



Edelman
TRUST BAROMETER 2007
THE EIGHTH GLOBAL OPINION LEADERS STUDY

The Third Annual Japan Opinion Leaders Study

February 2007

About the Study



- The Edelman Trust Barometer tracks the attitudes of opinion leaders around the world – which institutions, companies, and sources of information they trust, as well as what drives that trust.
- The eighth annual survey (third annual in Japan) was conducted through 30-minute telephone interviews with 3,100 opinion leaders in 18 countries (Japan, South Korea, China, US, Canada, UK, Germany, France, Italy, Spain, the Netherlands, Sweden, Poland, Russia, Ireland, India, Mexico, and Brazil).
- 150 Japanese stakeholder interviews were conducted from October to November 2006 by StrategyOne (a research consultancy owned by Daniel J Edelman, Inc.).
- Opinion leaders are defined as being between 35-64 years of age, university graduates with annual household incomes within the top quartile of the population, and reporting a significant interest and engagement in the media, economic affairs, and policy issues.

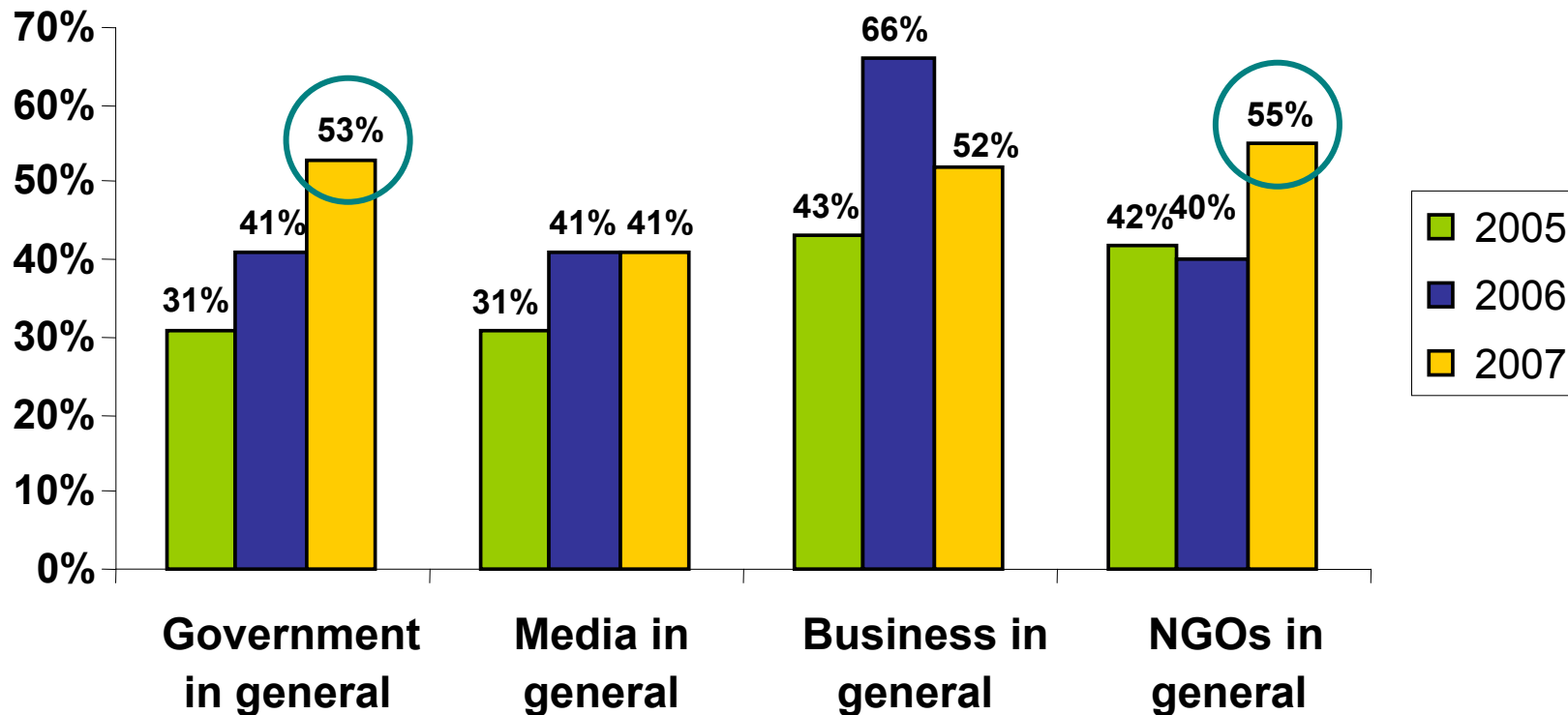


Trust in Institutions



- How much do you trust each of the following institutions to do what is right?

Increased trust in government and NGOs in Japan



Japanese respondents: n = 150

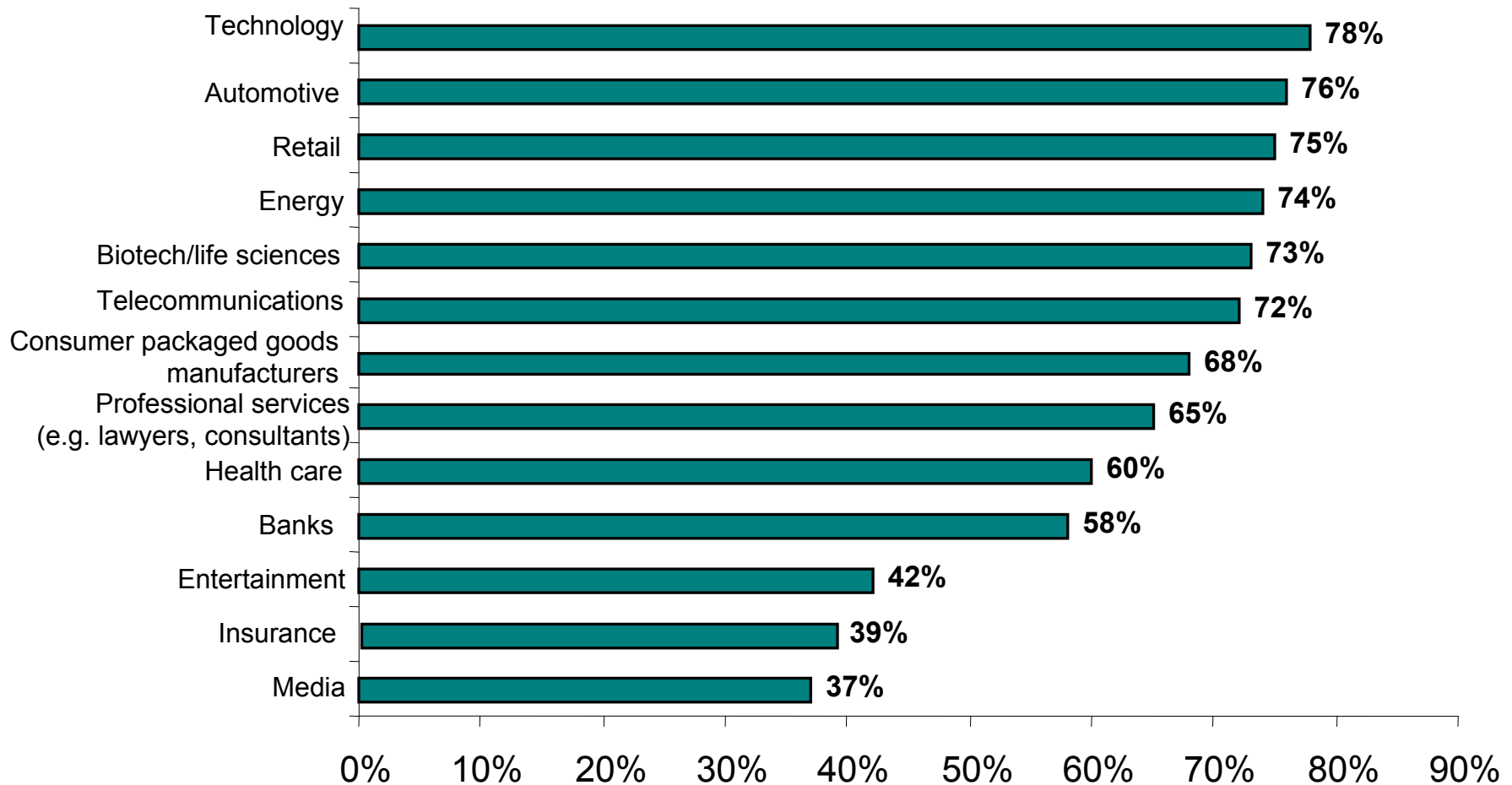
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Trust in Industry Sectors



