



Edelman Trust Barometer at a glance

Tenth edition

4,475 people in 20 countries on 5 continents

Ages 25 to 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

A decade of insights from the Edelman Trust Barometer

2001

Rising Influence of NGOs

2002

Fall of the celebrity CEO

2003

Earned media more credible than advertising

2004

U.S. companies in Europe suffer trust discount

2005

Trust shifts from “authorities” to peers

2006

“A person like me” is most credible spokesperson

2007

Business more trusted than government and media

2008

Young influencers have more trust in business

What a difference a year-and-a-half makes

May 14, 2007



January 19, 2009





The State of Trust

“Every financial system depends on trust...We are in a full-blown crisis because investors and financial managers—the people who run banks, investment banks, hedge funds, insurance companies—have lost that trust.”

– Robert J. Samuelson, *Newsweek*

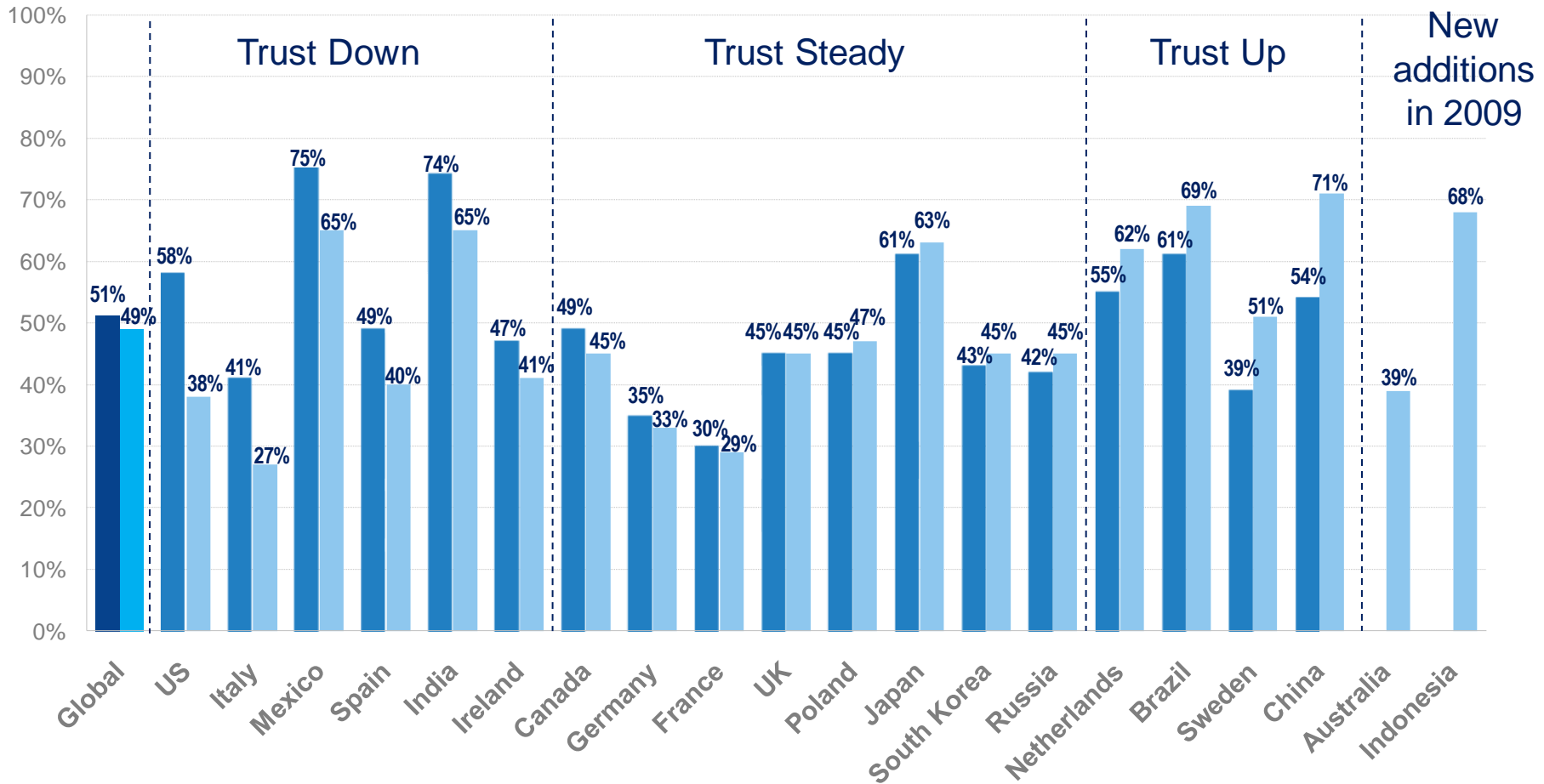


Richard S. Fuld Jr., former CEO, Lehman Brothers

Trust in business is country-specific

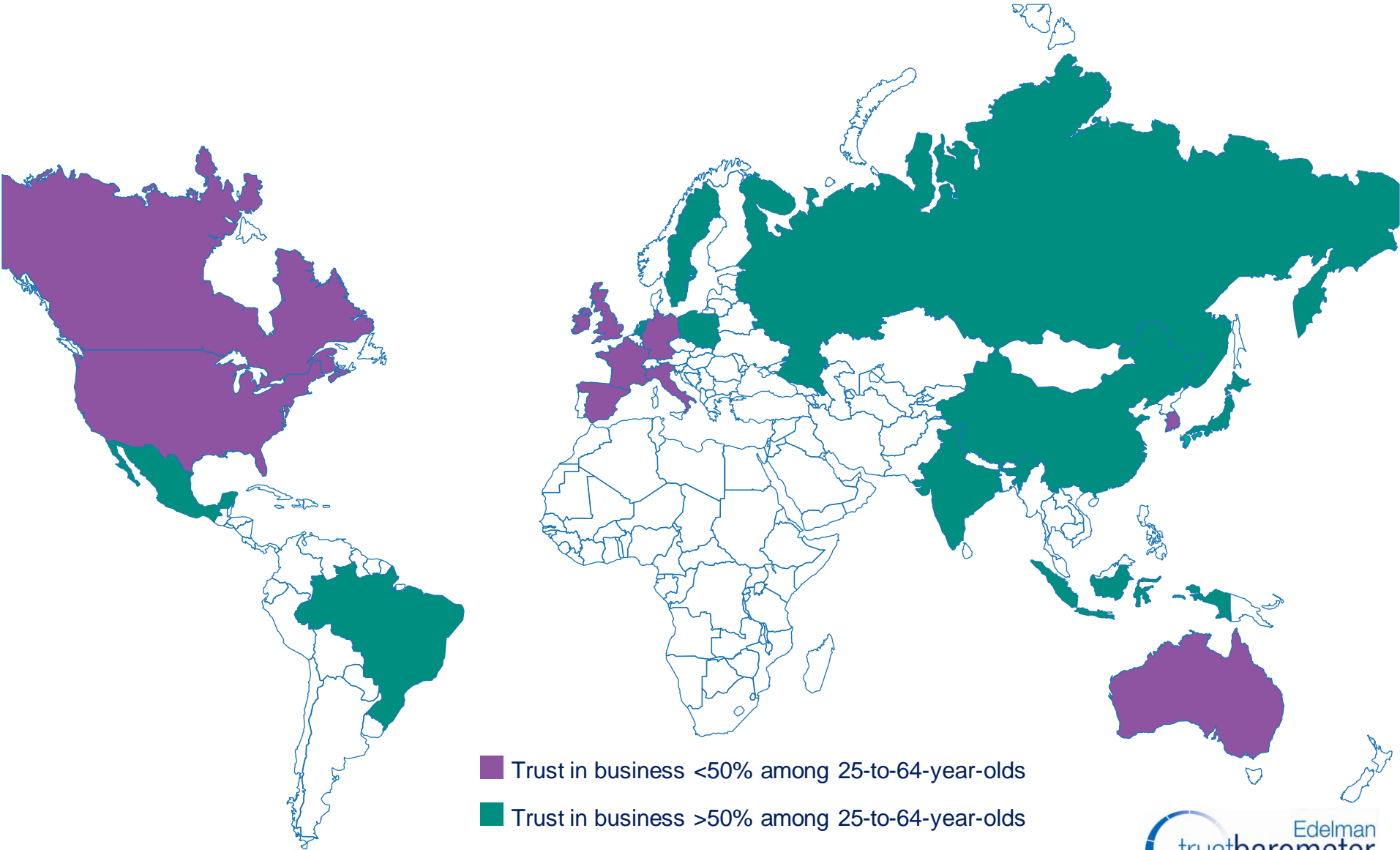
% who trust business to do what is right

