



Edelman trustbarometer

2013 | ANNUAL GLOBAL STUDY



EDELMAN'S 13TH ANNUAL SURVEY, LARGEST GLOBAL EXPLORATION OF TRUST



ONLINE SURVEY IN 26 COUNTRIES

- 31,000+ respondents
- 5 years in 20+ markets
- 8 years in 10+ markets



GENERAL POPULATION

- 1000 respondents per country surveyed
- Ages 18+
- 2 years of data



INFORMED PUBLICS

- 500 respondents in U.S. and China & 200 in other countries
- Ages 25-64
- College-educated
- In top 25% of household income per age group in each country
- Report significant media consumption and engagement in business news and public policy
- 13 years of data

MARKET COMPARISONS

Developed: US, UK, France, Germany and Japan

Emerged: Brazil, Mexico, Russia, India and China

EDELMAN TRUST BAROMETER IN RETROSPECT

2013	CRISIS OF LEADERSHIP
2012	THE FALL OF GOVERNMENT
2011	RISE OF AUTHORITY FIGURES
2010	TRUST IS NOW AN ESSENTIAL LINE OF BUSINESS
2009	BUSINESS MUST PARTNER WITH GOVERNMENT TO REGAIN TRUST
2008	YOUNG INFLUENCERS HAVE MORE TRUST IN BUSINESS
2007	BUSINESS MORE TRUSTED THAN GOVERNMENT AND MEDIA
2006	“A PERSON LIKE ME” EMERGES AS CREDIBLE SPOKESPERSON
2005	TRUST SHIFTS FROM “AUTHORITIES” TO PEERS
2004	U.S. COMPANIES IN EUROPE SUFFER TRUST DISCOUNT
2003	EARNED MEDIA MORE CREDIBLE THAN ADVERTISING
2002	FALL OF THE CELEBRITY CEO
2001	RIISING INFLUENCE OF NGOS

TRUST 2013

THE STATE OF TRUST

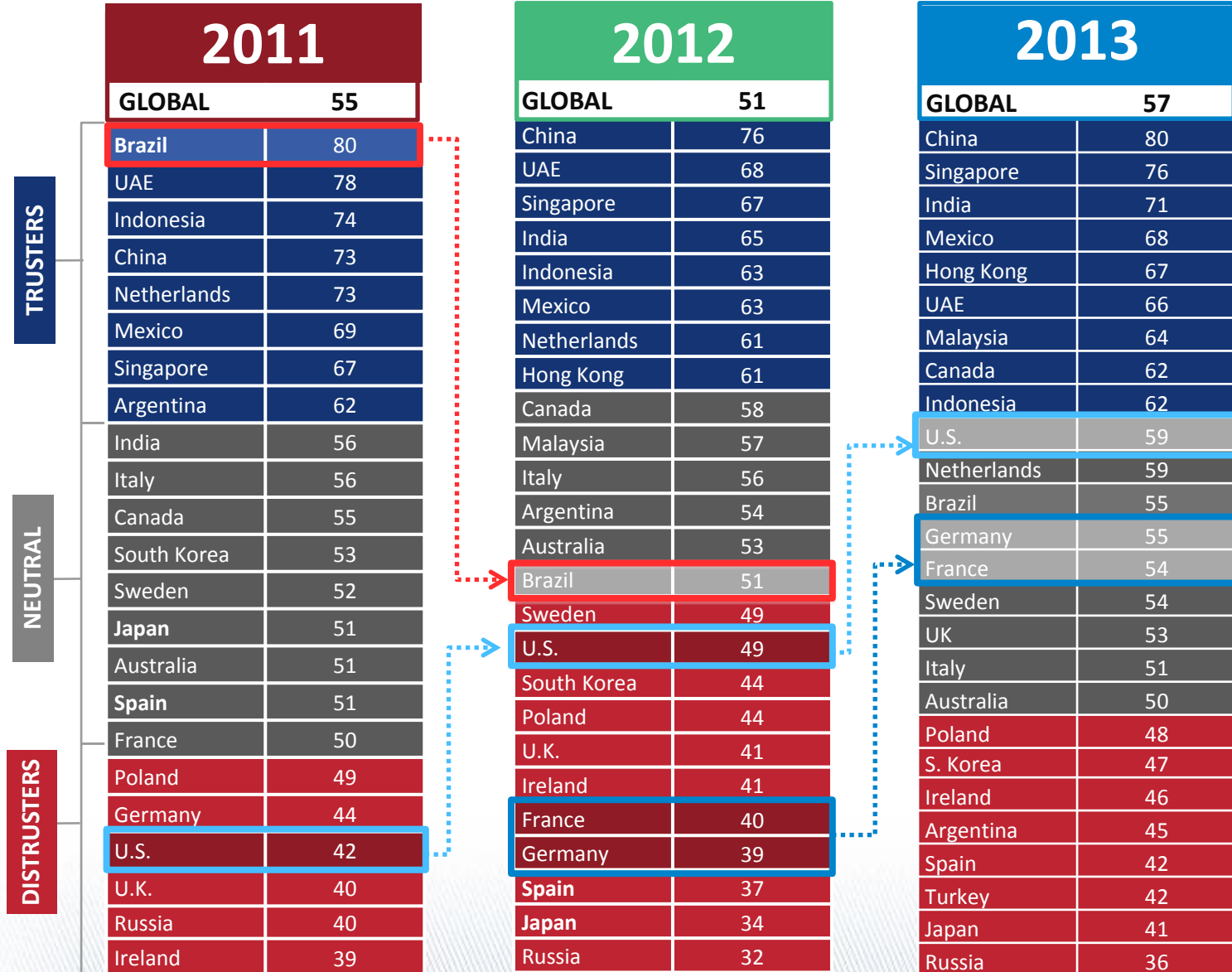
FINANCIAL AND BANKING INDUSTRY DEEP DIVE