- How much do you trust businesses in each of the following industry sectors to do what is right?



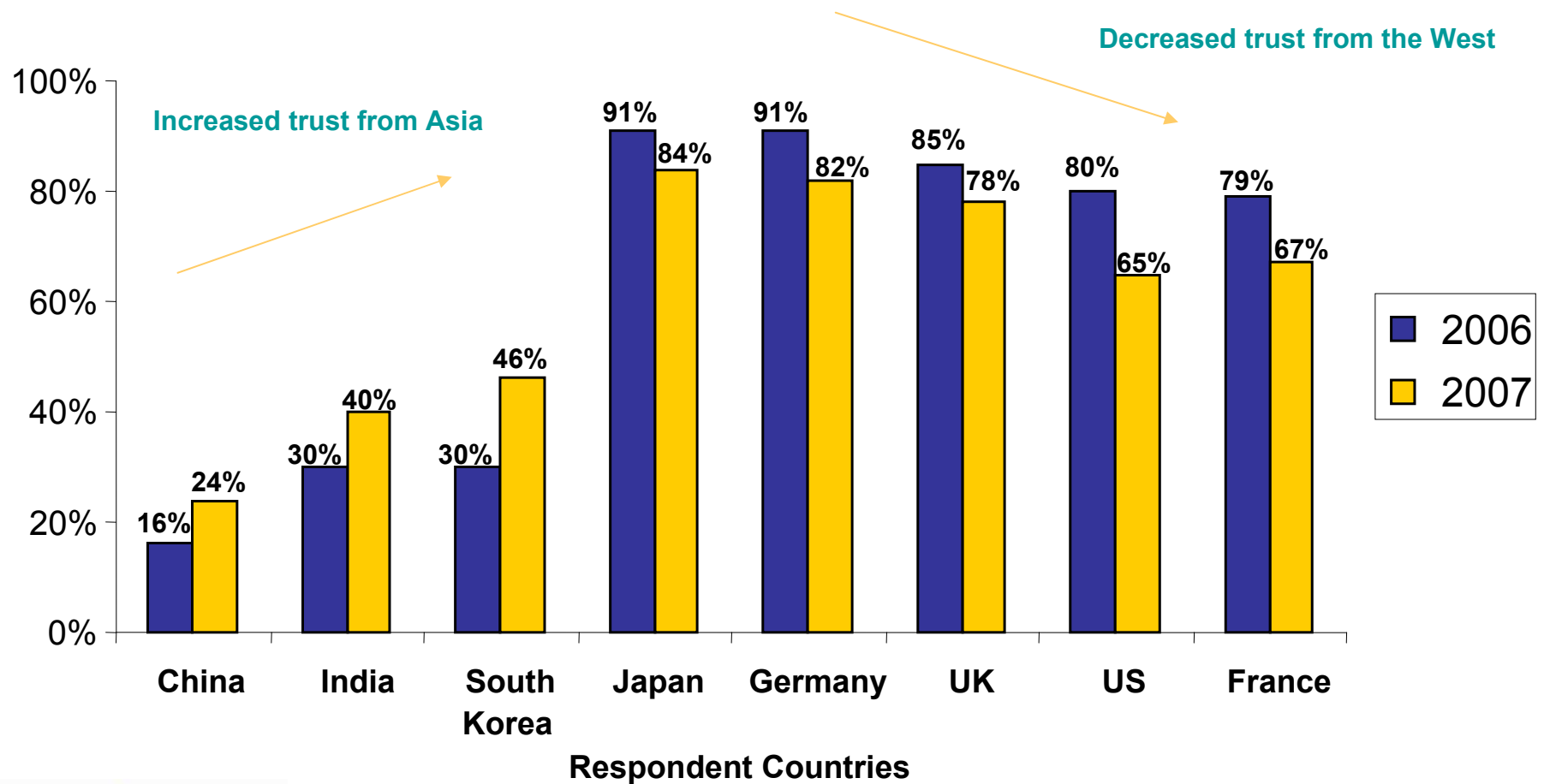
Japanese respondents: n = 150

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Trust in Japanese Companies

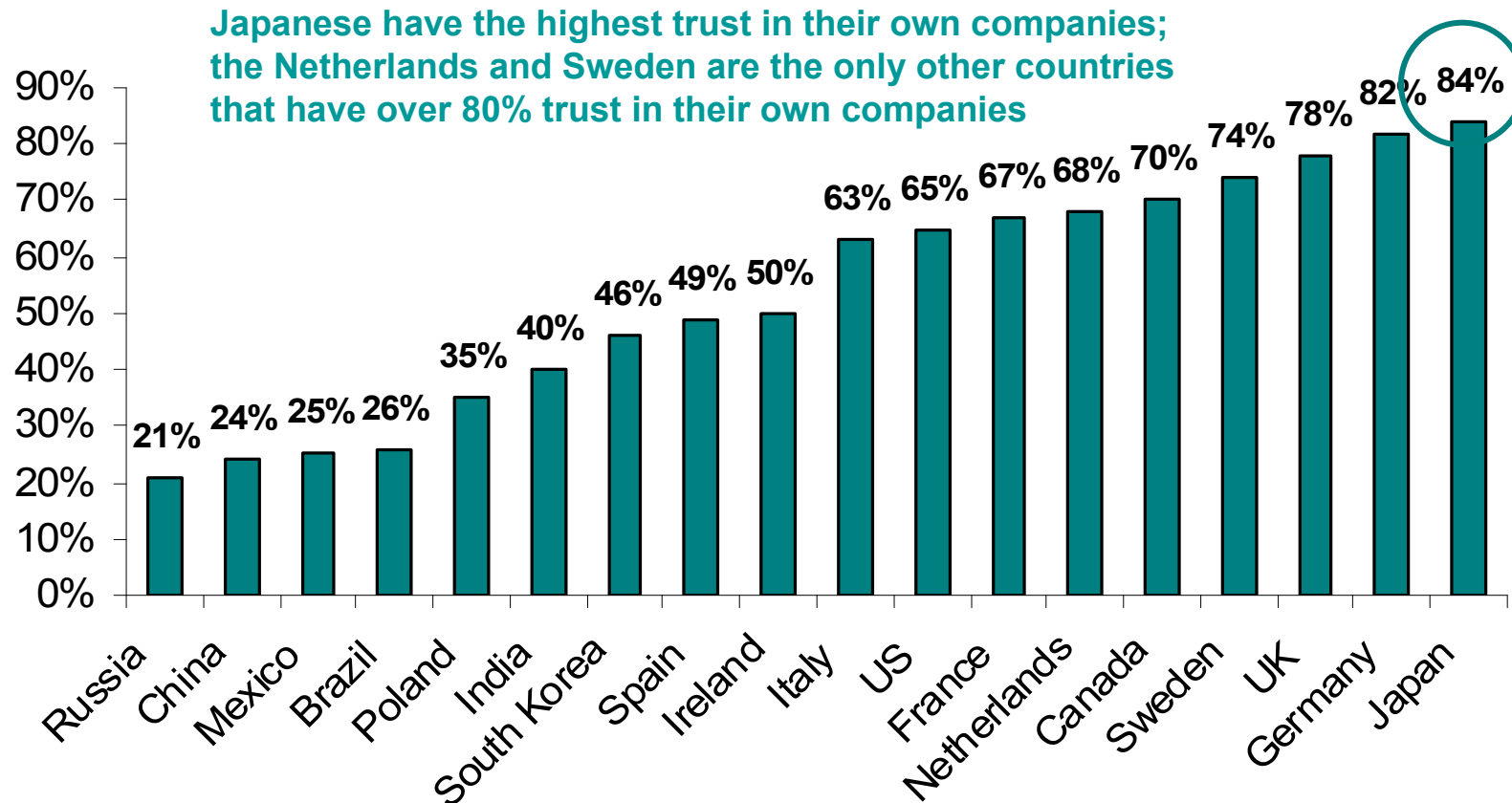
- How much do you trust global companies headquartered in Japan to do what is right?



