite a complex and involved process, and with their help we have made some substantial progress.

How the evaluation was done

The basic premise of the index underpinning the award is the need to reflect something of the comparative experience that key stakeholders would typically have without the benefit of prior exposure to the website. The users' experience of the corporate website and email are central to the definition of success, not merely meeting technical and functional specification. Here the goal of increasing the effectiveness, efficiency and satisfaction with which specified users can achieve specified goals in particular environments (i.e. usability) are the most important goals. Effectiveness refers to the extent to which the goal of a task is achieved, efficiency refers to the amount of effort or energy required to accomplish that goal or task, and satisfaction refers to the level of comfort that users feel in achieving their goals.

These seem very subjective and difficult to measure and it is tempting to look for a set of universal guidelines and rules (even collective prejudices will do) with which to comply. The problem is not that there are no such guidelines but there are too many good ones and they are difficult to systematically reconcile with one another. For those interested, the difficulty arises because of the many different disciplines whose first principles are applied to this problem. So, our approach was rather to turn towards real users and how they actually use the website to achieve certain information goals and tasks. This approach gives the rationale by which we select from the many principles and criteria the most effective measures.

The method that we use for the website and email responsiveness assessment is a scenario-based heuristic. It was developed and tested over three years in conjunction with Prof Andrew Thatcher at the University of the Witwatersrand. This method is one of a range of evaluative techniques that take a user's perspective—generally called usability methodologies. It is not a complete usability assessment; however it does allow us to compare many websites on relatively objective criteria from the user's perspective and forms a natural starting point in the design/redesign cycle, in that it points out problematic areas and gives an order of priority to them. This is important when corporates cannot afford (and not just financially) to start from scratch, but want to improve on what is already there.

The scenario identifies a prototypical user having certain motivations about a system (e.g. a communication or information need). It describes the actions that a user is likely to take and characterises the results of these actions in terms of the user's likely expectations. As a usability tool, the scenario provides the narrative against which the user activities can be evaluated. It allows the diverse group of people involved in the development of the website to jointly develop a common understanding of who would be using the website and what they would be doing. This can easily be tested and enriched by survey and focus group techniques or more granular data provided through usability tests. As a design tool, a scenario provides a common set of concrete criteria against which the changes can be measured. This means that the future use of the system is always kept in mind whilst developing a system.

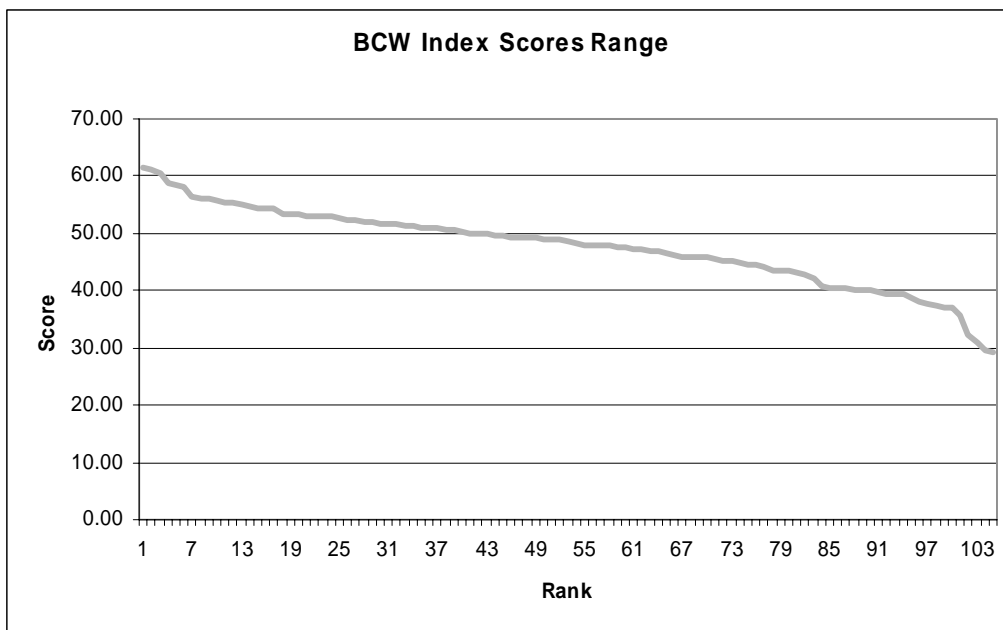
The scenario is used to develop a heuristic (or score sheet) to measure a user's interaction with the website. The heuristic contents were validated by the panel of experts before we applied it with trained evaluators in a controlled environment. The evaluators independently assess the website against these "check lists", we

then combine their scores. Where there are big differences, a moderator would check the website again to ensure that these differences are not due to obvious mistakes like analysing different websites (corporate and commercial sites with no connection between them) or tardiness. The method captures individual variability arising from different levels of experience with the Internet and levels of knowledge, as well as different search and navigation strategies.

The methodology offers the closest approximation of real users completing realistic tasks without the cost and time implications of formal usability assessments nor an appreciable loss in data quality. It can be used as a basis to provide a common, independent framework for gathering, organising, measuring and communicating website developments. It is highly adaptable, scalable and complements other evaluative and site improvement methods (e.g. Web-analytics, site performance tests, surveys etc).