■ 2008 ■ 2009



A10. [Business in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-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) Informed publics 35-64 (global 18 countries, excluding Australia, Indonesia)

The Trust Divide



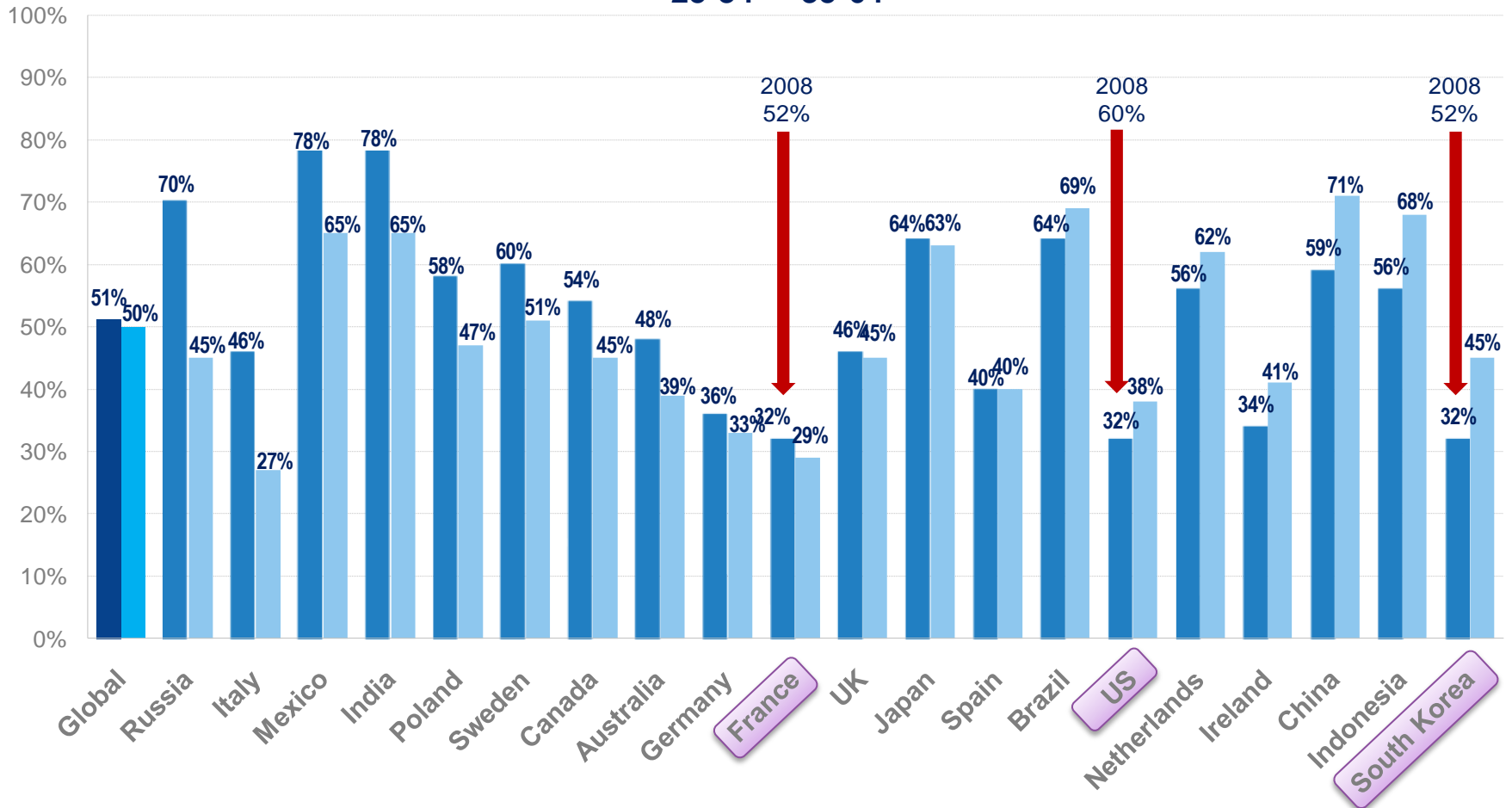
■ Trust in business <50% among 25-to-64-year-olds
■ Trust in business >50% among 25-to-64-year-olds