Trust in Foreign Companies



- How much do you trust global companies headquartered in the following countries to do what is right? (Japanese respondents only)



Headquarter Country

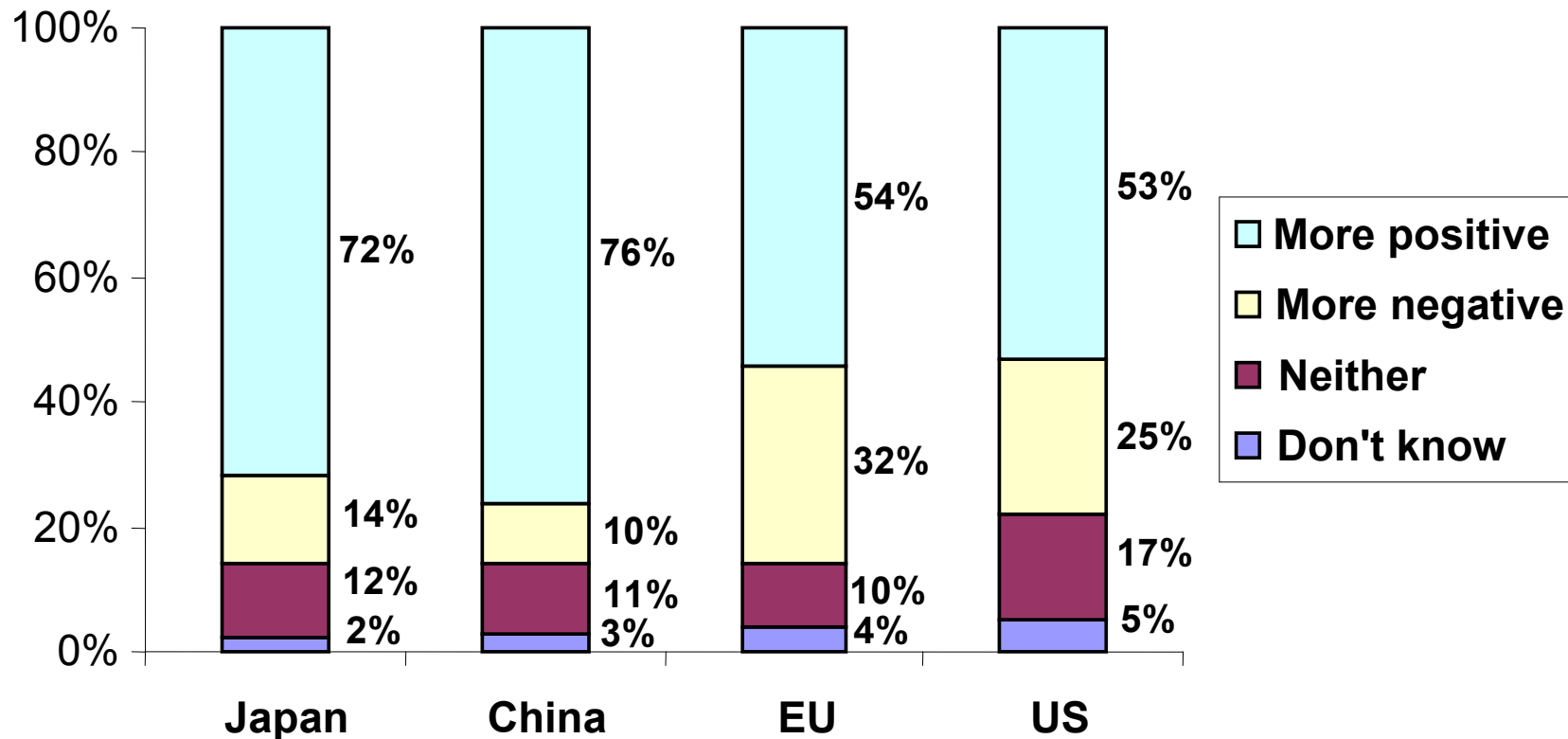
Japanese respondents: n=150



Importance of Trust



- Do you believe that global companies have more of a positive or more of a negative impact on society?