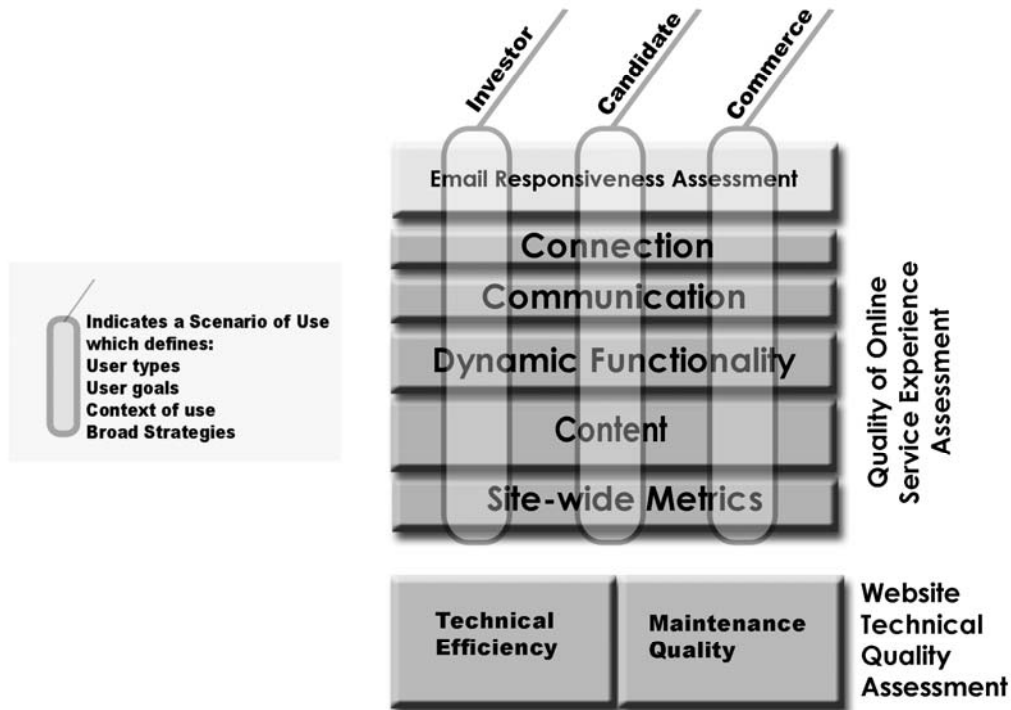
The Measurement Framework

There are two major components to the evaluation: **Technical Quality** (which contributed 20% to the final score) and **Quality of Online Service Experience** (which contributed 80%). The technical quality consists of two interrelated measures, each contributing 50% to the Technical Quality Score. The Quality of Online Service Experience score was made up of three scenarios, each consisting of a website usability assessment which contributed 80% and an email responsive score which contributed 20%. The usability assessment itself was a composite of five elements. The time to respond was the most important element for the email, but the quality of each email was also evaluated against about 20 criteria for style and content.



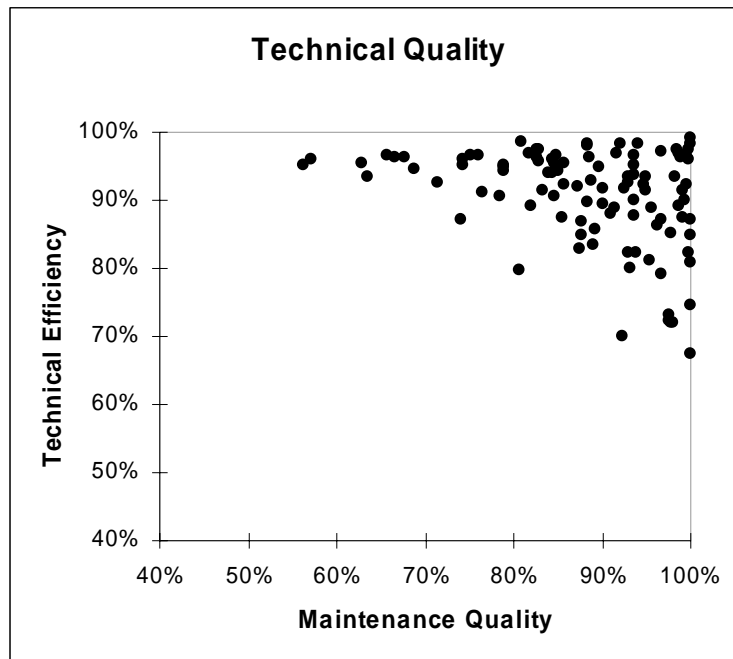
Overall, the Final BCW Index Scores Ranged from almost 30 through to almost 63—about a range of 33 points. The highest score was double the lowest score. The mean score was 47.6.

BCW 2006 Measurement Framework A User Centred Scenario-Based Heuristic



Firstly, the **Technical Quality** evaluation was done using a browser-based client side website validating and testing tool called eValid (www.e-valid.com). In site analysis mode eValid follows all the hyperlinks on a website much as a search engine spider would. Limitations on the analysis were set to a maximum of 1 000 urls (at least 25% of the site exceed this number of pages) and extensions like pdf, xls, doc, ppt and exe were excluded from the analysis but jpegs and gifs were not excluded because they are such performance hogs. This evaluation delivers important site performance metrics including: Average Links per Page, Average Bytes per Page, Average Download Time per Page (msecs/page), Broken Links per Page, % Slow Pages Visited (>3sec), % Large Pages Visited (exceeding 50Kb) and % Old Pages Visited (more than 1 day old).

We derived two scores from these metrics. The first looks at the technical efficiency of the website which reflects in part how the website was built for performance. The second looks at how well the site has been maintained. Together these give an indication of the technical quality underpinning the quality of service experience. Ideally, the website technology should be transparent and not “obscure” the experience of the website with either irrelevant displays of technical prowess, or errors and failures.



By looking at 105 corporate websites, certain trends emerge which set the benchmarks and conventions among corporate website builders in South Africa. These trends are reproduced in Appendix 1 and should serve as guidelines for determining the context for site performance benchmarks.

The **Quality of Online Service Experience** metric is made up of a website scenario-based heuristic evaluation and an email responsiveness assessment. We look at the website and email communications from the perspective of three important users of the corporate website: an investor (or for that matter a financial journalist or researcher), a candidate employee, and finally someone trying to determine business opportunities. This last metric was weighted according to the industry sector in which the company fell to compensate for the obvious differences between, say, the mining sector and consumer services.

Scenarios of corporate website use

Investor Scenario

"An investor (also financial journalist or a researcher) is looking for investor-related and corporate social responsibility information and the appropriate contact to send some specific questions to."

This remains the most important scenario for the BCW 2006 contributing 38% to the Quality of Online Service Experience, as it is the primary focus of corporate websites. We increased the number of metrics for this for 2006.

Candidate Scenario

"A potential candidate is looking for any available relevant job or internship programmes for which he/she can apply online, as well as some background information about what it is like to work at the company and the most appropriate contact to send an email/webform based enquiry."

This is an increasingly important scenario, it contributed 25% to the Quality of Online Service Experience score. Where competitors have access to the same business schools, consultants, technologies, suppliers and markets, it is instead the quality of the company's own people that makes for competitive advantage. It is therefore of strategic importance to ensure there is a strategy for the acquisition, retention, development and engagement of the best talent. But this means facing the fact that traditional Human Resources methods and metrics are inadequate. When it comes to talent acquisition, the traditional approach emphasises external

recruiters and financial rewards without understanding much of what really matters to employees. But the corporate brand has a significant role to play in attracting talent; people want to work for successful and dynamic companies, departments or even individuals within those organisations not the personnel agents that recruit for them. On the corporate website the corporate brand is not diluted by intermediaries (unless the career portal is outsourced to a branded supplier) and an e-recruitment allows for better talent management strategy by building a relationship between corporate brand and talent acquisition.