Globally, younger and older informed publics now trust business equally

Big drops among younger cohort in US, France, South Korea

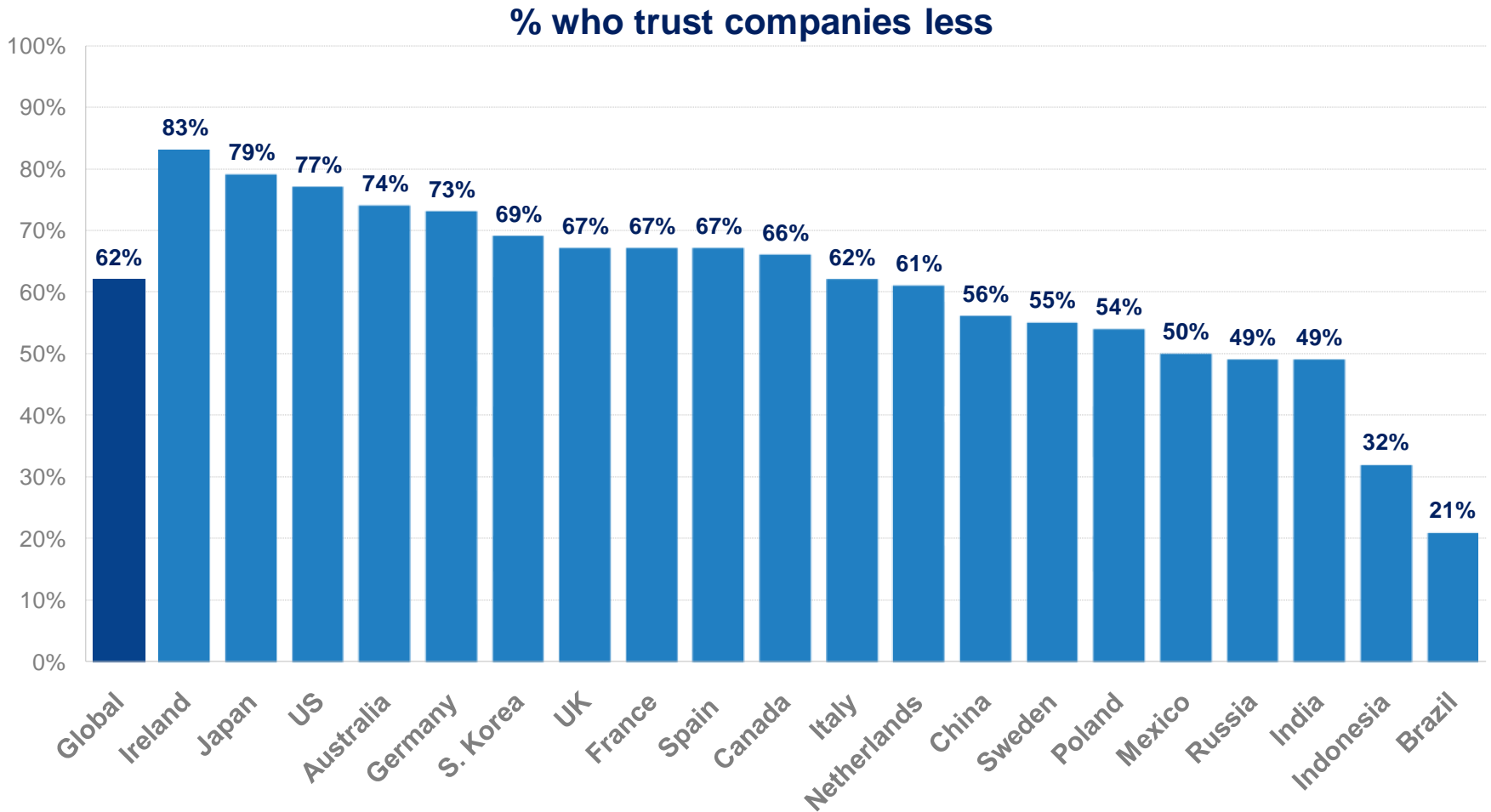
% who trust business to do what is right