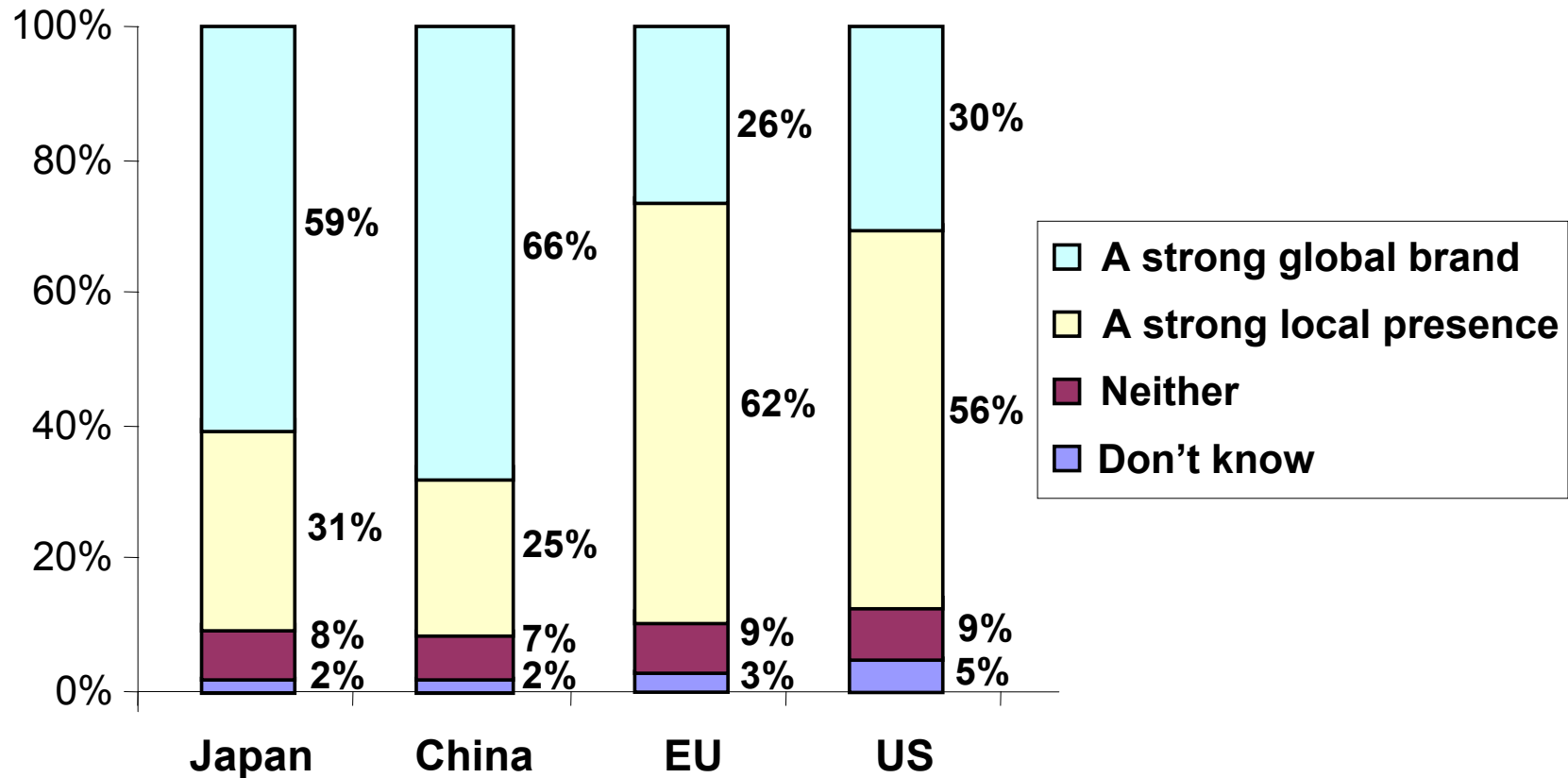
Japanese respondents: n = 150



Basis for Trust



- Which would make you trust a global company more?



Japanese respondents: n = 150

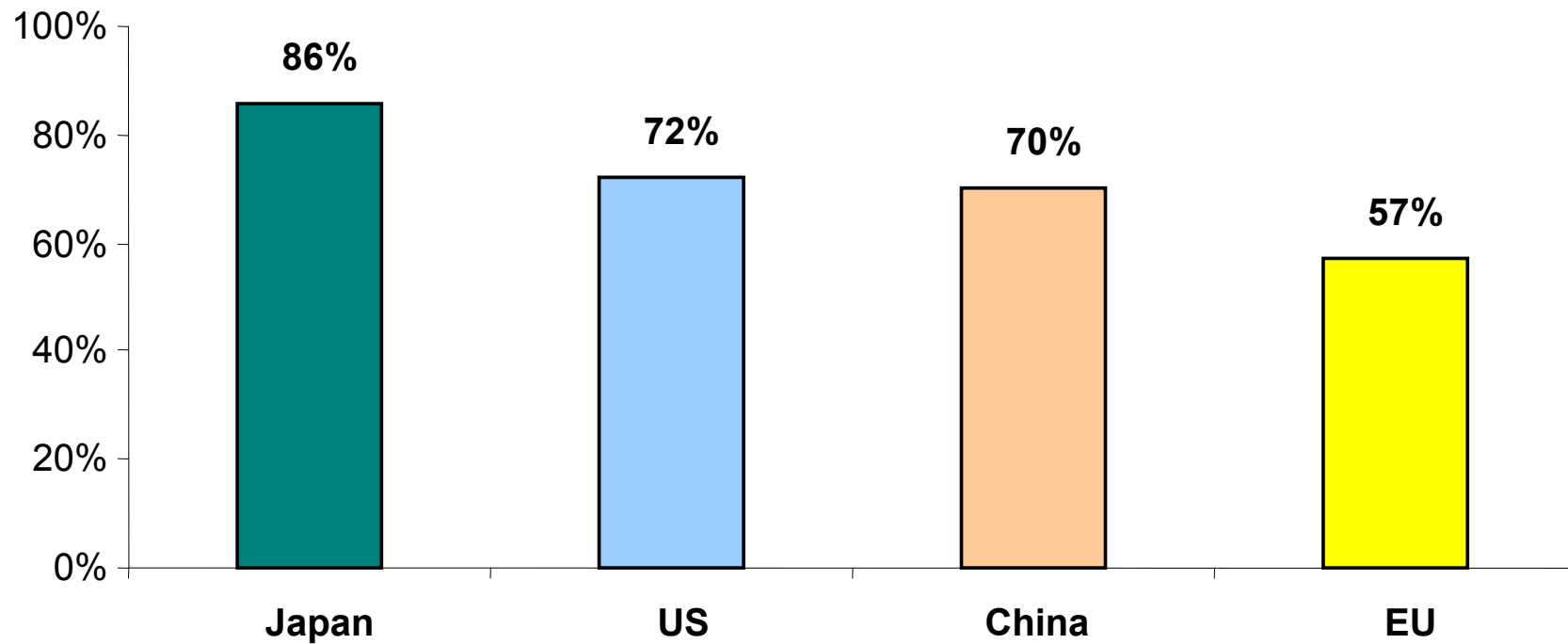
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Role of Global Businesses



- Do you believe global businesses play a role that no other institutions can in addressing major social and environmental challenges?