CRISIS OF LEADERSHIP

THE PATH FORWARD

STATE OF TRUST

EDELMAN'S TRUST INDEX: AFTER A YEAR OF HIGH DISTRUST IN 2012, SHIFT BACK TO NEUTRAL IN 2013



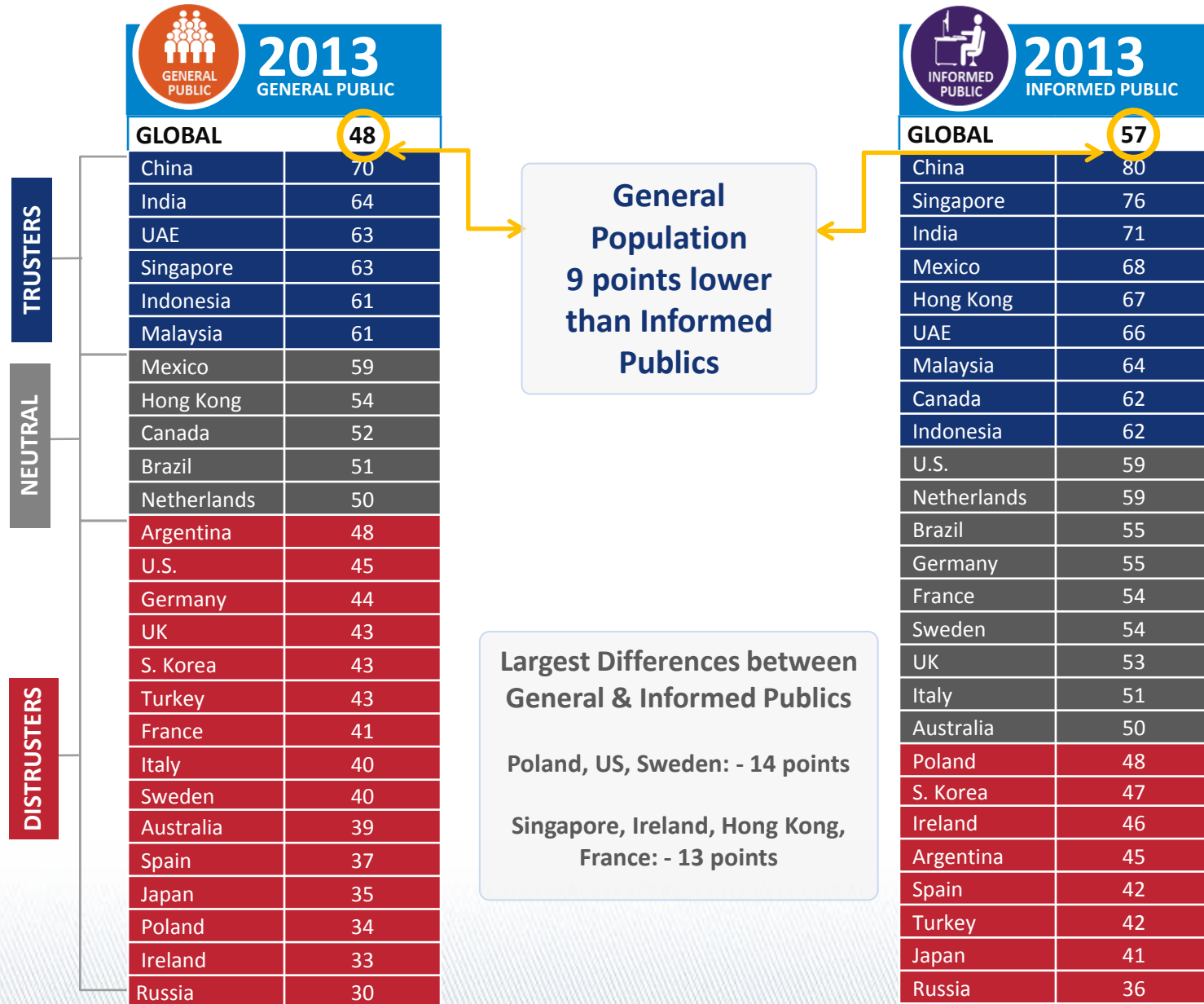
Big Changes from 2008

Germany +19
China +18
Canada +14
India +11

Big Changes from 2012

Germany +16
France +14
UK +12
US +10

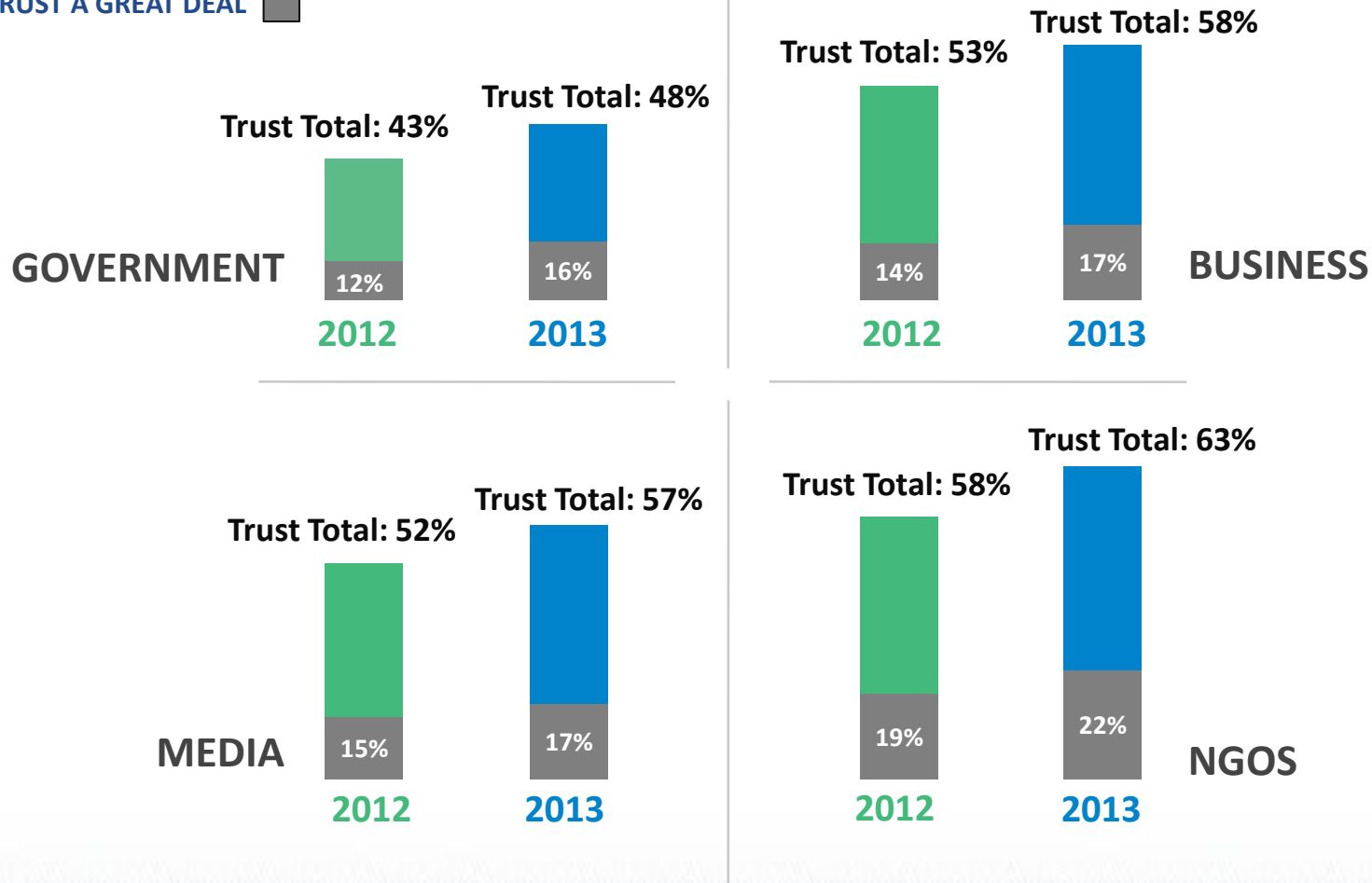
LOWER TRUST AMONG GENERAL POPULATION THAN INFORMED PUBLICS



TRUST ON THE RISE ACROSS INSTITUTIONS, BUT WEAK INTENSITY PERSISTS

TRUST IN INSTITUTIONS

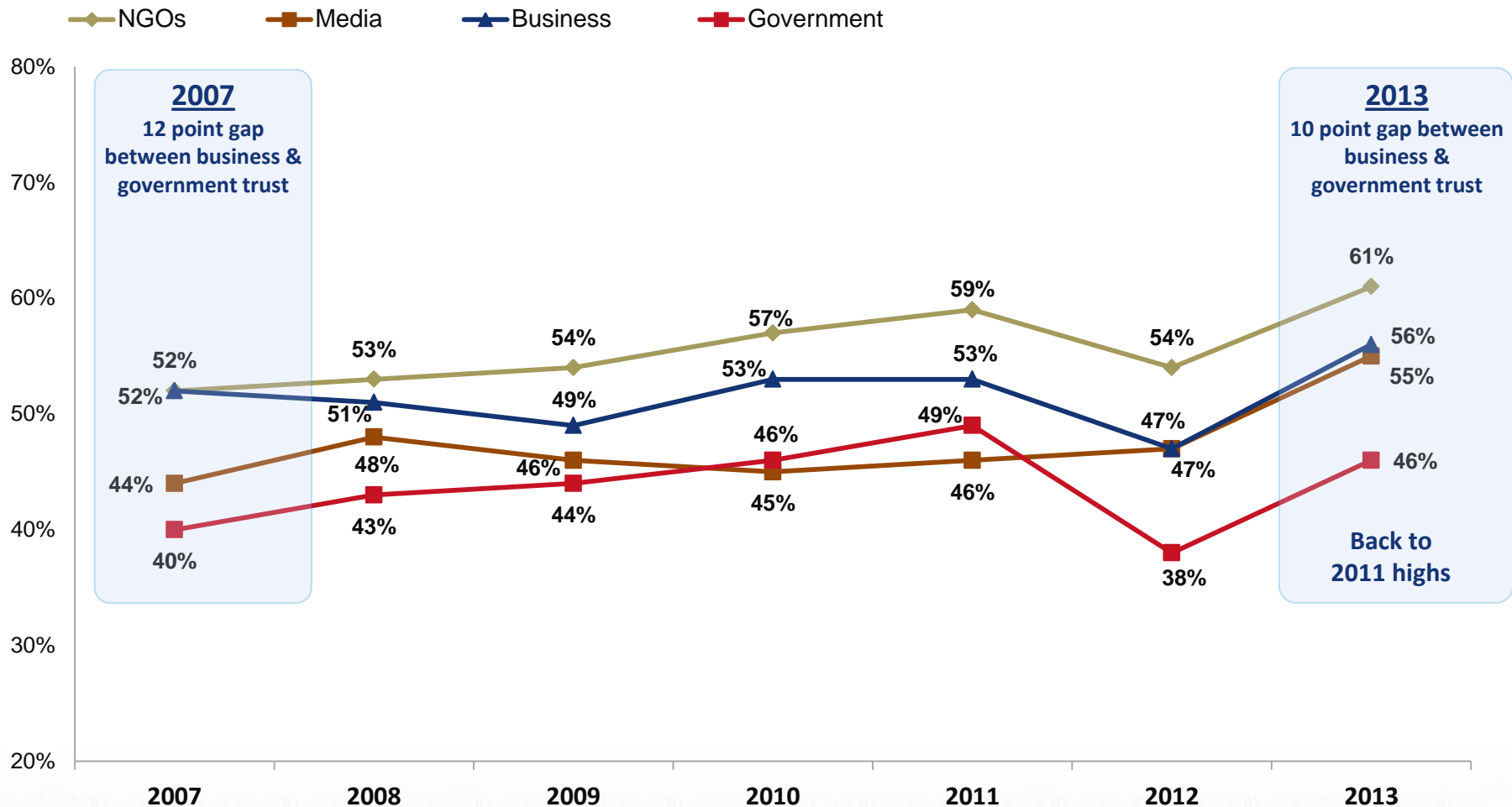
TRUST A GREAT DEAL 



Q11-14. [TRACKING] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a 9-point scale where one means that you “do not trust them at all” and nine means that you “trust them a great deal”. (Top 2 Box, Trust a great deal and Top 4 Box, Trust) Informed Publics ages 25-64 in 20-country global total

MOST INSTITUTIONS SEE RETURN TO 2011 HIGHS; GAP BETWEEN BUSINESS AND GOVERNMENT NEARLY AS WIDE AS IN 2007

TRUST IN INSTITUTIONS – INFORMED PUBLICS AGES 35-64



Q11-14. [TRACKING] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Top 4 Box, Trust) Informed Publics ages 35-64 in 18-country global total (excludes Argentina, Australia, Hong Kong, Malaysia, Indonesia, Singapore, Turkey and UAE)

BUSINESS TRUSTED MORE THAN GOVERNMENT IN 16 OF 26 MARKETS SURVEYED

TRUST IN BUSINESS VS. GOVERNMENT

Business
Government

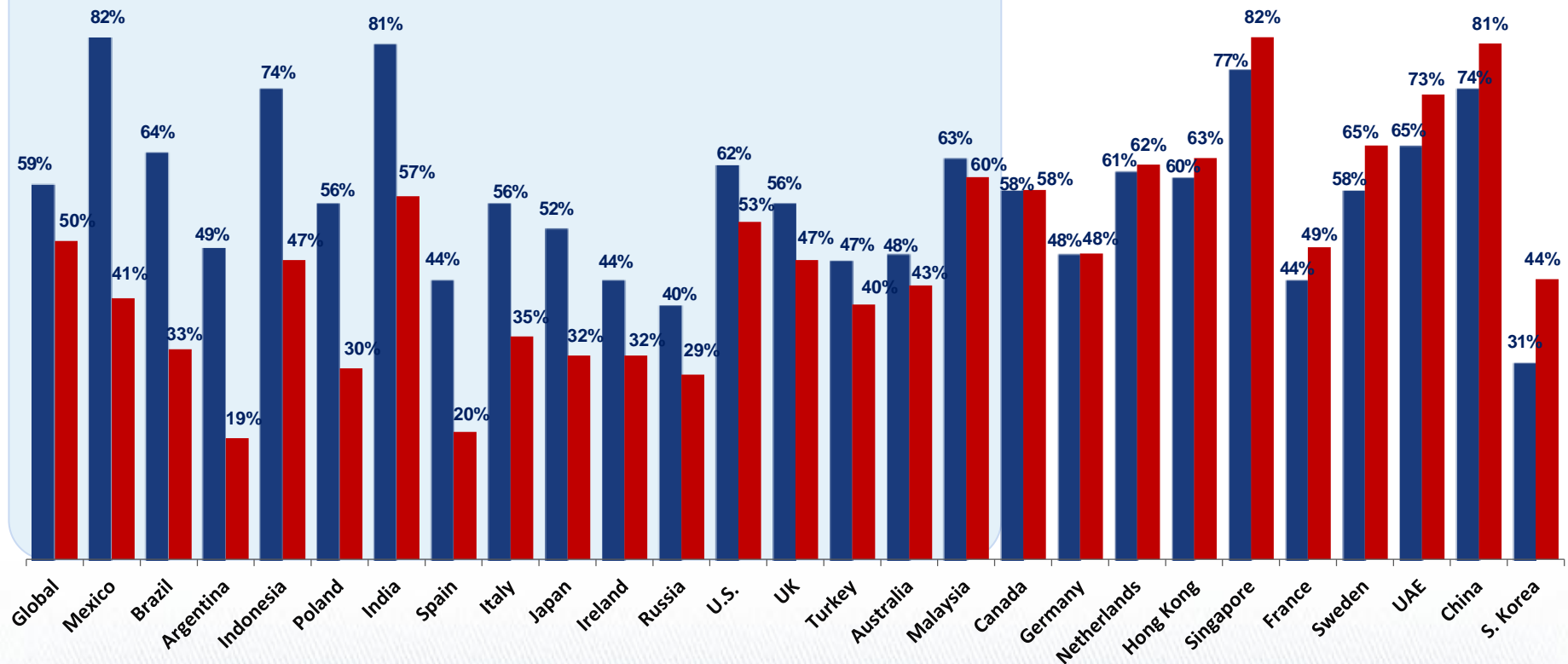


Trust in Government
62% of markets surveyed have
trust score below 50%

Trust in Business
35% of markets surveyed have
trust score below 50%

GAP BETWEEN BUSINESS & GOVERNMENT GROWING

Globally, largest gap since 2007*



Q11-14. [Business in General and Government in General] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Top 4 Box, Trust) Informed Publics ages 25-64 in 26-country global total and across 26 countries

TRUST IN BUSINESS VS. GOVERNMENT – HEAT MAP

TRUST BUSINESS OVER
GOVERNMENT

TRUST GOVERNMENT
OVER BUSINESS

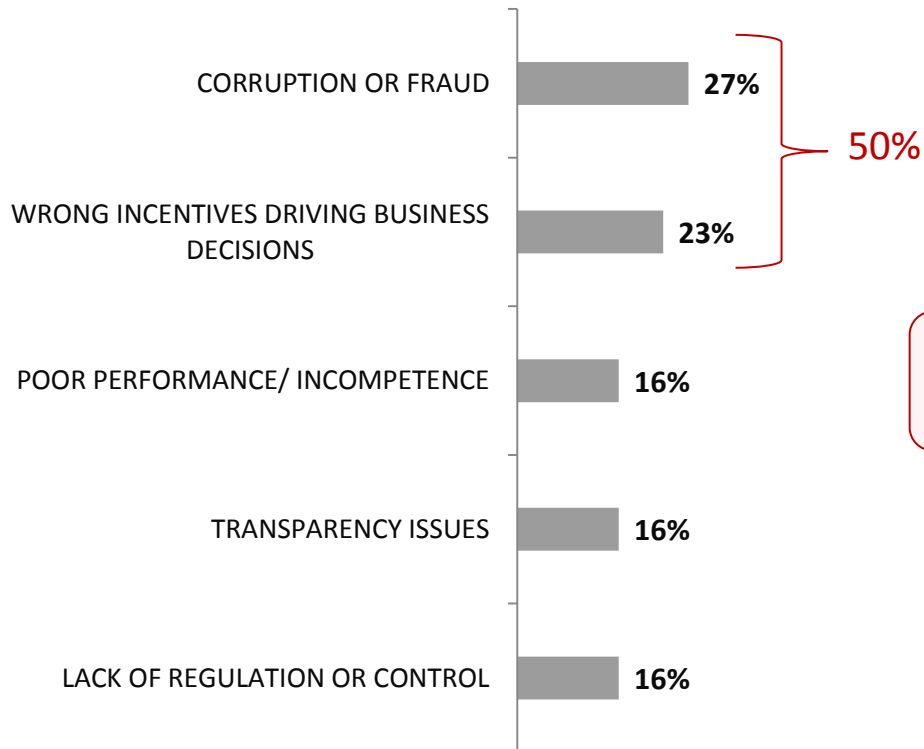


CORRUPTION/FRAUD IS A KEY REASON FOR DISTRUST IN BUSINESS AND GOVERNMENT, INCOMPETENCE IS A LEADING FACTOR FOR GOVERNMENT

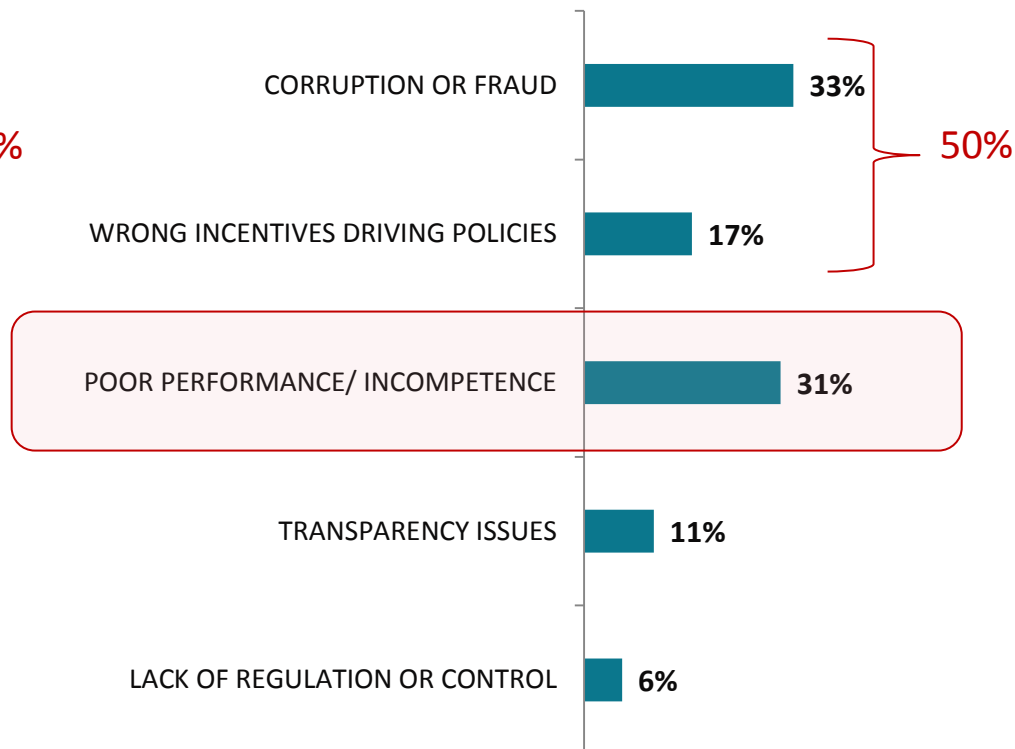
REASONS FOR DECREASED BUSINESS AND GOVERNMENT TRUST

(AMONG THOSE WHO REPORTED TRUSTING BUSINESS OR GOVERNMENT LESS OVER THE PAST YEAR)