■ 25-34 ■ 35-64



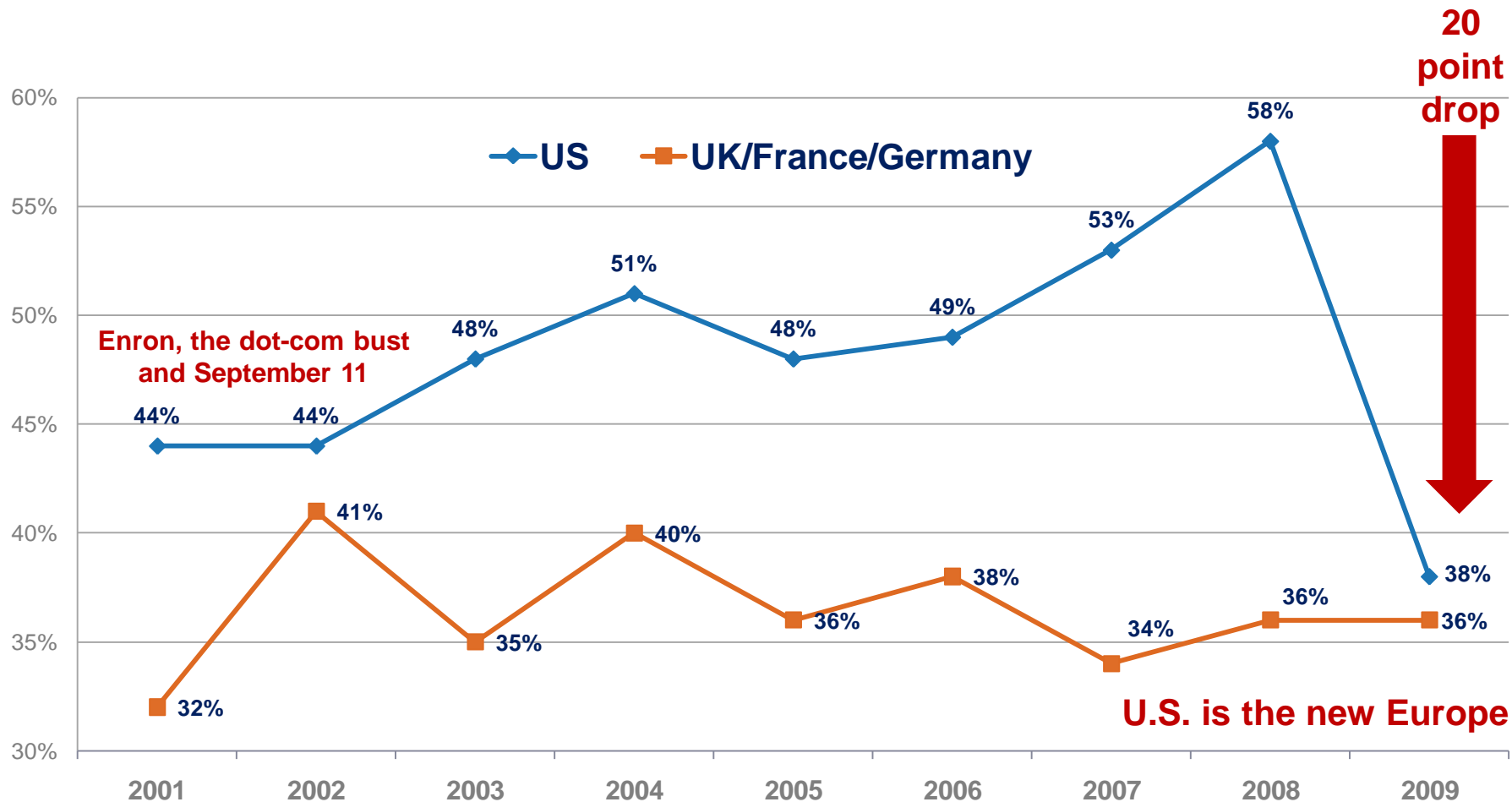
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Companies less trusted now than year ago