Responses are for “strongly agree” and “somewhat agree”

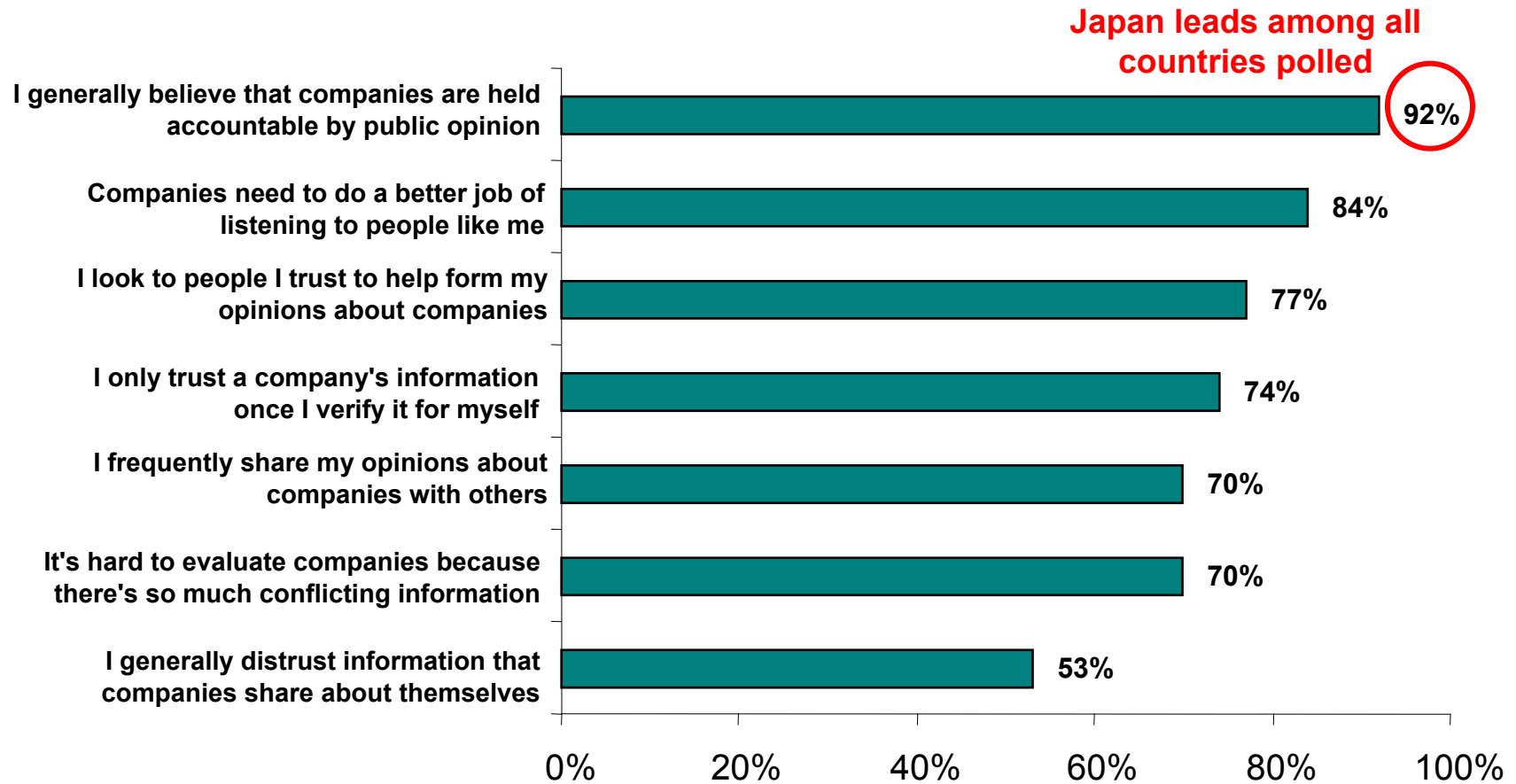


Japanese respondents: n = 150

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Using & Sharing Information



Responses are for “strongly agree” and “somewhat agree”