REASONS FOR TRUSTING BUSINESS LESS



REASONS FOR TRUSTING GOVERNMENT LESS



SLIGHT UPTICKS IN MANY SCORES, FINANCIAL SERVICES AND BANKS REMAIN LEAST TRUSTED

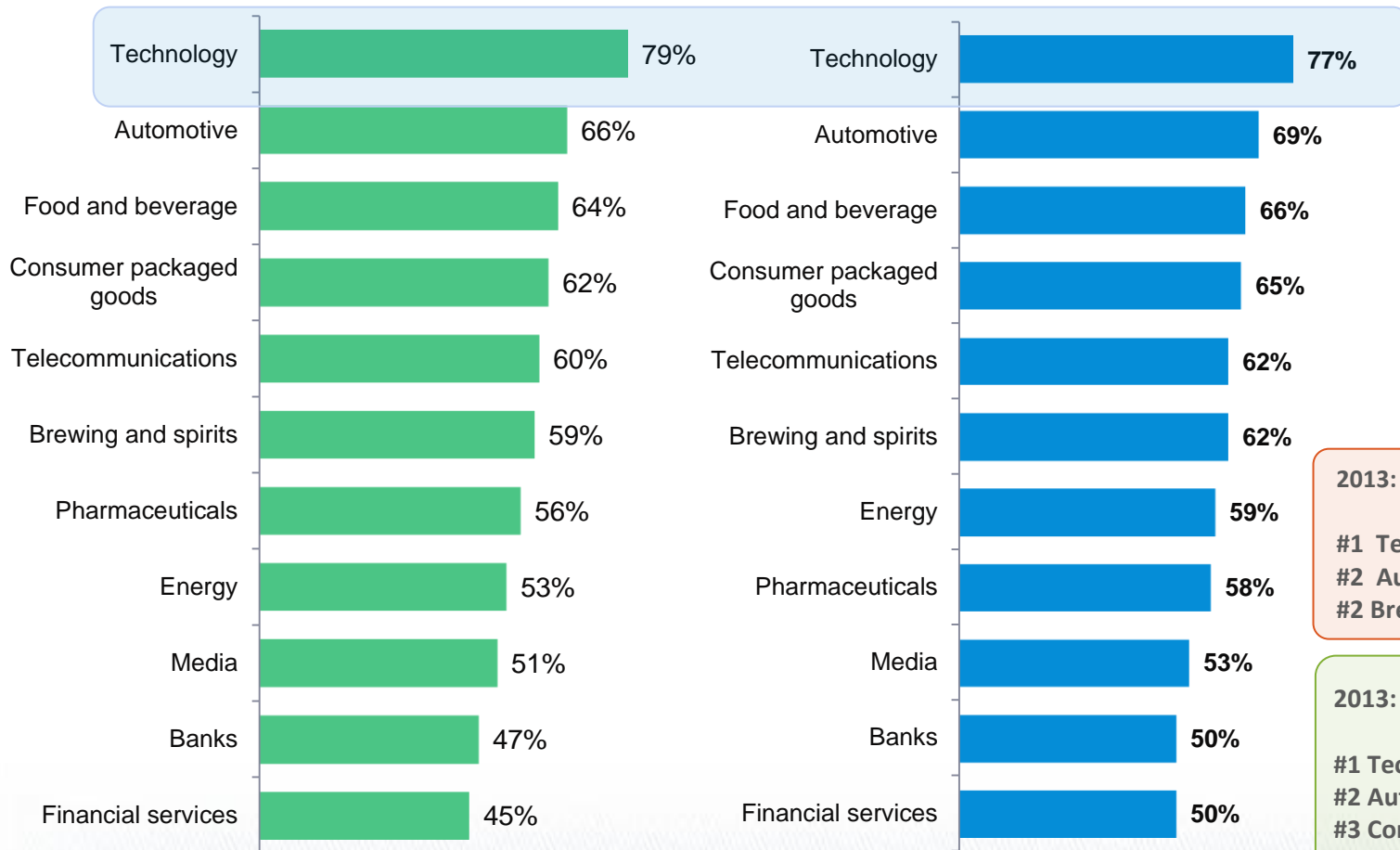
TRUST IN INDUSTRIES



2012

2013

Technology #1 in all markets surveyed*



2013: Top 3 in Developed Markets

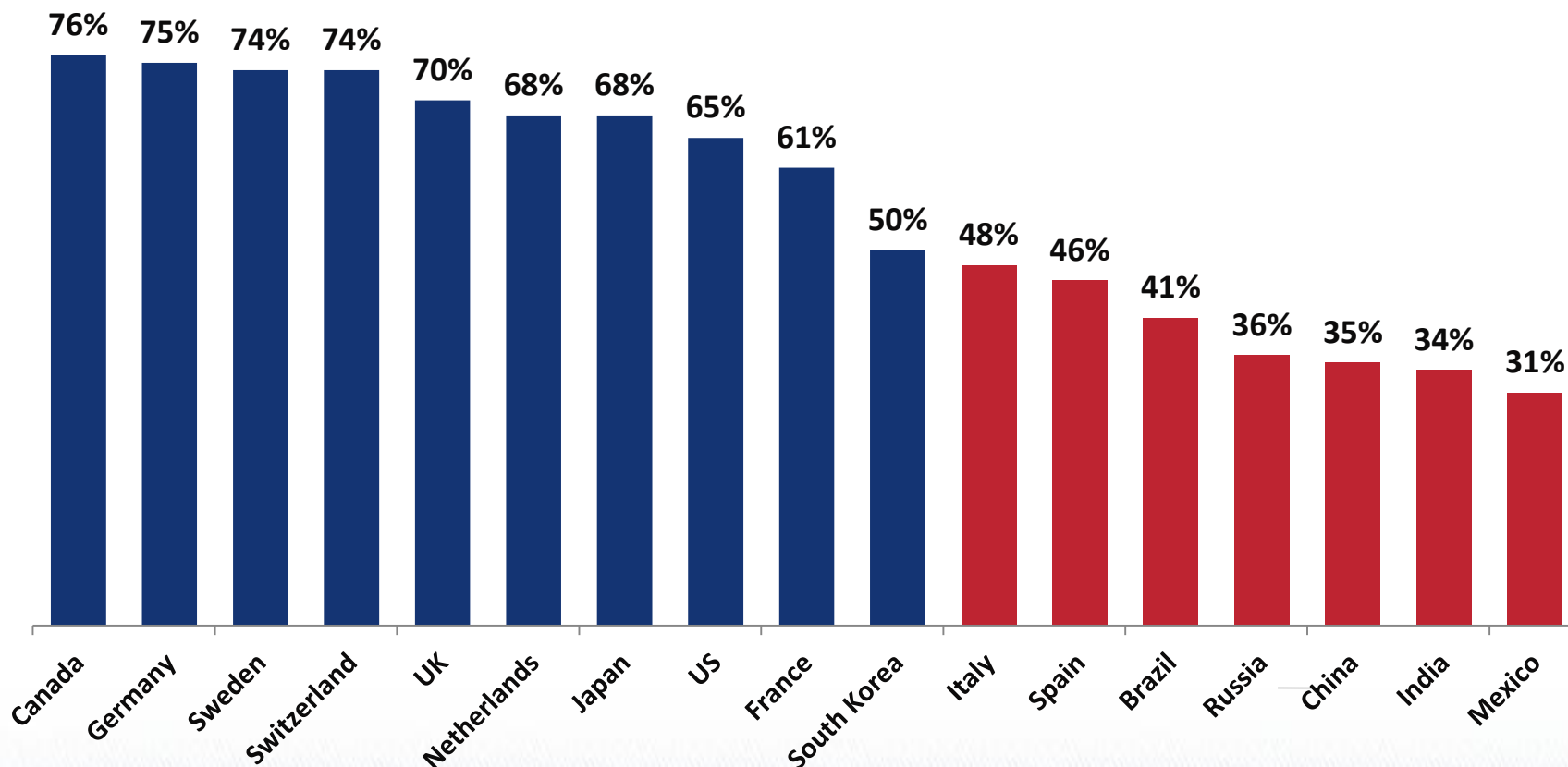
- #1 Technology
- #2 Automotive
- #2 Brewing & Spirits

2013: Top 3 in Emerging Markets

- #1 Technology
- #2 Automotive
- #3 Consumer Packaged Goods
- #3 Energy

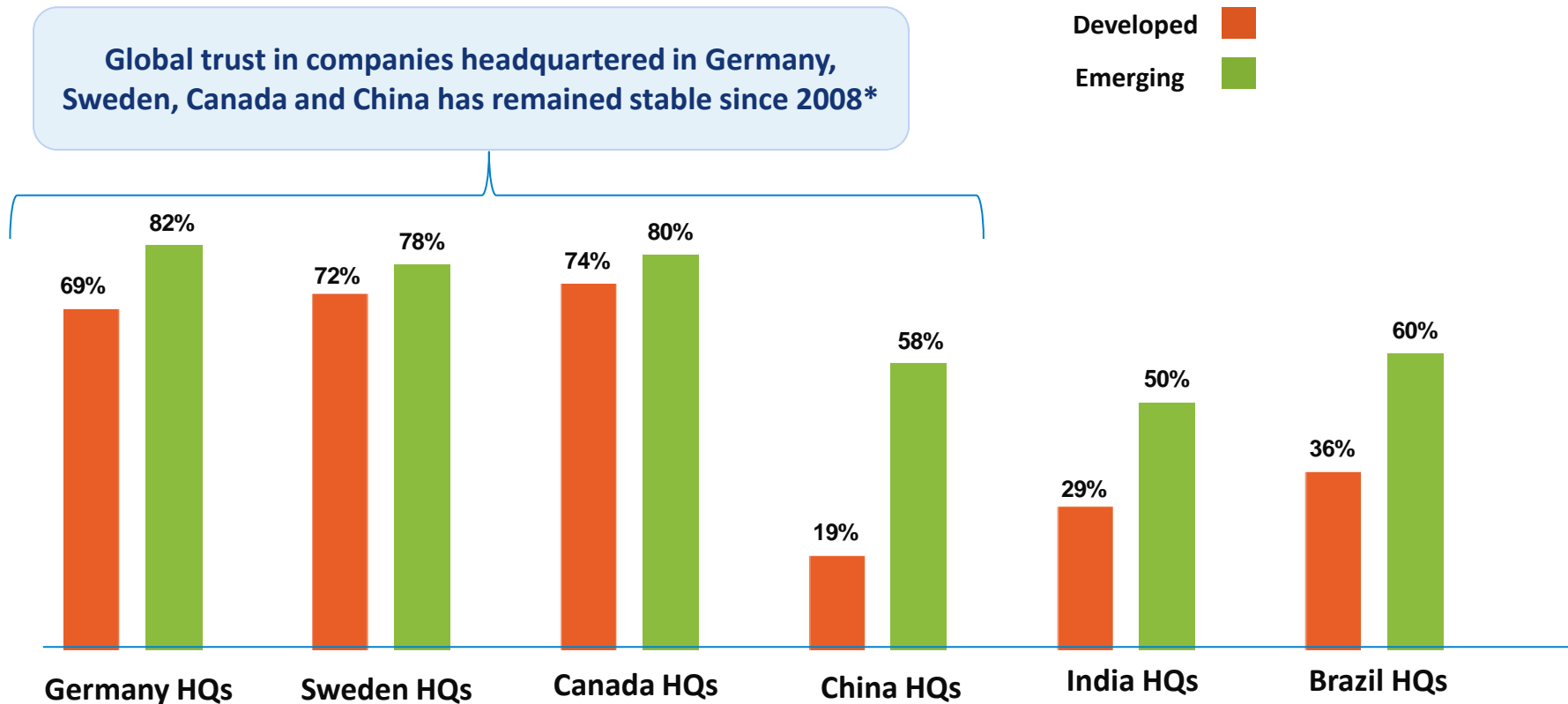
CANADA, GERMANY, SWEDEN HEADQUARTERED COMPANIES MOST TRUSTED – EMERGING MARKETS STILL LAG