The metrics in this scenario look to content that would help a potential candidate understand what the organisation's talent strategy is and the facility to seek out and apply online for available and appropriate jobs.

Commerce Scenario

"A potential customer is trying to understand what the opportunities for doing business with the company online are. He/she needs to understand their offering e.g. products, services or operations provided by the company and how, if possible, one might go about engaging with the company on one or more of them."

This scenario was the most difficult for which to develop metrics, primarily because we are dealing with such a broad range of companies within different sectors and many companies within sectors have diversified interests. Since an e-commerce strategy is shaped by the nature of the product, service or operation that a company has, we could expect there to be a great variety of approaches. However, in an increasingly globalised economy where the Internet is a critical tool in the process of doing business, it is an important scenario to include. Not only is this scenario important for developing the business opportunities it affords, it also represents business in South Africa—about which there seems a global ignorance. Not enough emphasis is being made of the tremendous marketing opportunity for South African business implied by the 2010 World Cup. At the very least corporates can improve on telling the world about what it is that they and their subsidiaries do. And what each company does contributes to an understanding of doing business with South Africa. It was for these reasons that we included the scenario and built metrics that supported the generic customer buying cycle: Education, Need Recognition, Evaluation of Alternatives, Purchase Decision, Post-purchase Behaviour. The emphasis of the metrics is on the content and functionality supporting the first three stages.

The Process

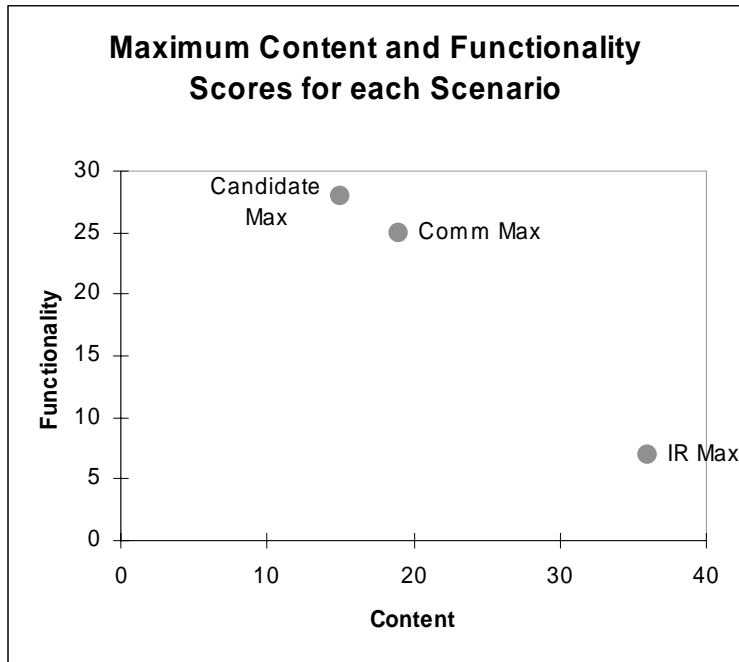
Trained evaluators independently went through each website within a limited time frame scoring on metrics for each scenario categorized into the key component of:

- Content: Accessing information important to each scenario, includes measures of website and webpage navigability, content flexibility and content aids.
- Functionality: Assesses site/user interactivity, including measures of customisation, personalisation and transactional functionality relevant to each scenario.
- Communication: Using the website to establish multiple points of contact with the most appropriate contact.
- Connection: The degree to which the website links to other important off-site resources.

And across all three scenarios we had site-wide metrics including, among others, the following key metrics:

- Ease of finding the website, knowing the name of the company.
- Navigational Aids: Site-wide elements that assist navigation to important pieces of content scenario including site map and site search facility.
- Website Usage Content: Service and legal notices regarding the use of the website and its functionality.
- Professionalism: A comparative subjective measure of the overall quality of service experience of the site.

The scenarios differed the most in the metrics relating to their respective content and functionality.



From the above graph we can see that the Investor Scenario was high on content with limited functionality measures (like can one order a printed Annual Report online), where as the Candidate and Commerce Scenarios had less on content and more on dynamic functionality metrics (can one find and apply for a job online and can one actually buy or open an account online, respectively).

All in all there were almost 200 metrics against which website were evaluated some four times more than in 2005.

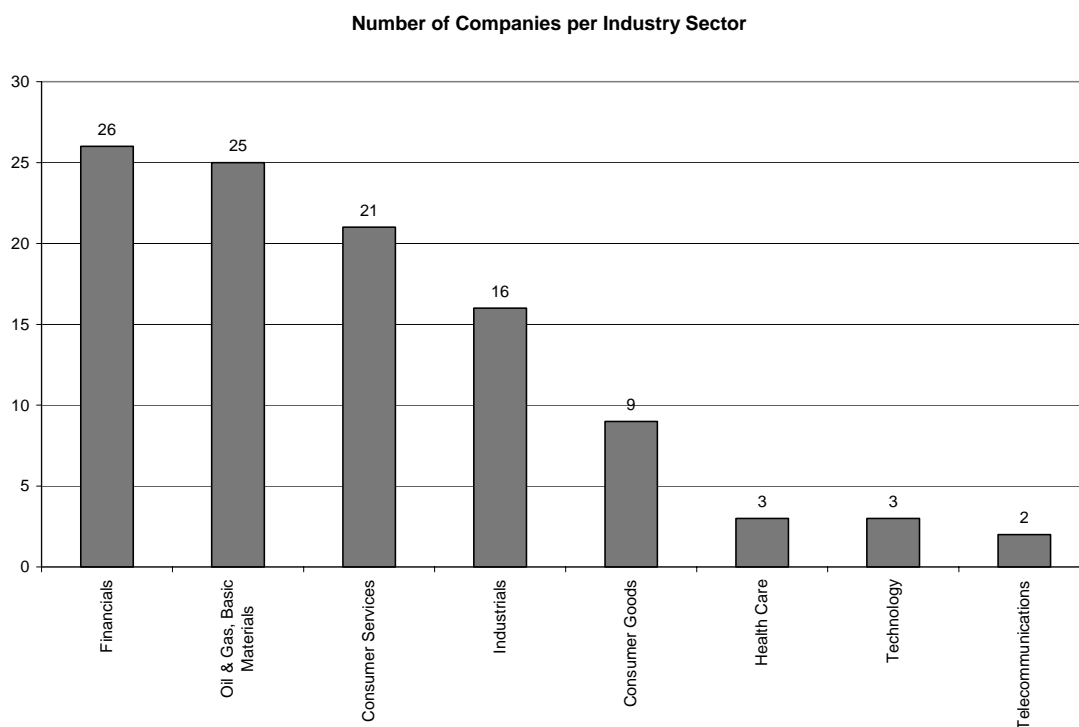
In the **Email Responsiveness** assessment, two enquiries per scenario were sent either via email or web form and we assessed:

- Time to respond: the time it took to get a reply, based on previous response time we had a cut-off limit for each email sent at no more than a week (7 days).
- Quality: which encompassed content and affect (tone and format) measures (about 24 measures in total).