Japanese respondents: n = 150

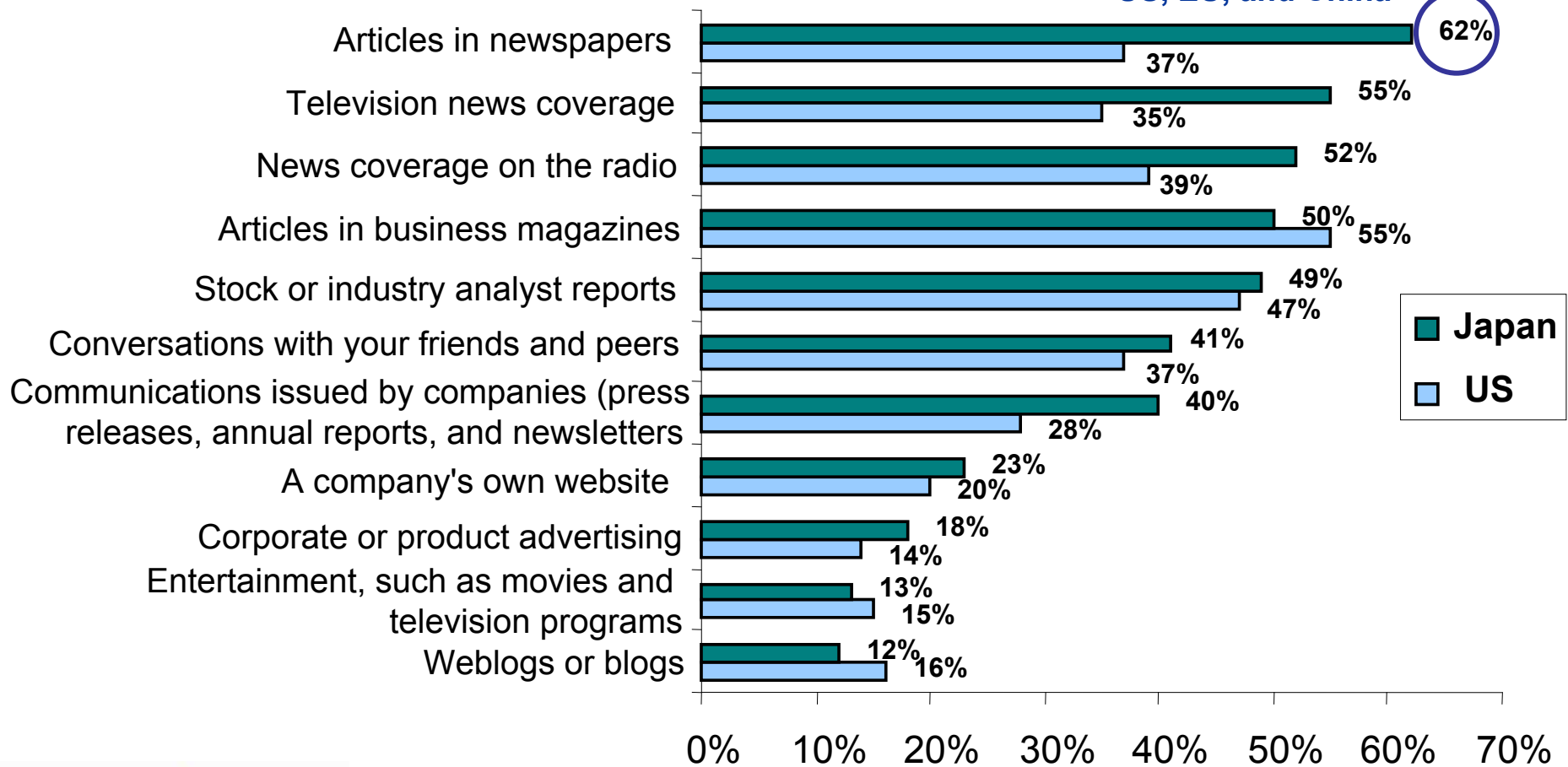


Trust in Media Sources



- How credible do you feel each of the following sources is for information about a company?

Japan leads among the US, EU, and China



Answers are for "extremely credible" and "very credible"

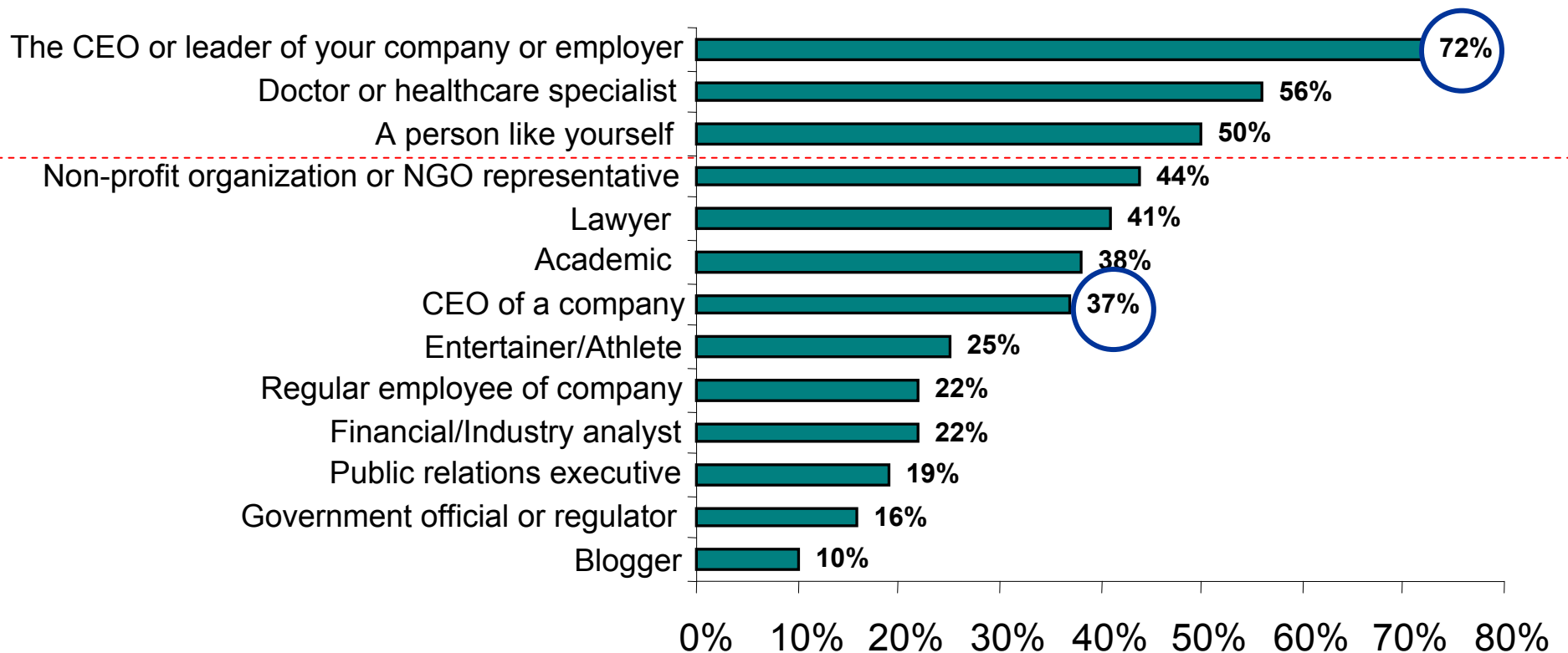
Rank order by Japan Japanese respondents: n = 150



Trust in Spokespeople



- When forming an opinion about a company, if you heard information about the company from the below spokespeople, how credible would the information be?



Answers are for “extremely credible” and “very credible”