MOST TRUSTED NATIONAL IDENTITY FOR COMPANIES



DEVELOPED COUNTRY HQS ARE GLOBALLY ACCEPTED, WHILE EMERGING HQS HAVE HIGH TRUST DISCOUNT IN DEVELOPED MARKETS

DEVELOPED VS. EMERGING TRUST IN COMPANIES HEADQUARTERED IN THE FOLLOWING COUNTRIES

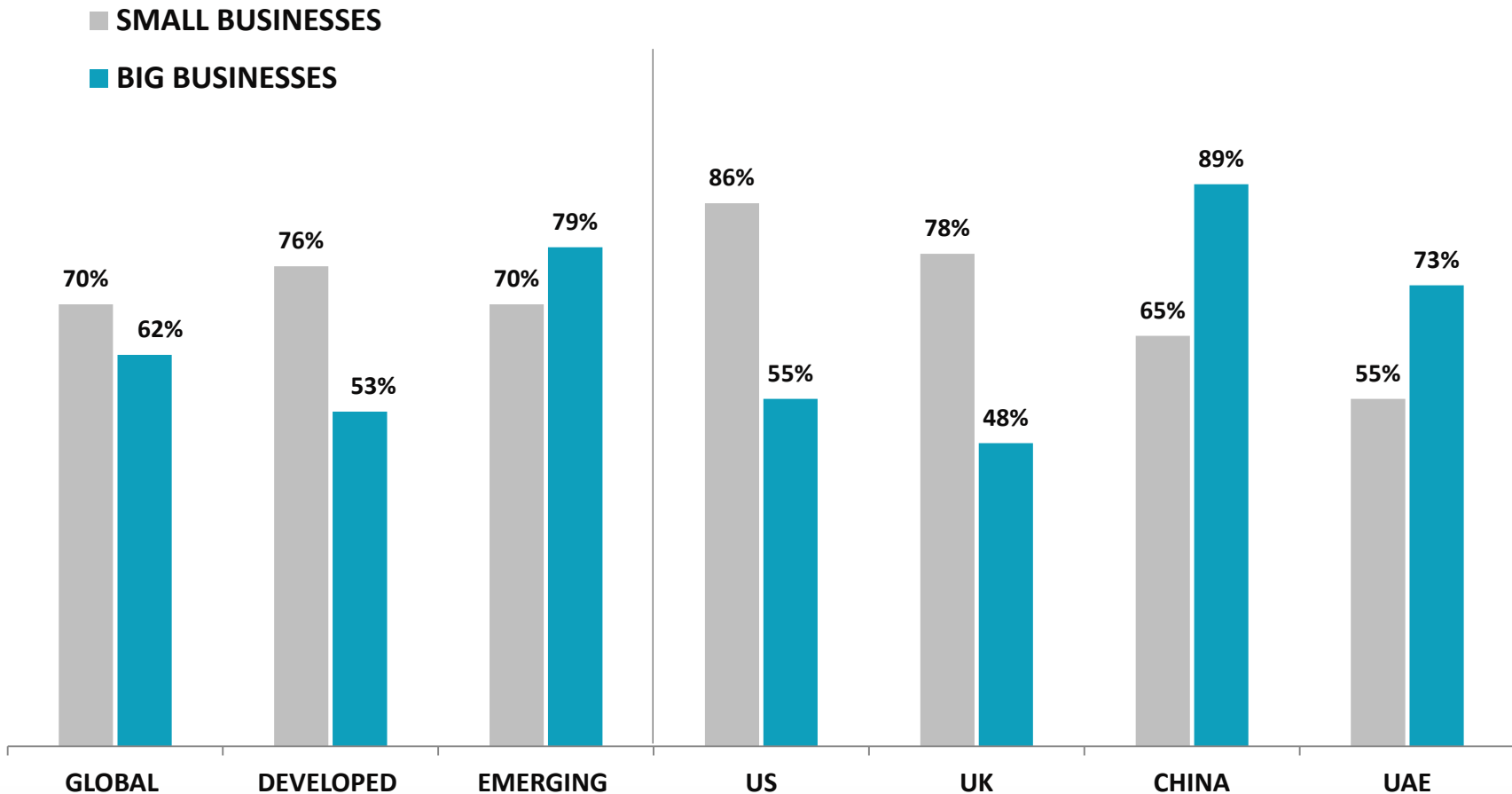


Q26-Q42. [TRACKING] Now we would like to focus on global companies headquartered in specific countries. Please indicate how much you trust global companies headquartered in the following countries to do what is right. Use the same 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Top 4 Box – Trust) in Developed (includes US, UK, Germany, Japan, France) vs. Emerging Markets (includes Mexico, China, Brazil, Russia, India)

*2008 data used includes Informed Publics ages 35-64 only in 18-country global total

CULTURAL DIVIDE: SMALL BUSINESS TRUSTED MOST IN WEST; WHILE BIG BUSINESSES ON TOP IN EMERGING ECONOMIES

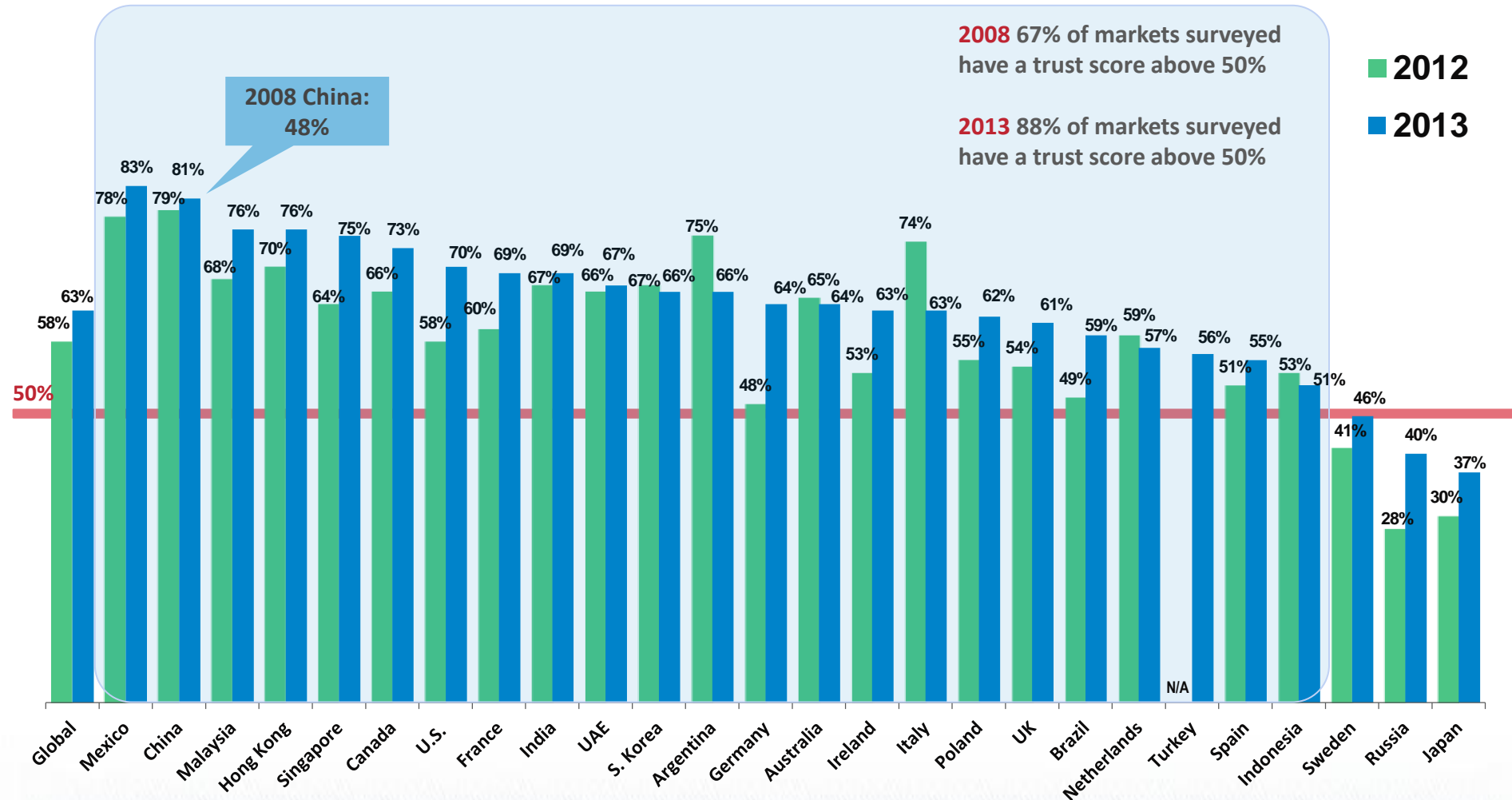
TRUST IN DIFFERENT TYPES OF BUSINESSES



Q15-17. Thinking about different types of businesses, please indicate how much you trust each type of business to do what is right using a 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Small Businesses or Companies; Big Businesses or Companies) (Top 4 Box, Trust) Informed Publics ages 25-64 in 26-country global total, Developed Markets (includes US, UK, Germany, Japan, France), Emerging Markets (includes Mexico, China, Brazil, Russia, India), US, UK, China, UAE

NGOS REMAIN MOST TRUSTED INSTITUTION; FOUR OUT OF FIVE MARKETS WITH HIGHEST TRUST IN APAC REGION

TRUST IN NON-GOVERNMENTAL ORGANIZATIONS (NGOS)



Q11-14. [NGOs TRACKING] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Top 4 Box, Trust) Informed Publics ages 25-64 in 20 country global total (excludes Argentina, Hong Kong, Malaysia, Singapore, Turkey and UAE) and across 26 countries

STEADY GROWTH IN TRUST IN MEDIA OVER TIME; RESULT OF DIVERSIFICATION OF OPTIONS AND STRONG COVERAGE OF SCANDALS



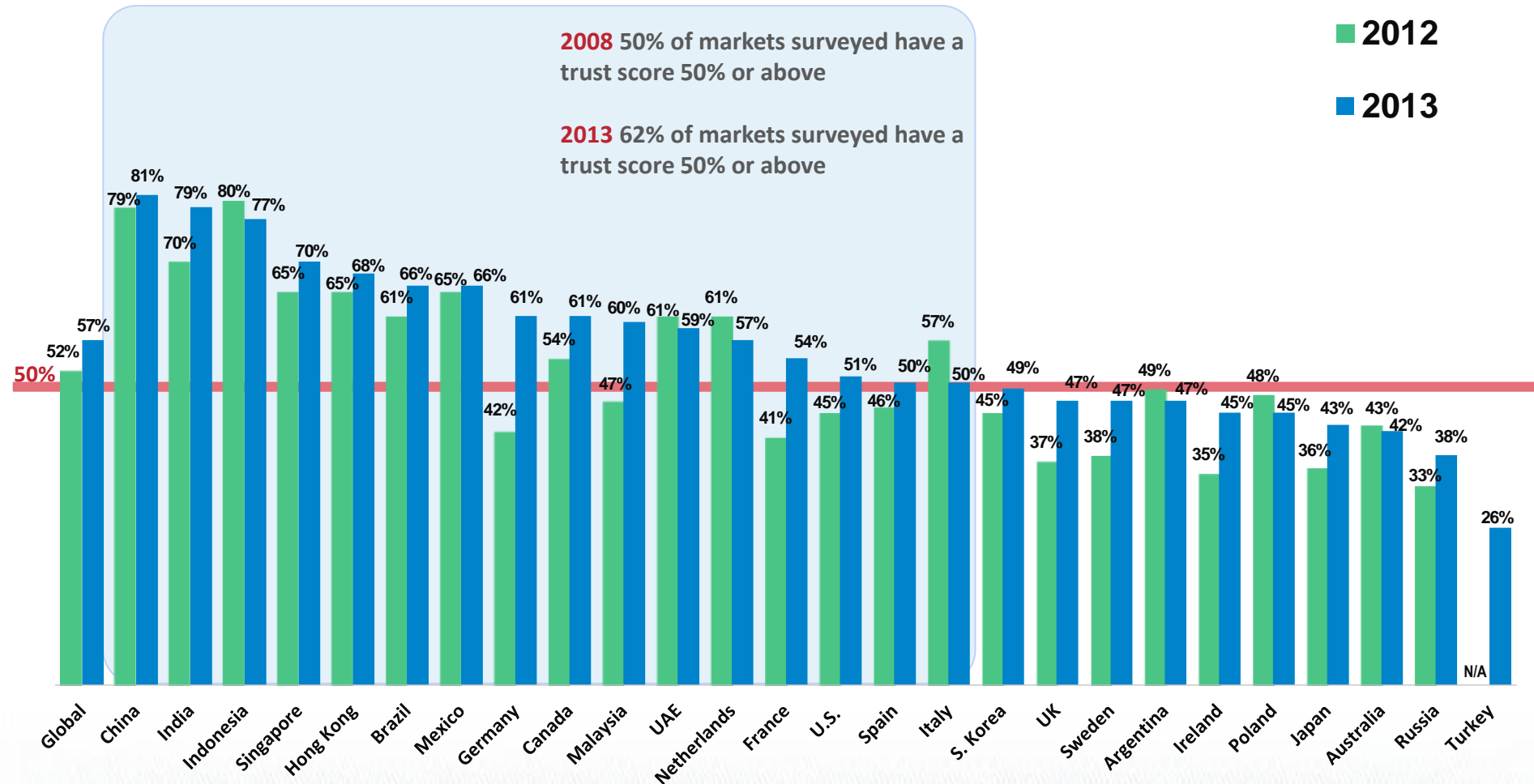
TRUST IN MEDIA

2008 50% of markets surveyed have a trust score 50% or above

2013 62% of markets surveyed have a trust score 50% or above

■ 2012

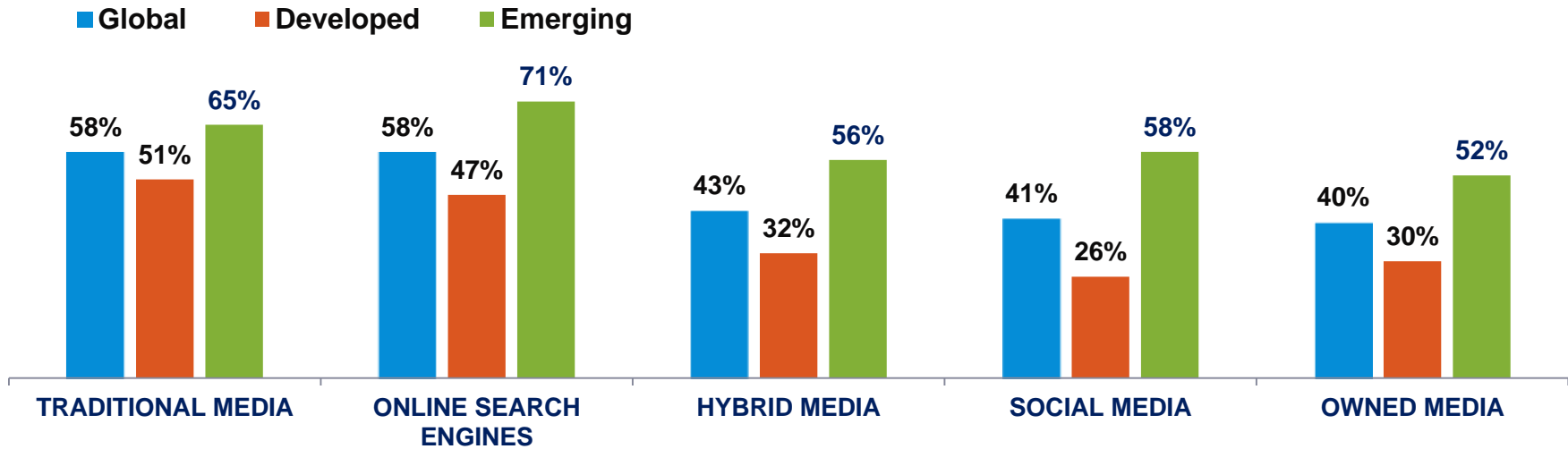
■ 2013



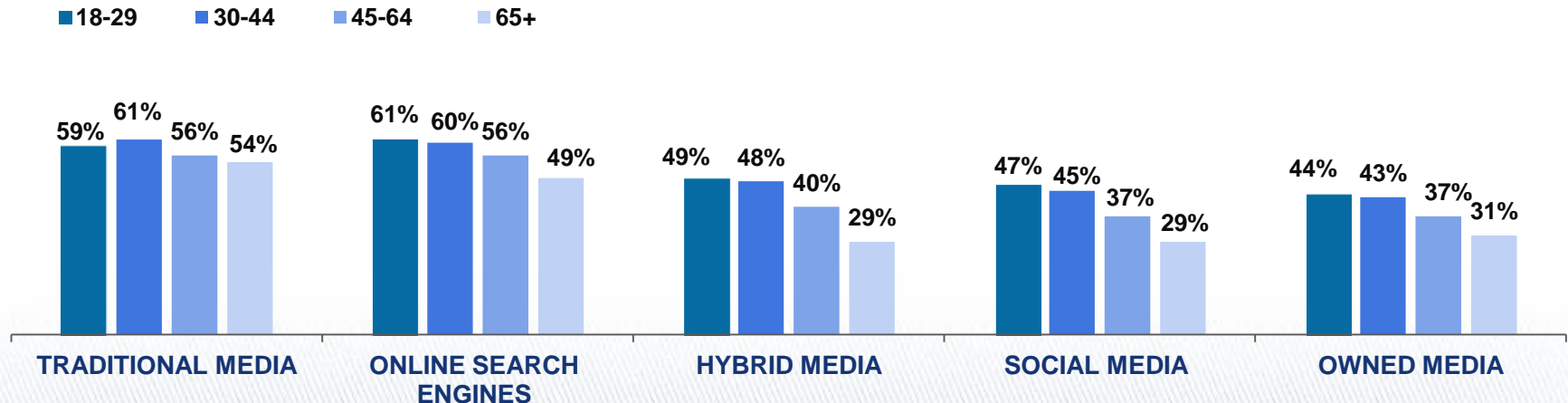
Q11-14. [Media in General TRACKING] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Top 4 Box, Trust) Informed Publics ages 25-64 in 20 country global total (excludes Argentina, Hong Kong, Malaysia, Singapore, Turkey and UAE) and across 26 countries