The email component contributed 20% to the scenario score. We weighted the Investor Relations scenario as the most important for our award at 38%, the other two contributed 25%, the site-wide metrics contributed 12%.

Results for the Quality of Service Experience Assessment

In total 105 listed companies were assessed for 2006. They were categorised into the following industry Sectors as per Financial Mail's classification.



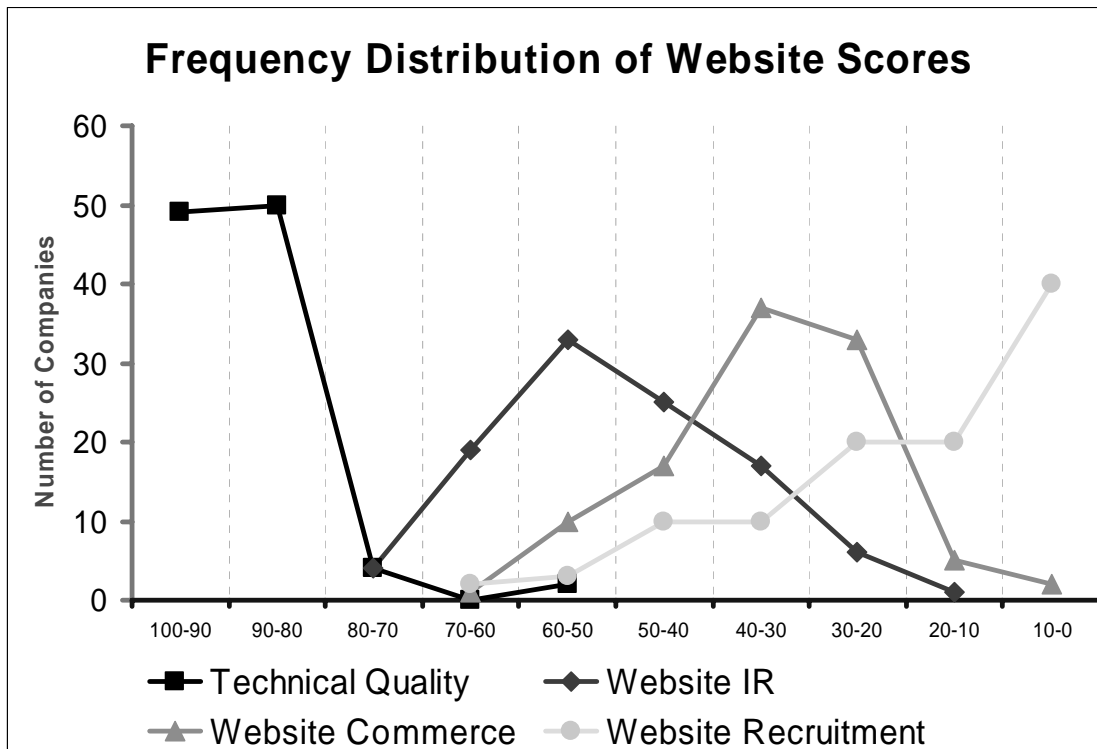
The winners per sector of the BCW 2006 Awards were:

Company	Sector	Rank
BHP Billiton	Oil and Gas, Basic Materials	1
Barloworld	Industrials	6
Distell Group	Consumer Goods	17
Medi-Clinic	Healthcare	27
Massmart	Consumer services	10
Telkom	Telecommunications	5
Coronation Fund Managers	Financials	2
Dimension Data	Technology	25

Best practice for the:

- Investor Scenario: Reunert Limited
- Candidate Scenario: BHP Billiton
- Commerce Scenario: Standard Bank Group.

The following trends for the website scores are clearly visible:



The Technical Quality of websites exceeds the Quality of Service Experience scores on all scenarios, indicating that the usability issues are more difficult to get right than the underlying technology issues. It is probably obvious to say that the website comes to represent the organisation. It is, as far as the online user is concerned at that moment, the *entire* organisation. A frustrating experience—given by having limited content, functionality and/or supporting aids on the website for a key stakeholder—has implications for the corporate brand and reputation. Frustration will dominate the experience of the site when after a person has found it, in order to complete a task that has been completed successfully on other websites, he/she has to now switch programmes to send an email or worse go offline. Learning one's way around a website is an investment, and if companies use unconventional ways of presenting and labeling content or of providing functionality which has to be learnt from scratch, users' responses are going to be negative unless that unconventional design makes tasks substantially easier or is so easy to learn that it appears intuitive. The fact that there are conventions is given by the relatively normal but skewed distributions emerging out of the scores. Having said this about the conventions, it seems that with very little effort companies can easily differentiate themselves and enhance their corporate brand with addition of a little more content, functionality and better contact details.

It is important to note that evaluators were given a limited time in which to evaluate the website, so results do not say that content and functionality are not there at all, but rather that they could not be found. This is both a pragmatic constraint and an attempt to realistically reflect the amount of time users would spend on websites.