A60 Thinking about everything you have read, seen, or heard about business in the last year, in general, do you trust corporations a lot less, a little less, the same, a little more, or a lot more than you did at the same time last year? (Bottom 2 Box: Trust less) 25-64 Informed publics in 20 countries

In U.S., trust in business at lowest level, including post-Enron

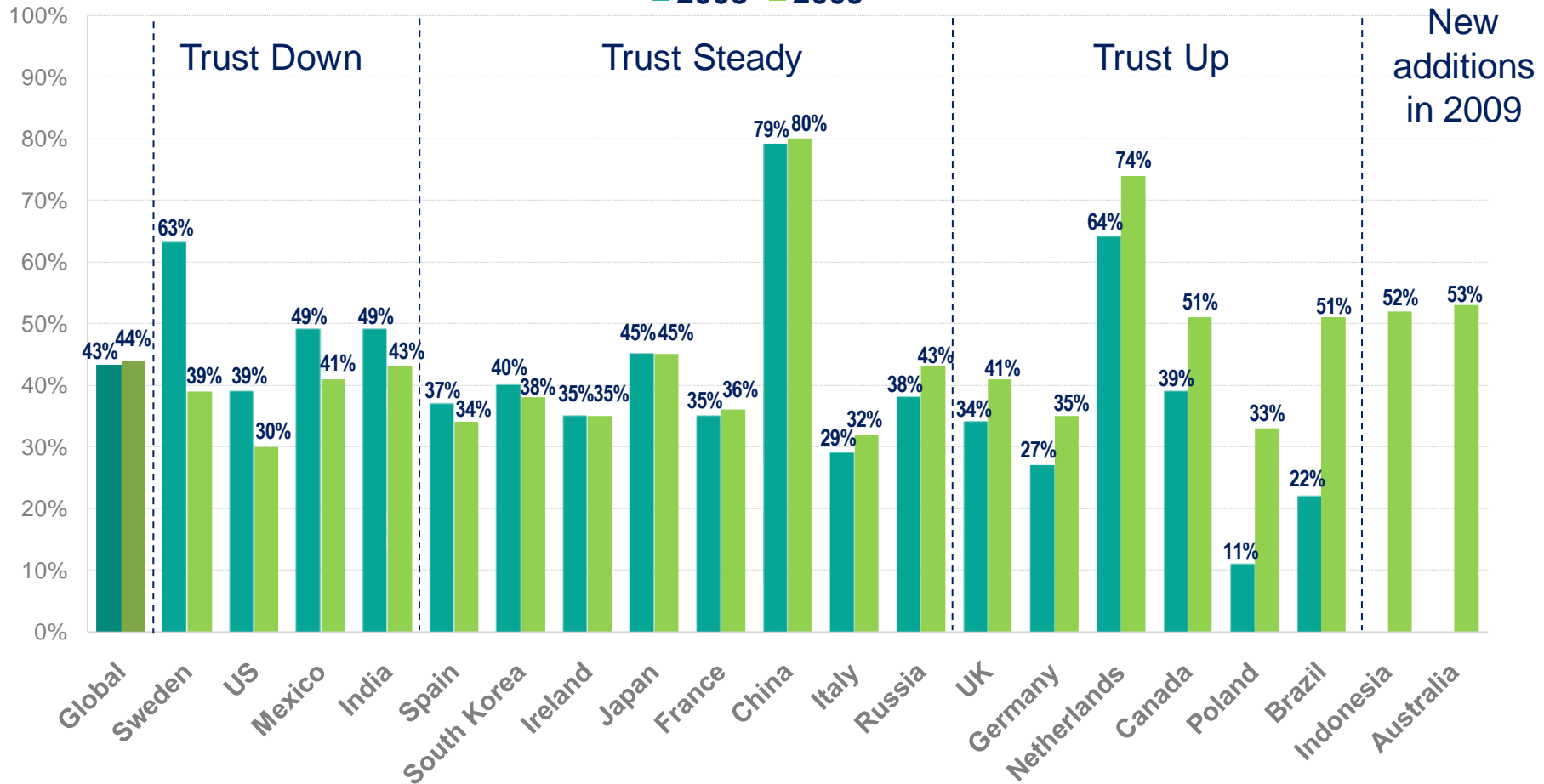


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Trust in government did not rise to offset lower trust in business

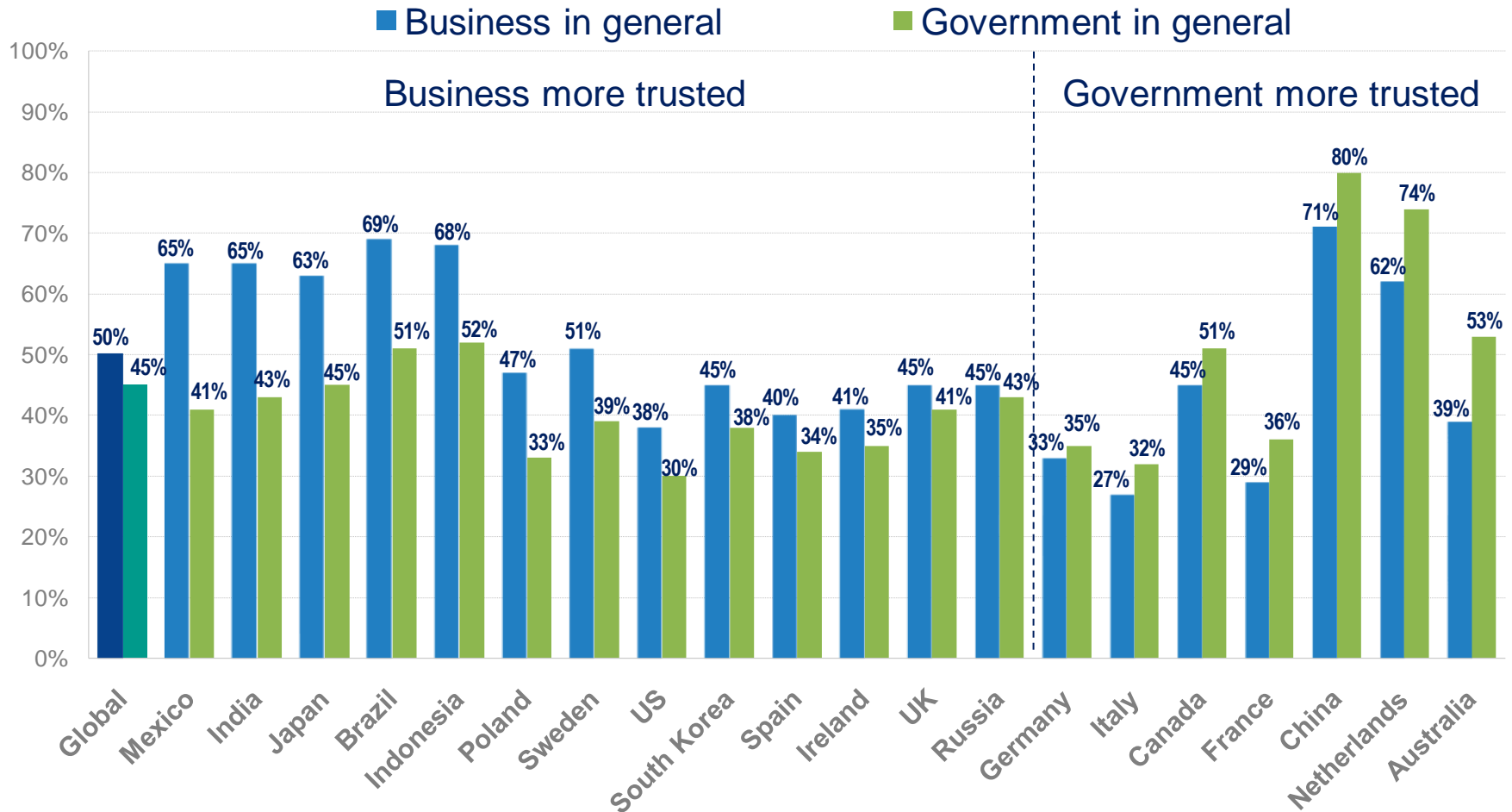
% who trust government to do what is right