MAINSTREAM MEDIA REIGNS IN DEVELOPED MARKETS, EQUIVALENCE AMONG SOURCES IN EMERGING MARKETS

YOUTH TRUSTS, OLDER GENERATIONS DISTRUST NON-TRADITIONAL MEDIA



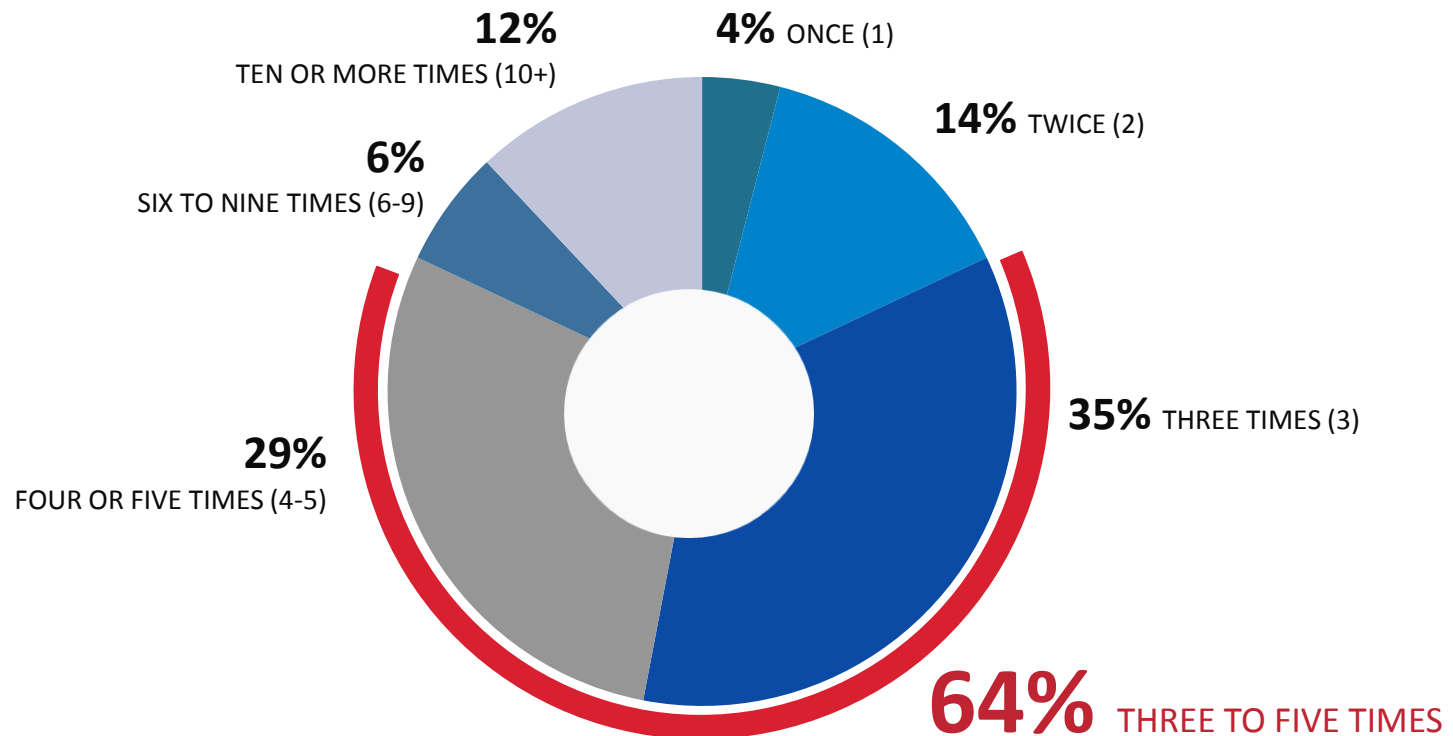
GLOBAL AGE BREAKDOWN



Q178-182. When looking for general news and information, how much would you trust each type of source for general news and information? Please use a 9-point scale where one means that you "do not trust it at all" and nine means that you "trust it a great deal". (Top 4 Box, Trust) General Population in 26-country global total, Developed vs. Emerging Markets; Age breakdown for general population in 26-country global total

SKEPTICISM AND DISPERSION REQUIRES REPETITION

MAJORITY NEEDS TO HEAR COMPANY INFORMATION 3-5 TIMES TO BELIEVE MESSAGES



BANKING AND FINANCIAL SERVICES DEEP DIVE

SEVERE DROPS IN TRUST IN BANKS OVER FIVE YEARS, 2/3 OF MARKETS NOW BELOW 50% TRUST LEVEL

INDUSTRY SAW BOTTOM IN 2012 FOR UK/France/GERMANY, US BOTTOM WAS 2011

TRUST IN BANKS – INFORMED PUBLICS AGES 35-64



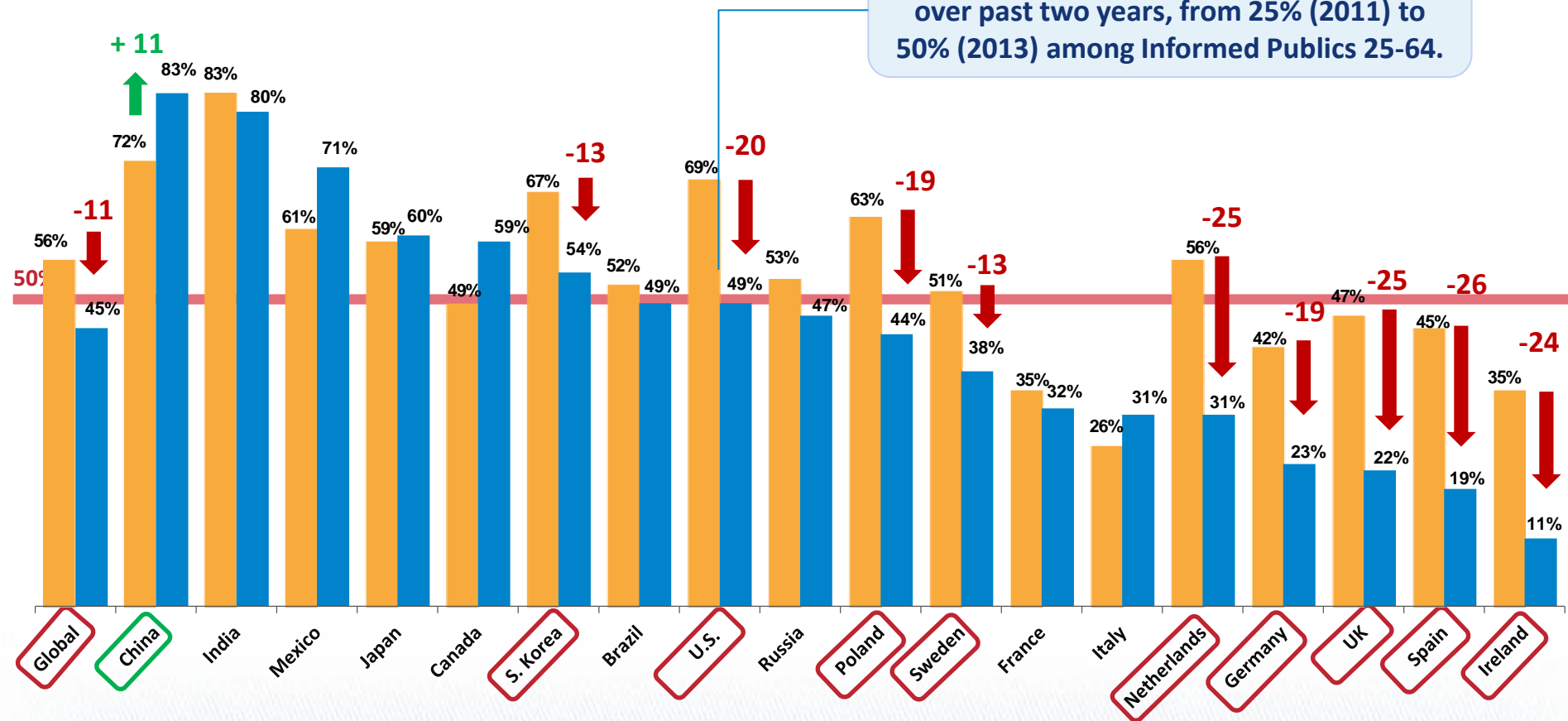
2008



2013



US Trust in Banking Industry has doubled over past two years, from 25% (2011) to 50% (2013) among Informed Publics 25-64.



Q43-60. [TRACKING] Please indicate how much you **trust** businesses in each of the following industries to do what is right. Again, please use the same 9-point scale where one means that you “do not trust them at all” and nine means that you “trust them a great deal”. (Top 4 Box, Trust) Informed publics ages 35-64 in 18-country global total and across 18 markets

BANKS PERFORMANCE REPORT CARD

RELATIONSHIP BETWEEN TRUST AND PERFORMANCE

SCORING KEY

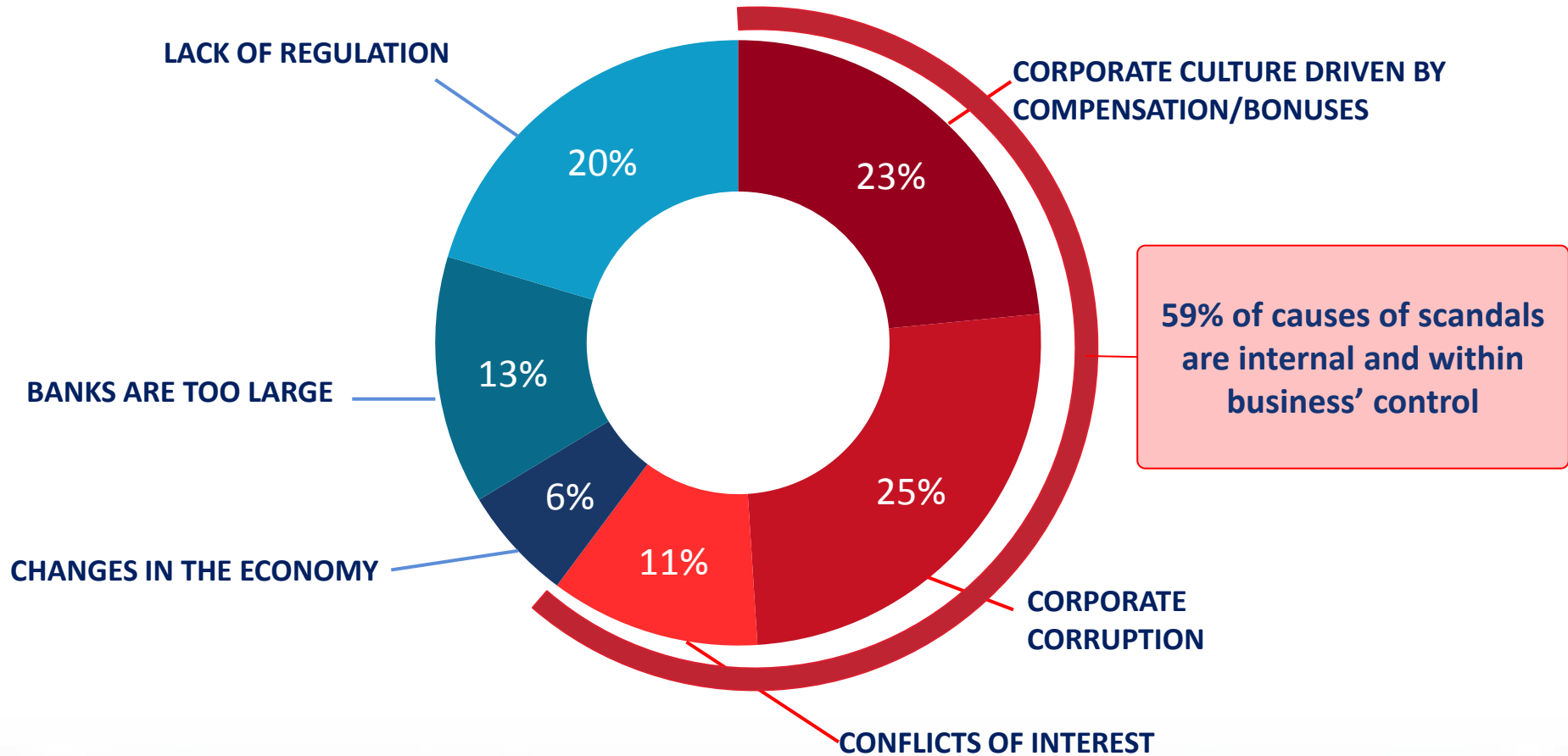
50%+ = ✓
 40-49% = O
 <40% = X

Rating of Banks' Performance in each of the following (Total Excellent/Good)	Developed	Emerging	US	UK	Canada	Australia	China
Lending to small businesses	X	O	X	X	O	X	✓
Providing home mortgage loans	X	O	X	X	✓	O	✓
Offering reasonable credit cards	X	O	X	X	O	X	✓
Trading and investing in government debt	X	O	X	X	X	X	✓
Ensuring the privacy & security of customers' personal information	O	✓	✓	X	✓	✓	✓
Overseeing initial public offerings for companies	X	X	X	X	X	X	O
Trust in Banking Industry	42%	69%	50%	29%	59%	40%	80%

TRUST DEFICIT IN BANKS LINKED TO CULTURE

WHAT DO YOU THINK IS THE BIGGEST CAUSE OF THESE SCANDALS?