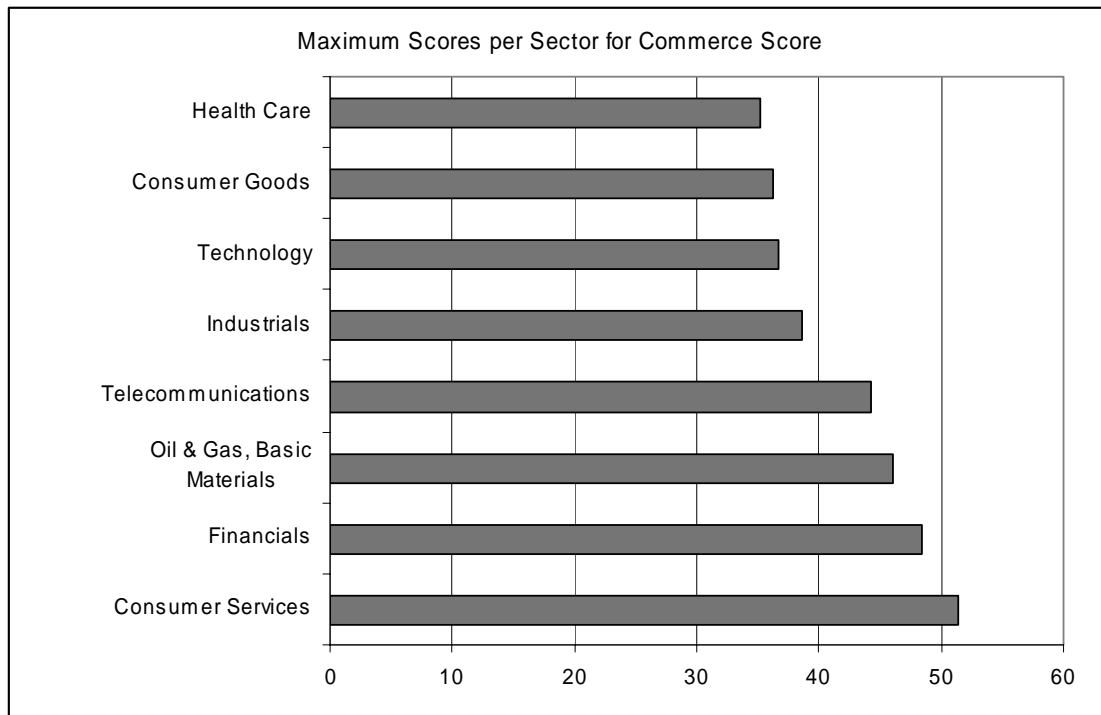
Investor Scenario Findings

Of the three kinds of prototypical users we assessed, most companies are servicing the investor the best. This is to be expected because it is usually the first priority of builders of the corporate website and in many respects it is easier than the other scenarios to strategise around. Some trends within the data show that some 56 websites provided easily identifiable Investor Relations or related section within 1 click, 30 within 3 clicks, the rest within 2 clicks. Annual Reports were made available by 47 websites within 1 click and 56 within

2 clicks of the Investor Relations section. But with Interim Reports only 30 made this readily available i.e. within 1 click and the remainder, evaluators had to do anywhere between 2-4 clicks to get to if at all. Most companies make easily available their Annual Reports but not as many think that Interim Reports as important. The Corporate Newsletter is an underdeveloped concept; in 85 out of 105 companies evaluators could not find anything approximating a corporate newsletter that would service the interested investor. Latest SENS releases, company press releases, press coverage of company (news feeds included) were provided by 33 within 1 click of the investor section, 41 within 3 clicks, probably in a separate section not very well related to the investor section. One of the metrics included looking for a statement on Company's approach and involvement in terms of social responsibility and community development, learning and growth. While 42 had this within easy reach, as many as 20 companies evaluators found nothing that could count as a statement on this. A page containing company executive speeches and statements relevant to Investor Relations were nowhere apparent to the evaluators in 79 of the website evaluated.

Commerce Scenario Findings

This was the second best provided for scenario overall. While very few corporate websites are completely stonewalling business leads through their website, there is clearly a lot more that can be done to leverage the corporate website better. We had fairly comprehensive metrics for Commerce that supported every step along the buying process from information-seeking to post purchase behaviour. If there was a strong link between the corporate website and their more commerce website or subsidiaries' websites we could score companies higher since it at least facilitated the possibility for persistent users. Results across the board were poor and we took out some of the metrics that might have been present, had the evaluators actually bought something, had or opened an account despite our original argument that these elements of personalisation and customisation ought to be apparent upfront. This effectively increased scores by almost 20 points. Since it is not really fair to expect the same level of commerce functionality from a mining company, for example, as a retailer, we weighted these scores by the maximum per each sector.



As is to be expected the consumer services has the highest scoring website, but what is surprising is the low maximum score achieved for the technology and healthcare sectors. We would have thought that Oil & Gas, Basic Materials together with Industrials would be the lowest scoring sectors

Candidate Scenario Findings

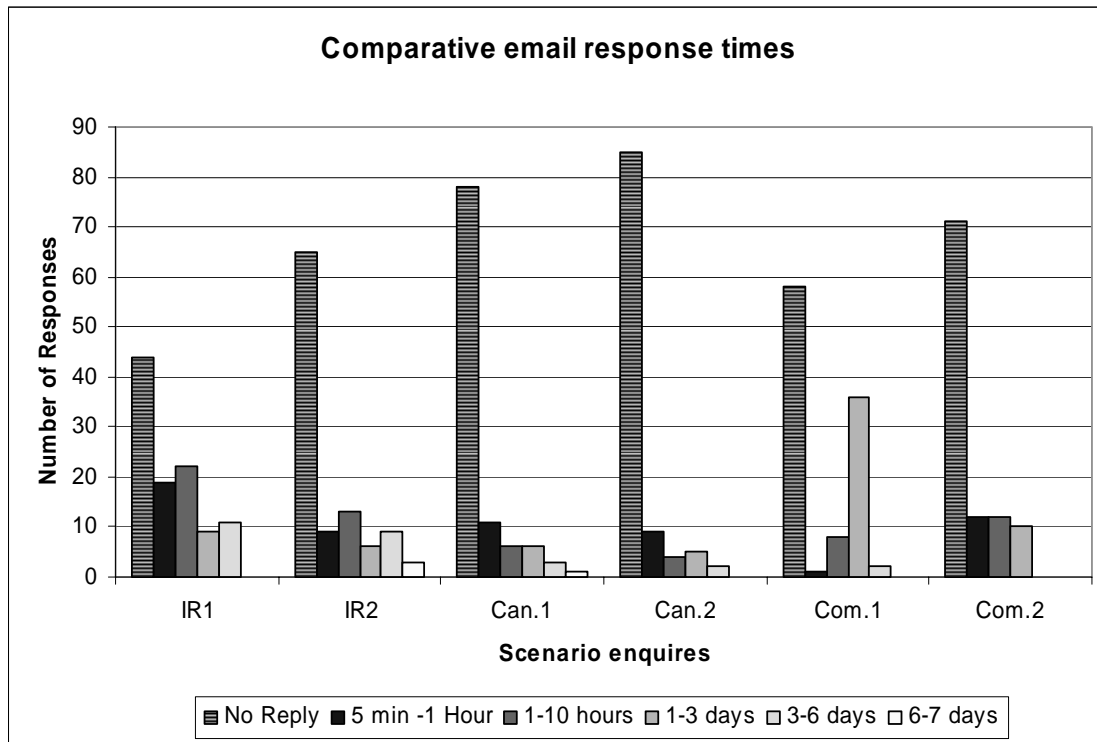
The worst provided for stakeholder, was the potential candidate. Some 32 out of 105 websites have an easily identifiable careers section and as much as 52 companies have little to practically nothing helpful to someone actually interested in working for the organisation. The rest have something that would help but it is not as easy to find or navigate to. It is a great loss when the war for talent is on the increase and most companies have not yet realised the power of the corporate brand in conjunction with their website to build a ready pool of candidates (the quality of which is of course dependent on the quality of the e-recruitment strategy and process) not only for itself but also for some of its less known subsidiaries. But it is slightly better than last year where some 54% of the top 100 had nothing to offer the candidate. Maybe companies are starting to take this potential of their website more seriously. Frankly, there is a lot that should and can be done because those that do have good e-recruitment strategies are taking the lion's share of the available talent and additional research done by BRS has shown that this is not insubstantial in terms of range and quality.