Japanese respondents: n = 150

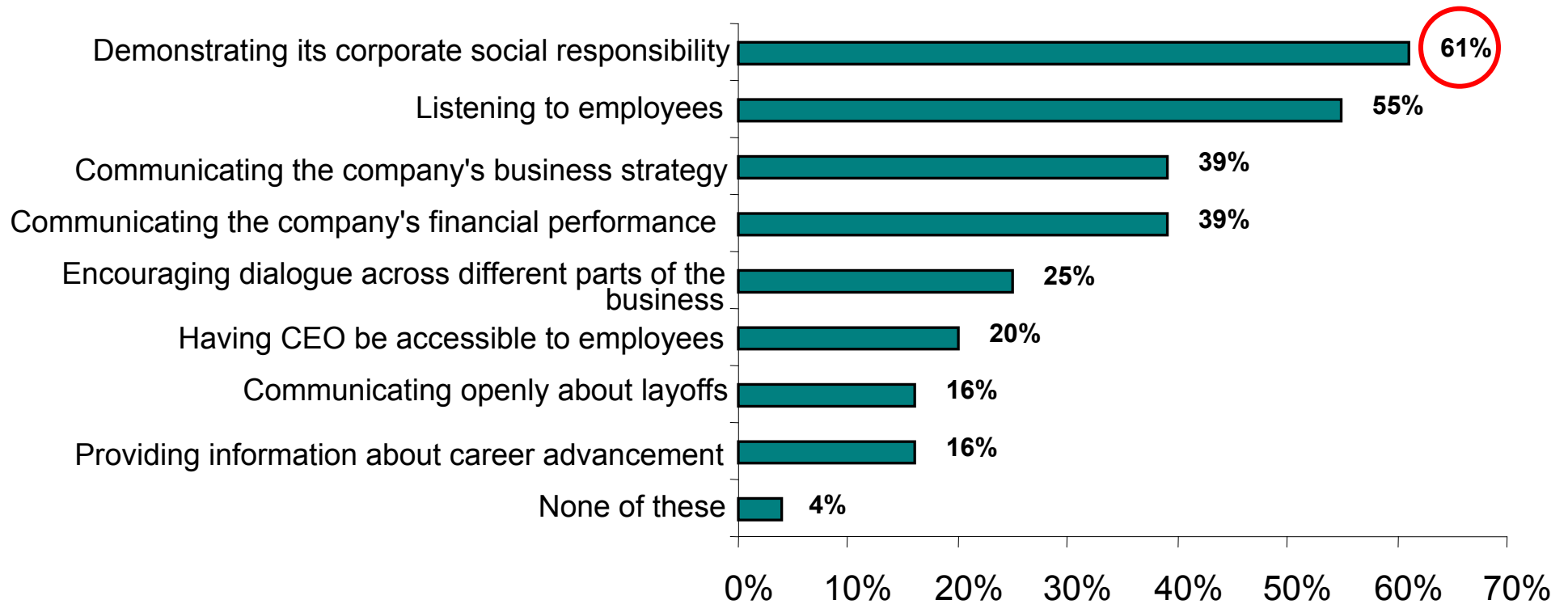
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'Inside Out' Communications



- Which are the three most important actions for a global company seeking to build trust among its employees.



Japanese respondents: n = 150

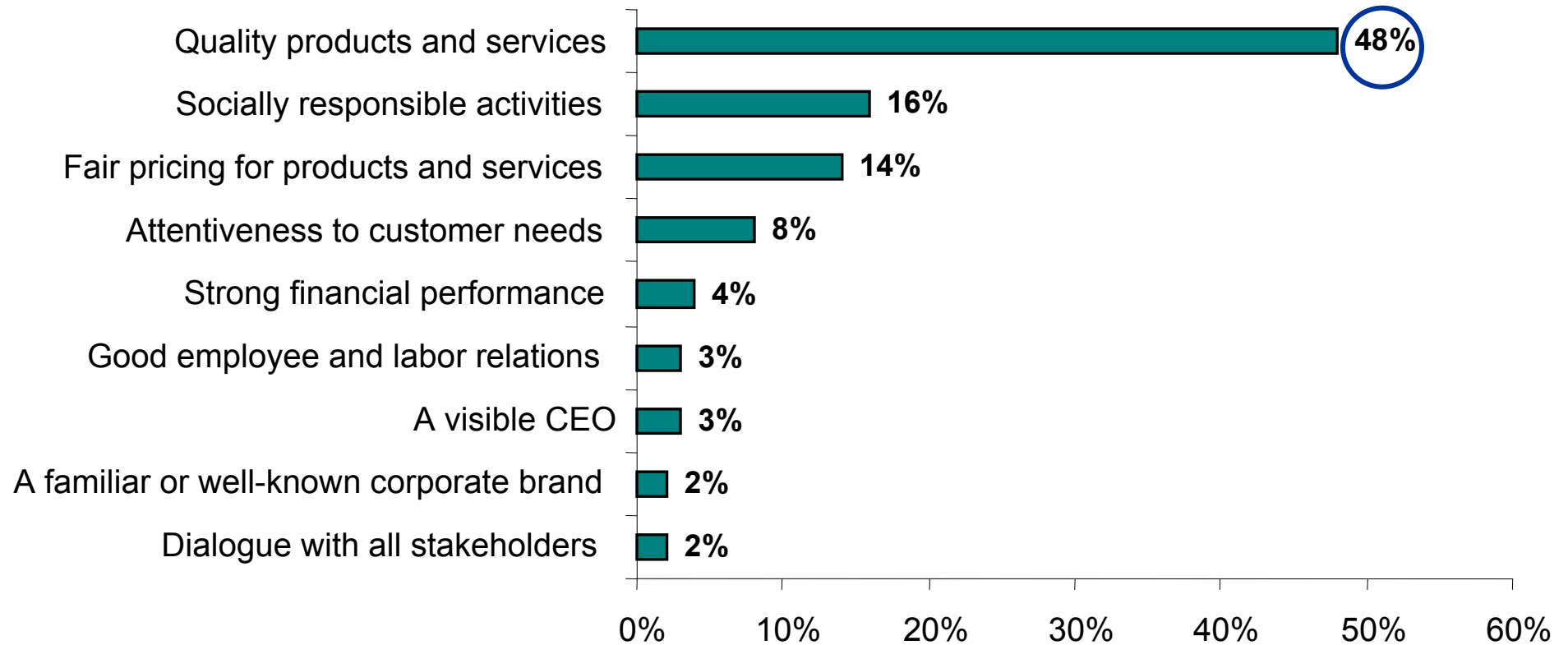
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Building Blocks for Trust



- Which one of the following factors is most important to building your trust in a global company?



Japanese respondents: n = 150

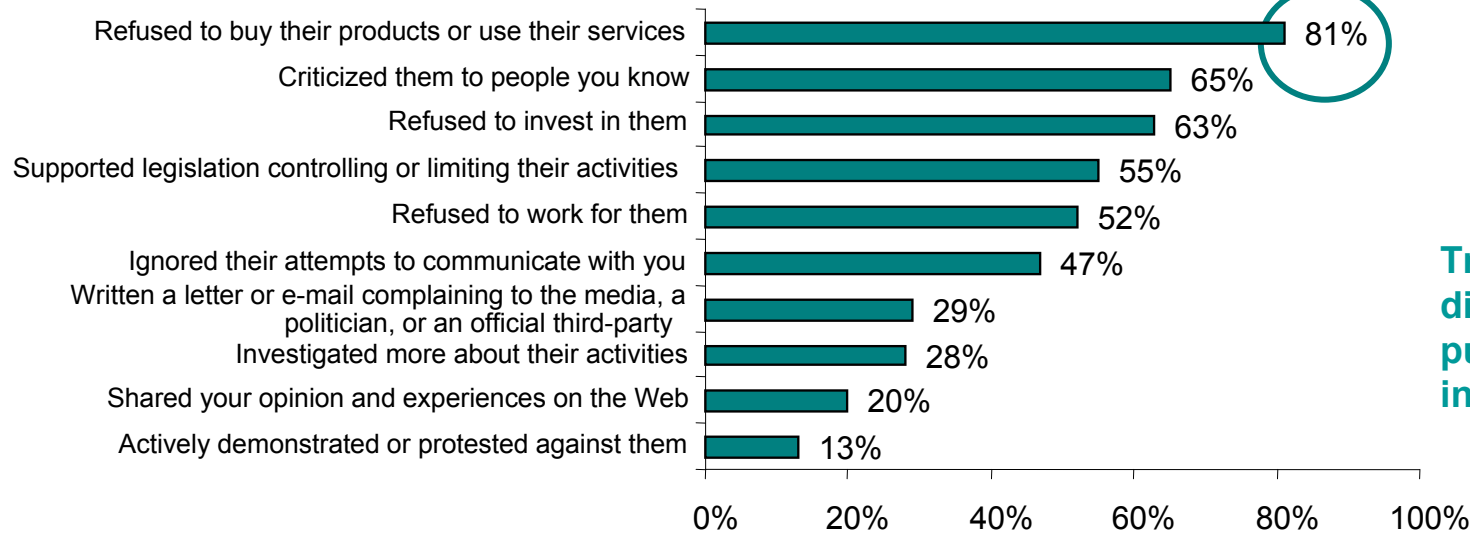
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Trust Influences Actions