(ASKED OF RESPONDENTS WHO ARE FAMILIAR WITH BANKING/FINANCIAL SERVICES SCANDALS OVER PAST YEAR — **56% GLOBALLY**)



**GLOBALLY, 63% SAY BANKING AND FINANCIAL SERVICES BEHAVIORS
ARE COMMON ACROSS ALL BUSINESS**

FINANCIAL TIMES

Friday October 15 2010 | £2.00

The last word

...in residence investment

“Make no mistake, for UBS traders the manipulation of Libor was about getting rich,”

“As one broker told a UBS derivatives trader: ‘Mate yur getting bloody good at this libor game ...think of me when yur on yur yacht in monaco won’t yu’”

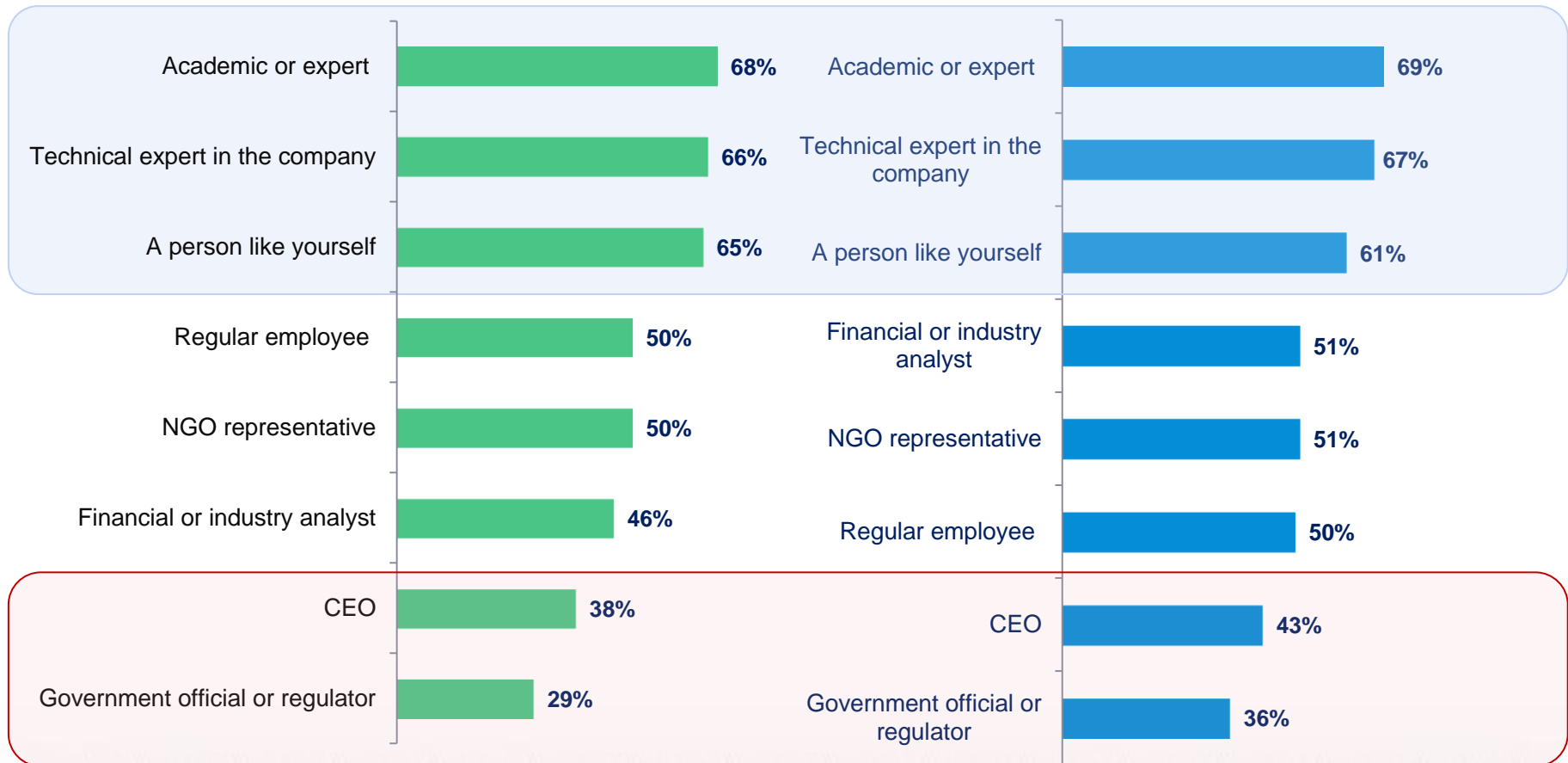
CRISIS OF LEADERSHIP

TRUSTED SOURCES ARE EXPERTS AND PEERS

CREDIBLE SPOKESPEOPLE

2012

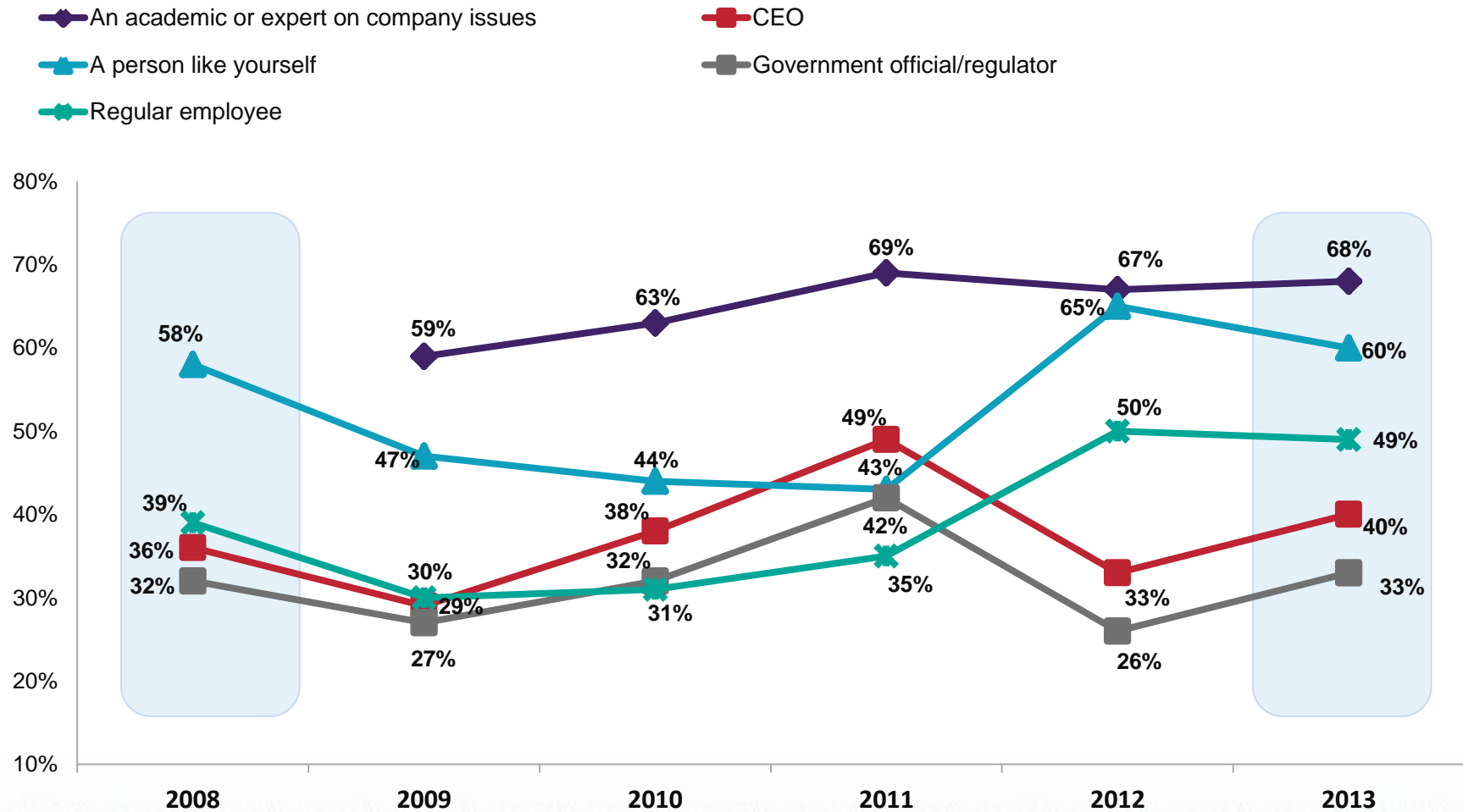
2013



Q130-143. [TRACKING] Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be--extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/ Extremely Credible) Informed publics ages 25-64 in 20 country global total (excludes Argentina, Hong Kong, Malaysia, Singapore, Turkey and UAE) (only spokespeople tracked from 2012 to 2013 included)

TRUSTED SPOKESPEOPLE SOLIDIFYING RANK ORDER

CREDIBILITY OF SPOKESPEOPLE – INFORMED PUBLICS AGES 35-64



Q130-143. [TRACKING] Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/Extremely Credible) Informed publics ages 35-64 in 18-country global total

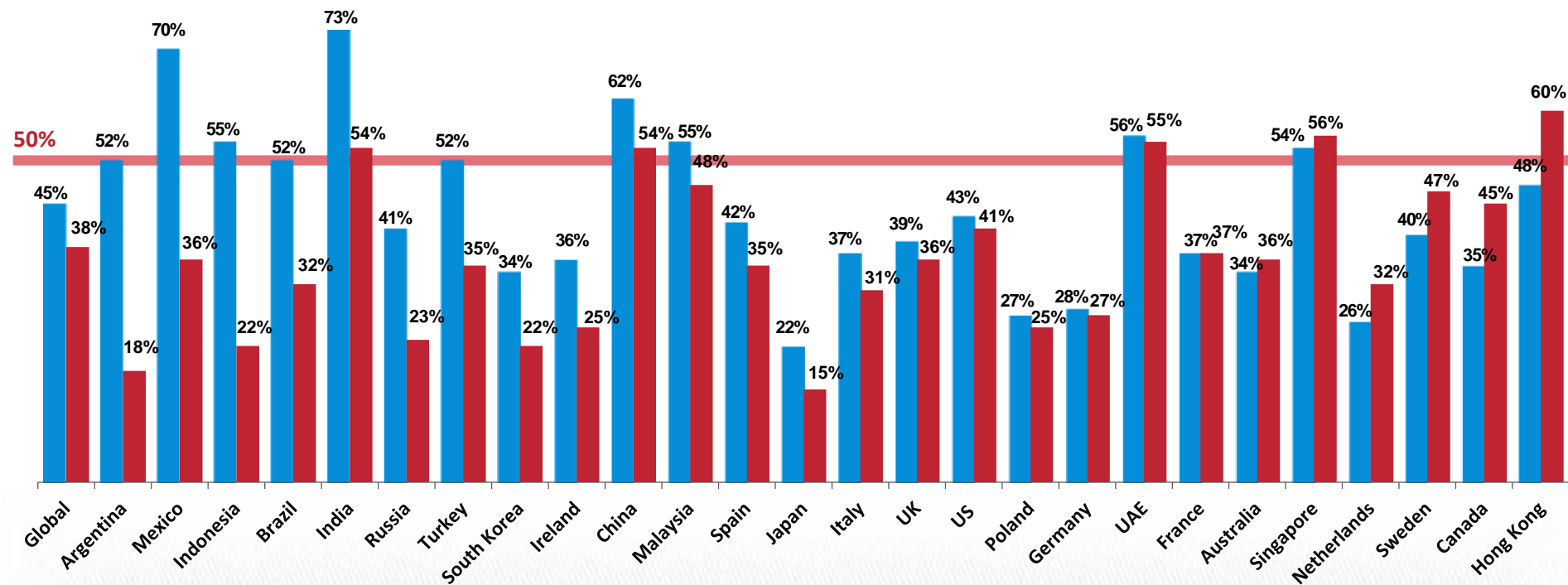
MAJORITY OF MARKETS FIND BOTH GOVERNMENT AND BUSINESS LEADERS BELOW 50% IN THEIR CREDIBILITY RATING