Email Responsiveness

Email addresses for the most appropriate contact for each of the scenarios were extracted from the website. For the Investor Scenario it was preferably the Investor Relations contact, for the Candidate Scenario, some one responsible for recruitment and for the Commerce Scenario, a sales or marketing contact. If not available we used generic contacts and webforms or, as a last resort, emails supplied from a third party resource like McGregor's.

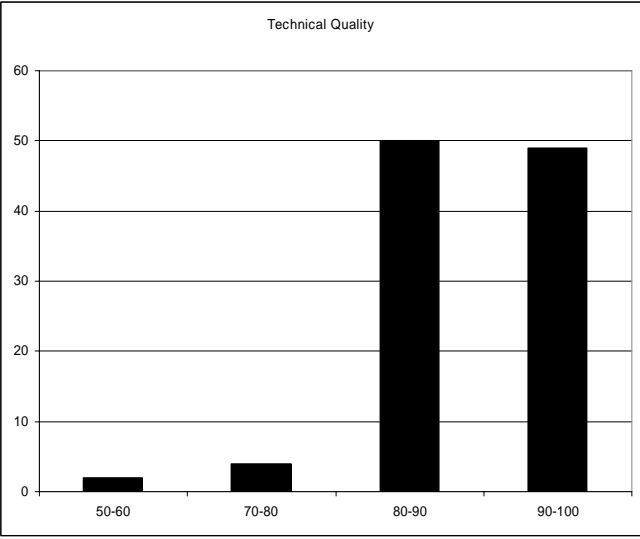
Enquiries were sent via email and if no email address could be found, then by webform (but there were only a few companies using the webform as the only means of communicating). Two emails were sent per scenario but only one webform request was sent due to time limitations. Companies scored extra points if they replied to both queries and the score of the best was taken as the final score.

As in previous years, most responses were received usually within one day. We did not send a reminder and set a limit of 7 days after which we did not accept further emails. And in truth, only a few emails mostly in the Commerce scenario were received after 7 days. We can safely conclude that if one does not receive an email within 3 days, it is highly unlikely that one will get an email reply.

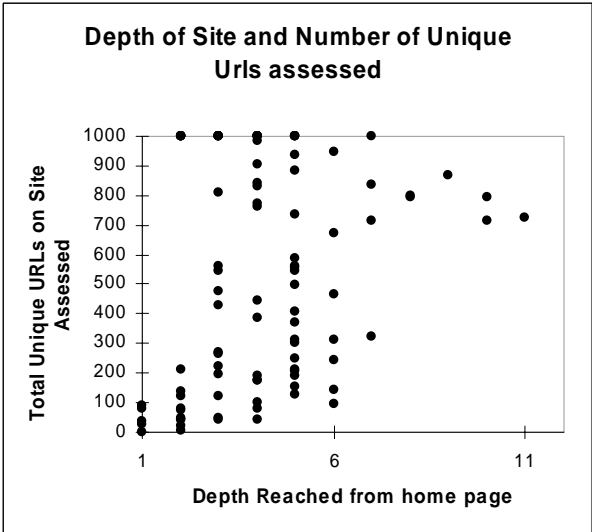


Clearly, the greatest number of replies was received from the first investor enquiry sent out, and most of these replies were received within 3 days. The second IR query was a little more tricky, asking for statements or policies on corporate ethics. Corporates were the least interested in replying to the candidate enquiries and this re-enforces the lack of an effective e-recruitment strategy for the website. Needless to say, the content of the replies were almost all negative. Graduates have a very tough time trying to break into the corporate world. The commerce enquires fared better. The first one was a customer type enquiry and tailored to each industry sector to make it as meaningful as possible. The second was more a supplier enquiry.

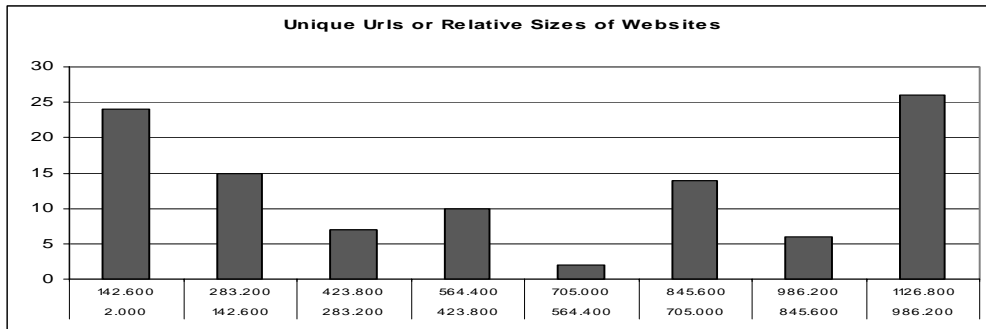
Appendix 1 Major indicators of the Technical Quality Assessment Metrics



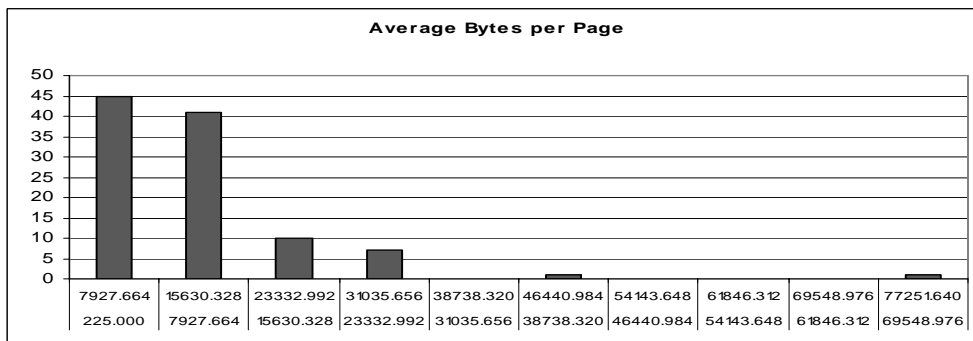
With the limitation set at a maximum of 1 000 urls to assess, some websites usually indicated by unique urls approaching 100 are much larger.