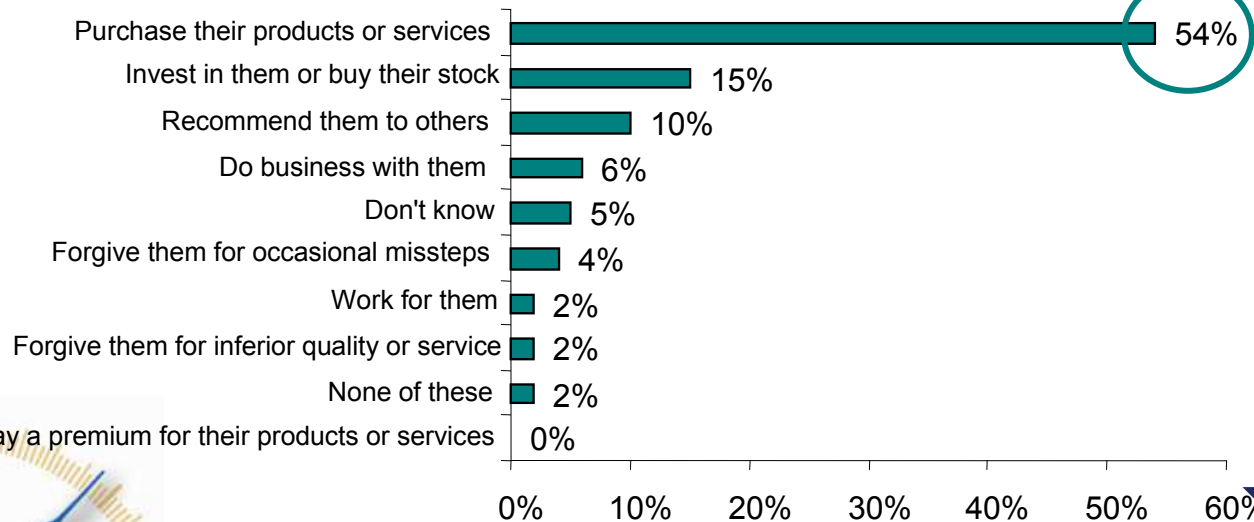


- Have you ever taken any of the below actions in relation to a company you do not trust?



Trust in companies directly affects purchase behaviors in Japan

- If you consider a company to be socially responsible, which of the following are you most inclined to do?



Drivers Destroying Trust



- Which three of the following situations would most undermine your trust in a company?

	JAPAN	US	EU	CHINA
Environmental crisis caused by a company	68%	37%	58%	47%
Defective products/product liability	68%	55%	46%	63%
Unethical labor practices	55%	56%	62%	65%
Accounting scandal	41%	53%	36%	46%
Large-scale layoffs	23%	15%	21%	20%
Excessively high CEO compensation	23%	35%	32%	9%
Investigation by a regulatory agency	13%	24%	15%	13%
None of these	1%	0%	0%	1%
Other	0%	1%	1%	0%

The environment is a main concern; so are defective products.

Ranked by total



Important Issues to Address



- Which are the three most important issues that global companies you trust should address?

	JAPAN	US	EU	CHINA
Global warming	79%	42%	56%	34%
Poverty alleviation	57%	40%	60%	53%
Security	50%	40%	33%	50%
Human rights	48%	57%	61%	45%
Natural disasters, such as hurricanes or earthquakes	20%	23%	24%	32%
The AIDS epidemic	15%	18%	20%	19%
Pandemic flu, e.g. bird flu	12%	15%	8%	18%
Immigration	9%	24%	12%	7%
None of these	0%	6%	3%	6%



Global warming is the main concern among Japanese opinion leaders

Ranked by total



Japan Leads The World...



Japan leads all polled countries in:

- Believing that global businesses play a role that no other institutions can in addressing major social and environmental challenges
- Believing that companies are held accountable by public opinion
- Choosing corporate social responsibility as the most important action for global companies seeking to build trust among its employees
- Being inclined to purchase products or services of companies deemed socially responsible

Japan leads among world regions (the US, EU, and China) in:

- Believing that their own company's CEO or leader is a credible source of information about the company, and feeling that CEOs in general are credible
- Believing that articles in newspapers are credible sources of information about a company
- Responding that the most important factor in building trust for a global company is quality products and services



Communications conclusions



- The rise of Corporate Social Responsibility really matters in Japan; global companies are seen to have a unique responsibility for CSR and CSR is an important ingredient of corporate trust (especially among company employees).
- Compared to other countries, Japanese opinion-leaders tend to be more trusting of corporate information and information communicated through traditional sources of authority.
- However, Japanese believe that their opinions are important to holding corporations responsible and more trust information from a 'person like yourself' than from 'CEO of a company.'
- Therefore, companies need to find the 'sweet spot' between the old power of top-down vertical corporate 'monologue' and the new credibility of peer-to-peer horizontal 'dialogue' with stakeholders (like employees and customers and NGOs).



Communications conclusions



- The perceived quality of a company's products and services is the top trust-building factor in Japan, so communicating that reality is key.
- Then standing behind those quality products and services – especially when something goes wrong – is essential because Japanese are more willing to reward companies they trust and punish companies that they do not trust.
- Defective products and environmental crises are the two biggest trust destroyers in a country where quality and concern for the environment reign supreme (so the importance of having a modern crisis communications regime in place is abundantly clear).
- This year's data shows the rise of environmental issues; CSR is seen increasingly through the prism of the environment and thus companies must be able to articulate alignment of their business practice with environmental imperatives (to be seen as sincere on CSR).





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Pioneer Thinking



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