2013 CREDIBILITY OF CEOS VS. GOVERNMENT OFFICIALS/REGULATORS

CEO Credibility ■
Government official or regulator Credibility ■

Business leaders trusted less than 50% in 16 of 26 markets

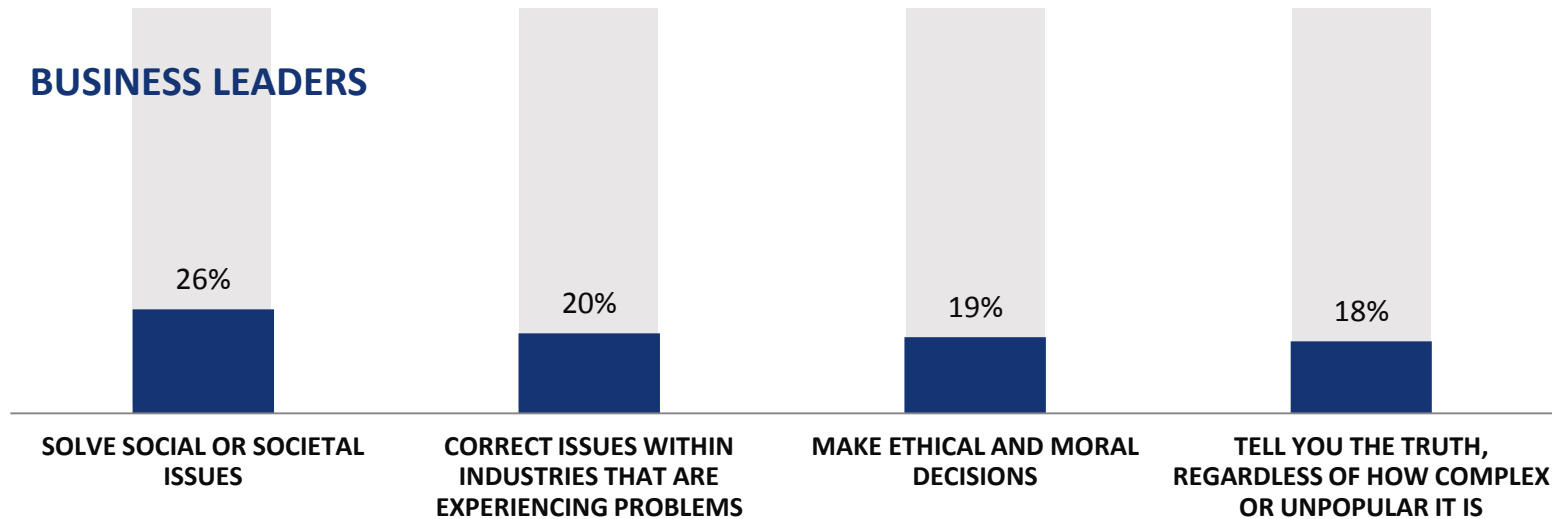
Government leaders trusted less than 50% in 21 of 26 markets



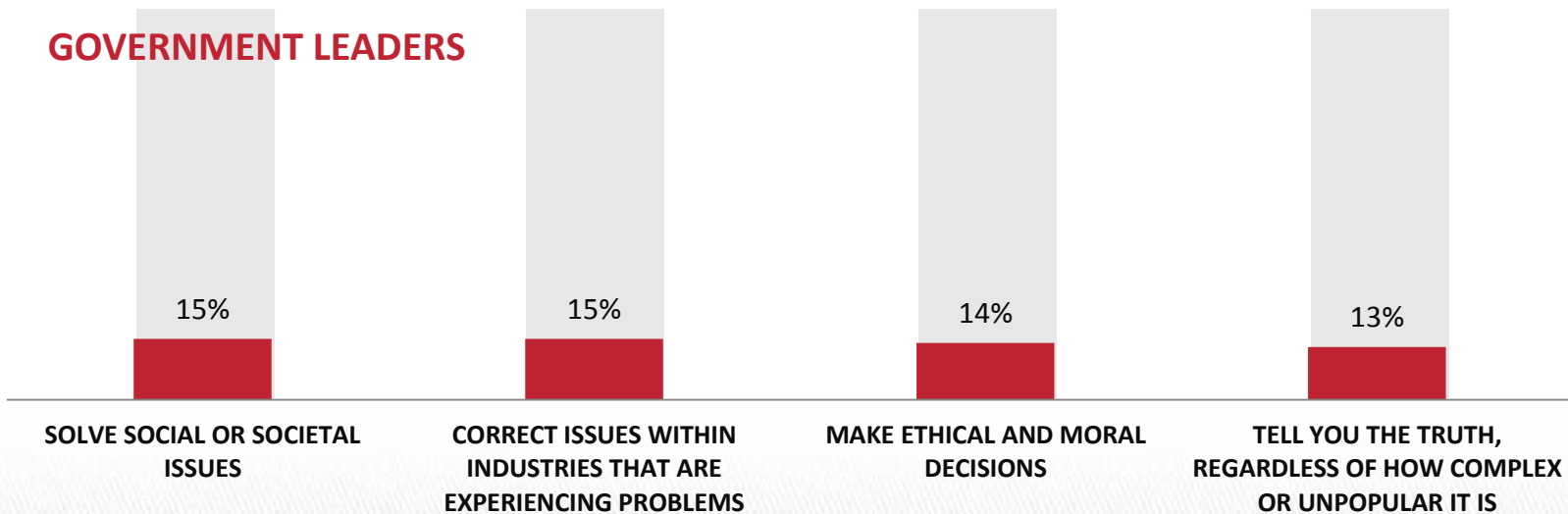
CRISIS IN LEADERSHIP – TRUST IN ETHICS AND MORALITY VERY LOW

TRUST BUSINESS AND GOVERNMENT LEADERS TO DO THE FOLLOWING:

BUSINESS LEADERS

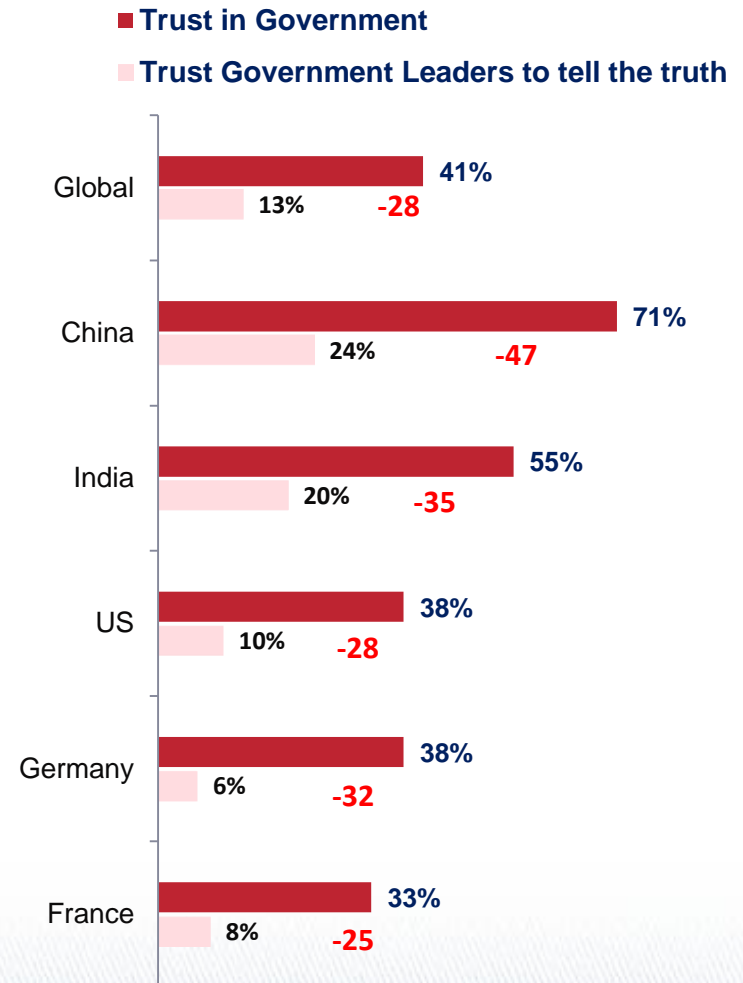
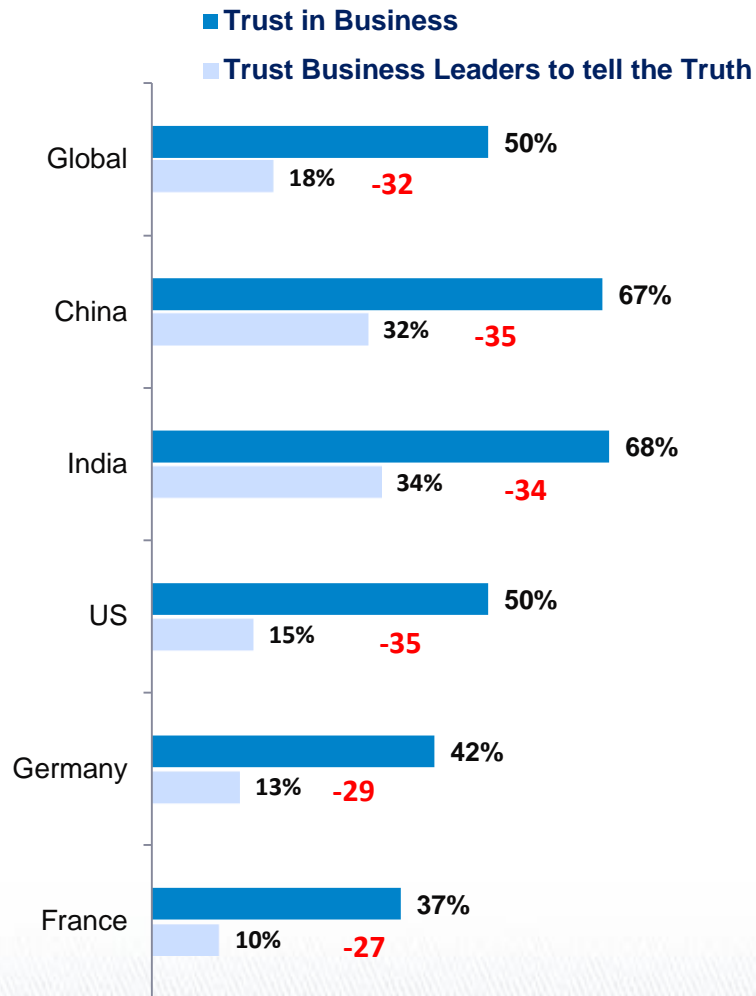


GOVERNMENT LEADERS



LEADERSHIP TRUST GAP

GAP IN TRUST IN INSTITUTION VS. TRUST IN LEADERSHIP



TRUST BUILDING

16 ATTRIBUTES TO BUILDING TRUST

Edelman Trust Barometer research reveals **16 SPECIFIC ATTRIBUTES** which build trust.

These can be grouped into **FIVE PERFORMANCE CLUSTERS** listed here in rank order of importance.

ENGAGEMENT



LISTENS TO CUSTOMER NEEDS AND FEEDBACK



TREATS EMPLOYEES WELL



PLACES CUSTOMERS AHEAD OF PROFITS



COMMUNICATES FREQUENTLY AND HONESTLY ON THE STATE OF ITS BUSINESS

INTEGRITY



HAS ETHICAL BUSINESS PRACTICES



TAKES RESPONSIBLE ACTIONS TO ADDRESS AN ISSUE OR CRISIS



HAS TRANSPARENT AND OPEN BUSINESS PRACTICES

PRODUCTS & SERVICES



OFFERS HIGH QUALITY PRODUCTS OR SERVICES



IS AN INNOVATOR OF NEW PRODUCTS, SERVICES OR IDEAS

PURPOSE



WORKS TO PROTECT AND IMPROVE THE ENVIRONMENT



ADDRESSES SOCIETY'S NEEDS IN ITS EVERYDAY BUSINESS



CREATES PROGRAMS THAT POSITIVELY IMPACT THE LOCAL COMMUNITY



PARTNERS WITH NGOs, GOVERNMENT AND 3RD PARTIES TO ADDRESS SOCIETAL NEEDS

OPERATIONS



HAS HIGHLY-REGARDED AND WIDELY ADMIRERD TOP LEADERSHIP



RANKS ON A GLOBAL LIST OF TOP COMPANIES



DELIVERS CONSISTENT FINANCIAL RETURNS TO INVESTORS

HOW WE HAVE EVOLVED...NOW THE ATTRIBUTES CAN BE GROUPED INTO 5 DISTINCT CLUSTERS



Edelman Trust Barometer's 2008 TRUST DRIVERS*

Edelman Trust Barometer's 2013 TRUST PERFORMANCE CLUSTERS

ENGAGEMENT (59%)

INTEGRITY (58%)

PRODUCTS & SERVICES (54%)

PURPOSE (47%)

OPERATIONS (39%)

**OPERATIONS
(76%)**

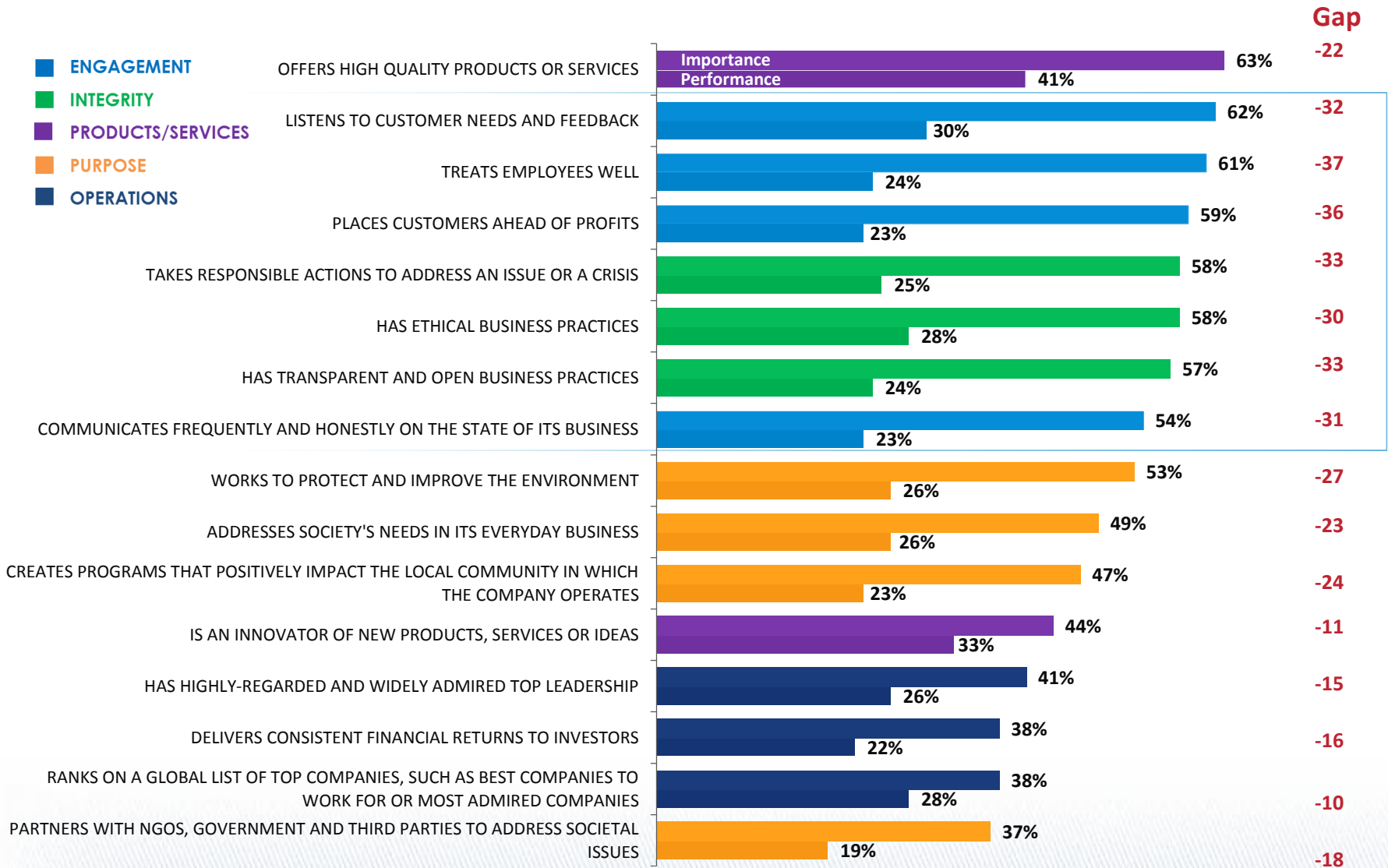
Reputation as a place to work (81%)