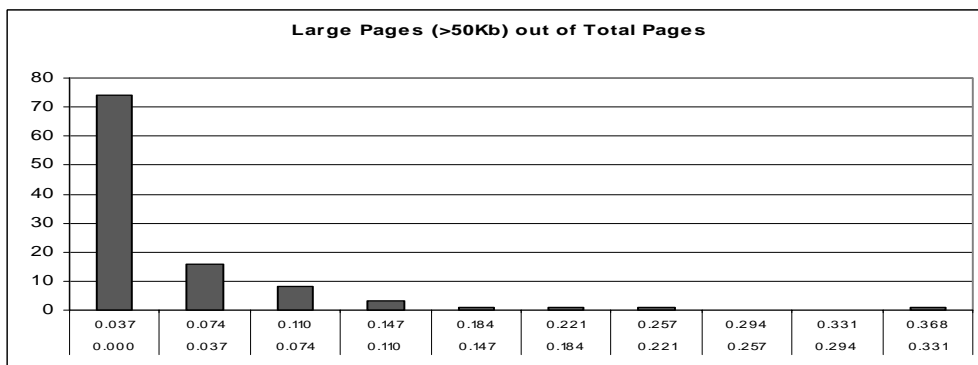
A good website has a proper ratio between total number of pages and total depth, measured as the number of clicks from the top page to the deepest page. The relationship is logarithmic. As a rule of thumb, use the formula: $1 + (\log_2 \text{ #pages})/2$
 Example: A 1 024 page site ought not be deeper than $1 + 10/2 = 6$.

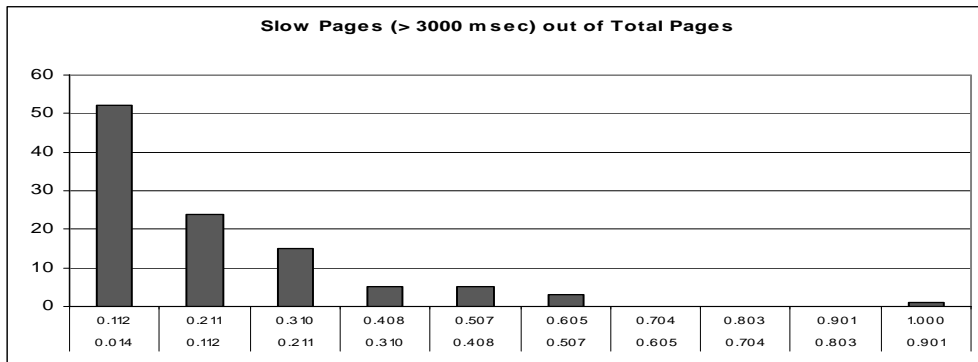


This is a fairly good indicator of the ranges of website sizes among the top 100 companies. Larger unique urls indicate more content and imply a more mature internet strategy. Almost a quarter of the corporates have very limited websites, that are little more than “brochureware” i.e. some basic facts about the organisation with an annual report or two.

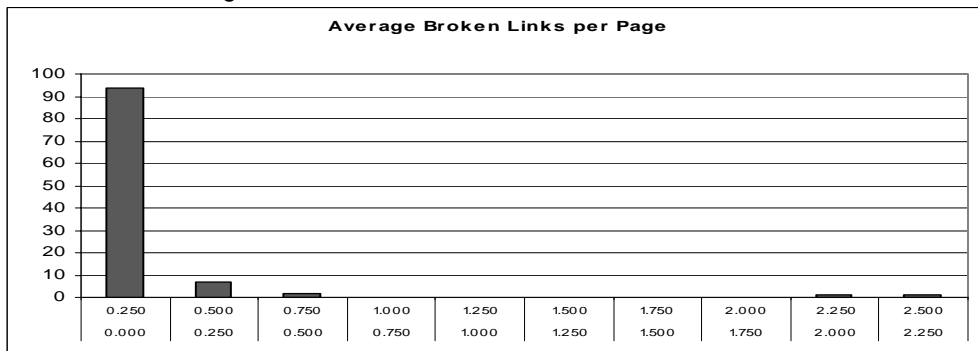


While page size is not the only determiner of download time, it is safe to say that the larger the pages on a site the slower the download times. Another important metric of page performance is the total page volume compared to the size of the visible text. Any total/visible ratio over 10:1 should be investigated as a potential problem. Ratios over 100:1 are almost certainly a problem.

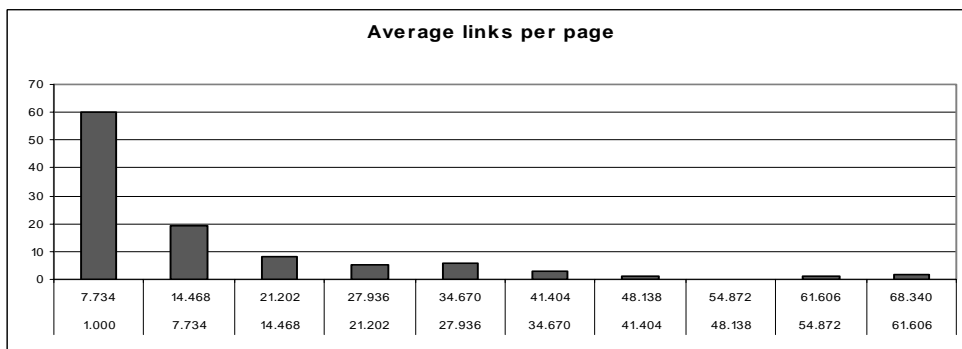




Note: different configurations will deliver different download times.