Financial performance (76%)

Respected CEO or leader (71%)

TRUST BUILDING ATTRIBUTES – LARGE GAP IN EXPECTATION VS. PERFORMANCE

BUSINESS IMPORTANCE VS. COMPANY PERFORMANCE



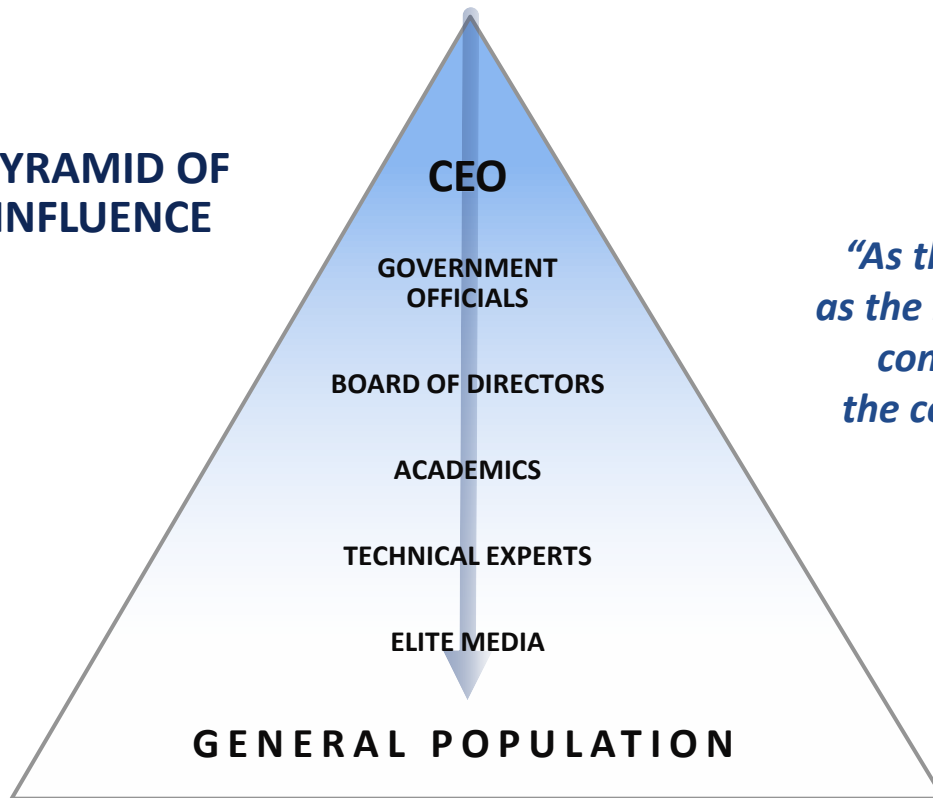
Q80-Q96. [TRACKING] How important is each of the following actions to building your TRUST in a company? Use a nine-point scale where one means that action is "not at all important to building your trust" and nine means it is "extremely important to building your trust" in a company. (Top 2 Box, Very/Extremely Important) General Population in 26-country global total (excludes 'Don't Know' responses Q114-Q129. Please rate [INSERT COMPANY] on how well you think they are performing on each of the following attributes. Use a nine-point scale where one means they are performing "extremely poorly" and nine means they are performing "extremely well". (Top 2 Box, Performing Very/Extremely Well) General Population in 26-country global total

INFLUENCER MESSAGE MAPPING

	Who is Trusted MOST to provide you with credible and honest information about:	Company's CEO	Company's Employee	Passionate or Activist Consumer	Academic	Media Spokesperson
ENGAGEMENT	A company's employee programs, benefits & working conditions	21%	63%	16%	13%	11%
	How a company serves its customers and prioritizes customer needs ahead of company profits	19%	30%	44%	16%	15%
INTEGRITY	A company's situation in a time of crisis	30%	35%	18%	22%	23%
PRODUCTS	A company's innovation efforts and new product development	31%	31%	27%	25%	13%
PURPOSE	How a company uses its resources and influence to support the environment	21%	26%	34%	27%	13%
	How a company supports programs that positively impact the local community	22%	27%	35%	20%	23%
	Partnerships with NGO's and effort to address societal issues	25%	20%	25%	23%	15%
OPERATIONS	A company's financial earnings & operational performance	34%	27%	23%	23%	12%
	A company's business practices, both positive & negative	23%	36%	29%	21%	15%
	Accomplishments about a company's senior leadership	35%	34%	17%	19%	19%

THE WAY WE WERE

PYRAMID OF INFLUENCE



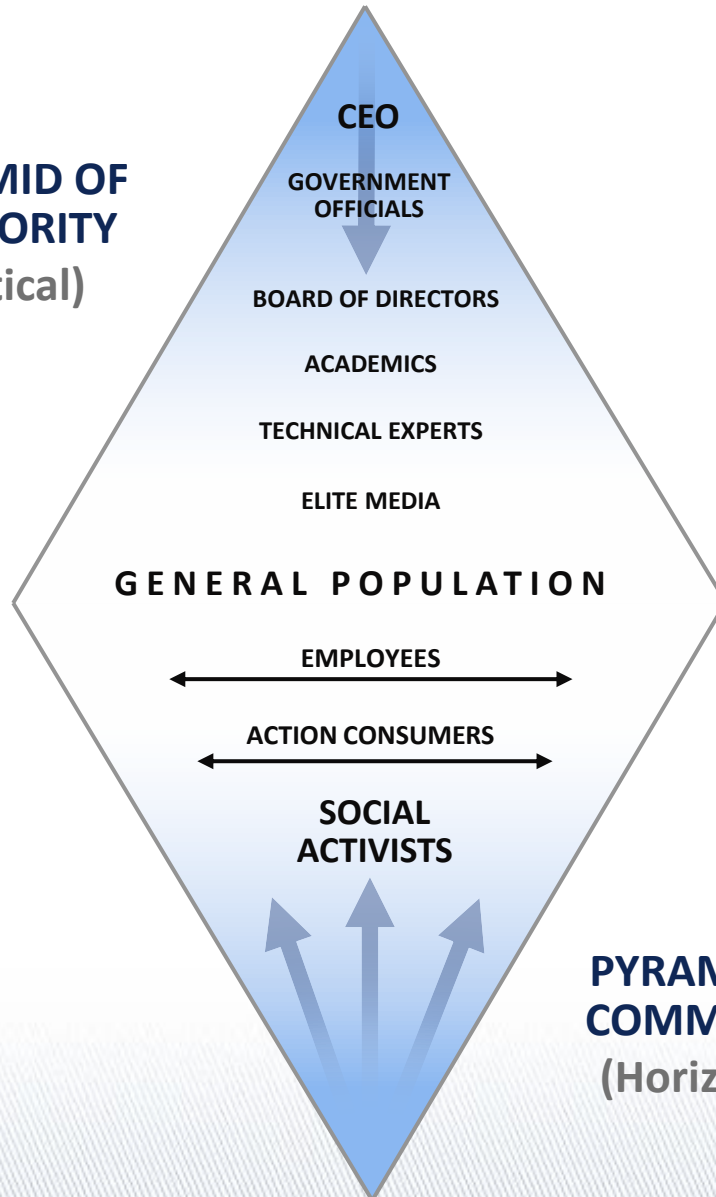
“As the circle of those who decide is narrowed, as the means of decision are centralized and the consequences of decision become enormous, the course of great events often rests upon the decisions of determinable circles.”

- C. Wright Mills, 1956

**VERTICAL FLOW &
CONTROLLED INFORMATION**

THE NEW DYNAMIC: THE DIAMOND OF INFLUENCE

PYRAMID OF AUTHORITY (Vertical)



PYRAMID OF COMMUNITY (Horizontal)

FROM 2000

FEW
DICTATE
FIXED
MONOLOGUE
CONTROL

TO 2013

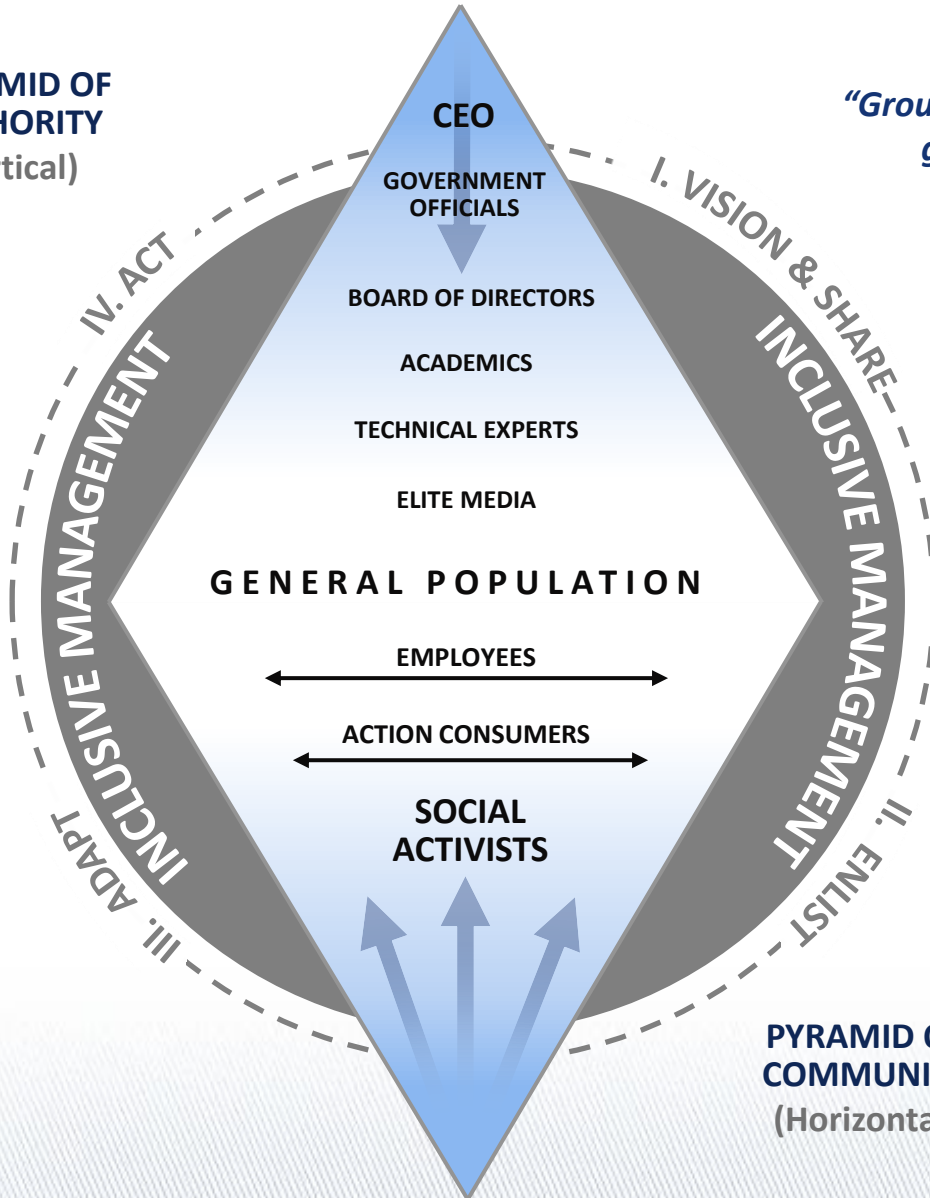
MANY
CO-CREATE
FLEXIBLE
DIALOGUE
EMPOWERMENT

from LICENSE TO OPERATE
to LICENSE TO LEAD

EMBRACE THE NEW MANDATE: INCLUSIVE MANAGEMENT

ACTIVATE ACROSS MEDIA CLOVERLEAF, BASED IN GROUNDED LEADERSHIP

PYRAMID OF
AUTHORITY
(Vertical)



“Grounded Leadership builds legitimacy in key constituent groups and is based in personal dynamism, empathy, authenticity, inspirational goals and courage.”

-- Jeffrey Sonnenfeld



PYRAMID OF
COMMUNITY
(Horizontal)

LESSONS FOR LEADERS

Observe re-ordering of authority

Old values are not sufficient

Clear opportunity for business

Trust is fragile and perceived behaviors are an anchor



Edelman

trustbarometer

2013 | ANNUAL GLOBAL STUDY

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