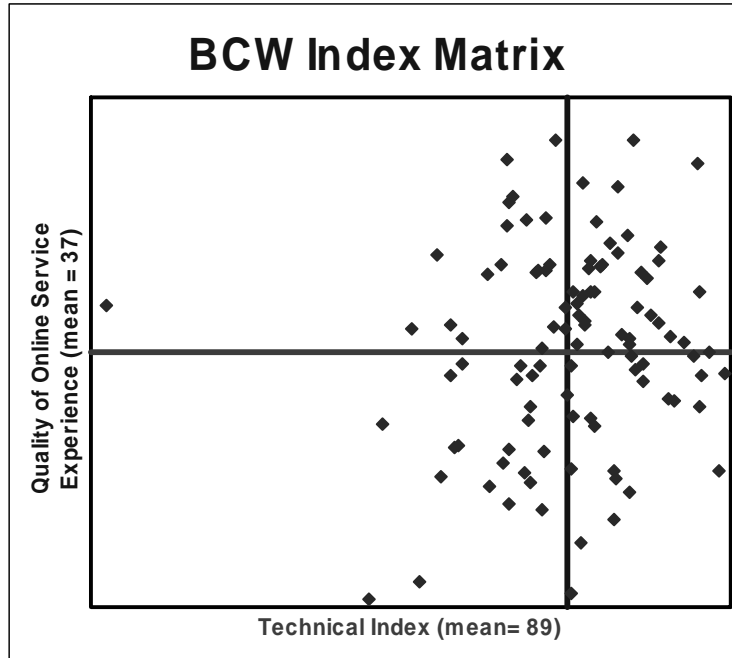


Note: The eValid site analysis methodically clicks through every link. This is perhaps a little more stressful on the server than a typical user, so what it reads as an unavailable page is not necessarily a 404 error. However it does indicate potentially problematic pages that will break under more stress (like more than the usual number of simultaneous users).

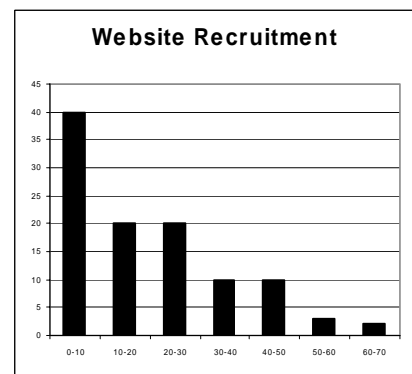
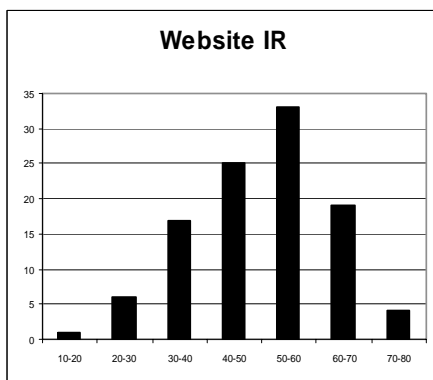


Too many links and too few links are the problem here. Some sites, e.g. www.cnn.com, require a large number of outbound links, but having too many presents the viewer with the requirement that getting the right information will take more and more work.

Appendix 2 Major Indicators for the Quality of Online Service Experience



Note: The top right hand corner indicates websites that are above the mean on both scores.



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A special note of thanks to our sponsors who made the Award possible.

PLATINUM SPONSOR

MWEB Business

The Internet has evolved to become more than just a connectivity tool – it has become integral to the everyday running and growth of your business. MWEB Business understands that having access to the Internet is only the beginning of a world of possibilities.

That is why we offer a range of solutions and services that leverage the power of the Internet to make your business more efficient, customer-centric and profitable. Our customers' needs drive us to develop services and solutions that develop businesses.

Get the competitive edge with MWEB Business:

MWEB Business can do far more than build you a cutting-edge corporate website, we can also help you manage the data that your business systems generate, in ways that add value and insight to your business.

Whatever you want your website, your web-based business system or your new bespoke web application to achieve... whether you want the most effective and attractive eCommerce site, a custom-developed content management system, or simply an easy-to-use, easy-to-find, always-up-to-date reflection of your brand... MWEB Business can offer a best-of-breed solution that will definitely enhance your business.

MWEB Business also delivers world-class corporate investor relations packages via its financial content division, McGregor BFA – respected in the industry as a provider of easy-to-integrate XML based data feeds that will enhance your ability to improve disclosure and attract and retain investors. Everything from your SENS announcements, share price, interactive graphs and financials can be easily enabled and implemented. McGregor BFA also specialises in collating market intelligence about your company, its brands, associates and competitors and ensuring that you have access to that information in the form of a daily newsletter and intranet portal.

GOLD SPONSOR

Mr Ted

Mr Ted is proud to sponsor the Financial Mail's Best Corporate Website. As a leading global provider of e-recruitment technology we have experience in assisting leading organisations around the world to develop and implement best-of-breed corporate career sites. These organisations realise that their career sites are not only used to attract the right talent at the right time, but should also be used as a tool to build and enhance their brand. It is important that the corporate career site aligns the values of the organisation with the employment value proposition.

Sponsoring the Financial Mail BCW enables us to be part of an initiative which highlights the importance of a professional corporate career site and honours those organisations that strive, not only to perfect their career sites, but also use the opportunity to enhance their brand amongst leading talent both locally and internationally.

SILVER SPONSOR

Quirk eMarketing

The Financial Mail's Best Corporate Websites awards are highlighting the importance of SEO in our local economy and as a leading supplier of SEO services in South Africa, Quirk is proud to have been named as a sponsor. Yearly, Quirk eMarketing compiles a report on the top 100 companies listed on the JSE with the primary objective of determining whether these companies make use of Search Engine Optimisation (SEO) in order to be indexed and ranked highly on search engines. It was a natural progression for Quirk to want to lend their support to an award that promotes the growth of eMarketing and the online industry in Corporate South Africa.

By ensuring a website is search engine friendly, it is possible to tap sophisticated niche markets, attract internet savvy users, and direct large amounts of targeted traffic to the website. This concept is similar to what

is known in advertising as “top of mind awareness” or the dominance of a particular brand in the mind of the consumer. Quirk has a reputation as being a company that provides result-orientated solutions, and through our association with this award, we aim to take these solutions to the broader community.

ADDITIONAL SPONSORS

eValid

eValid is proud to have the opportunity to support Financial Mail's Best Corporate Websites (BCW) Award. We at eValid see tremendous value in award processes like the BCW Award that recognise the importance of website quality. We are honored to be part of the BCW Award sponsorship team.

eValid helps organisations maintain e-Business continuity, improve website quality and integrity, reduce down time, control costs, and enhance performance to prevent customer loss.

The eValid Web Testing & Analysis Suite is comprehensive, easy to use, scalable, cost-effective, and works on any web browser enabled application. 100% realistic user experience results are assured because eValid is an actual IE-compatible browser.

Pxl8

Pxl8 Studios is a new media design company, utilising both technology and engaging creative work to bring brands closer to the end user – the customer. Our strength lies in our ability to deliver on high-end graphic solutions, backed up with cutting edge technology, business strategy and project management.

Our services include:

- Creative and technical web solutions
- Digital marketing
- 3D animation and illustration
- Multimedia CD / DVD ROM presentational packages
- Printing



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