■ 2008 ■ 2009



A8. [Government in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-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) Informed publics 35-64 (global 18 countries, excluding Australia, Indonesia)

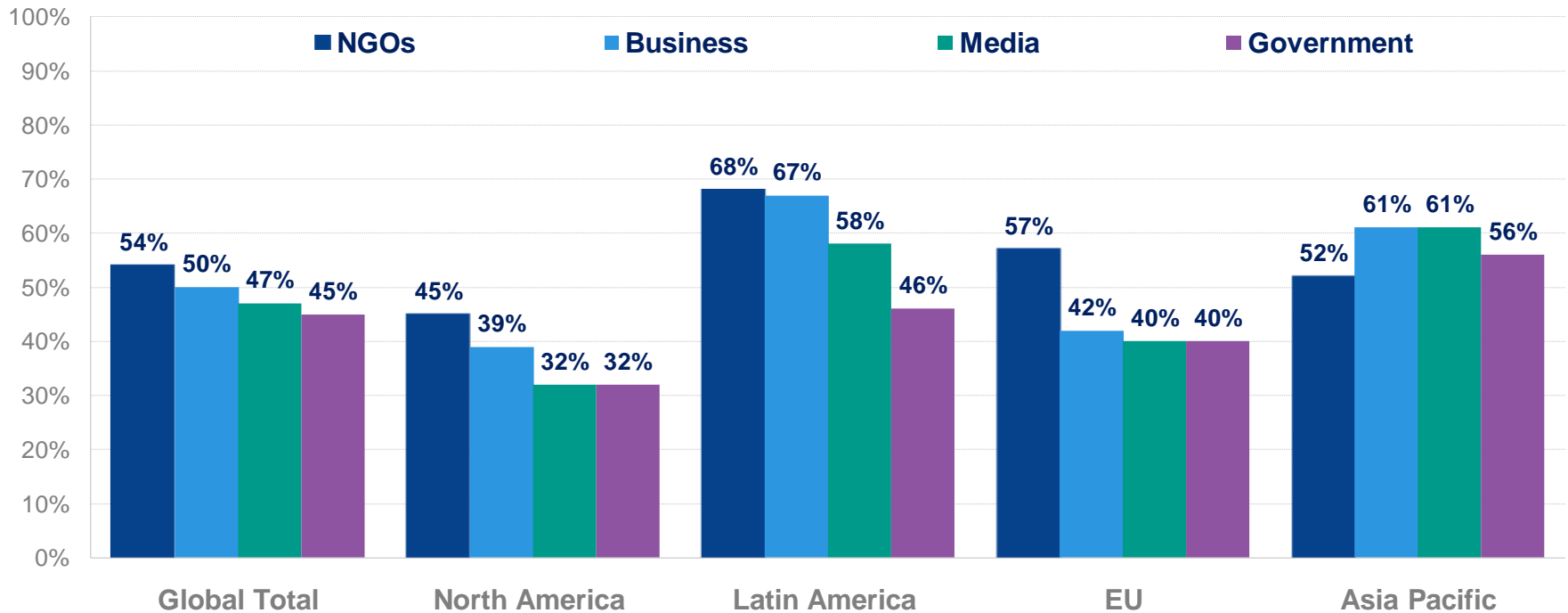
Business still more trusted than government in 13 of 20 countries



A 8,10. [Government in general, business in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-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) Informed publics 35-64 (global 20 countries, including Australia, Indonesia)

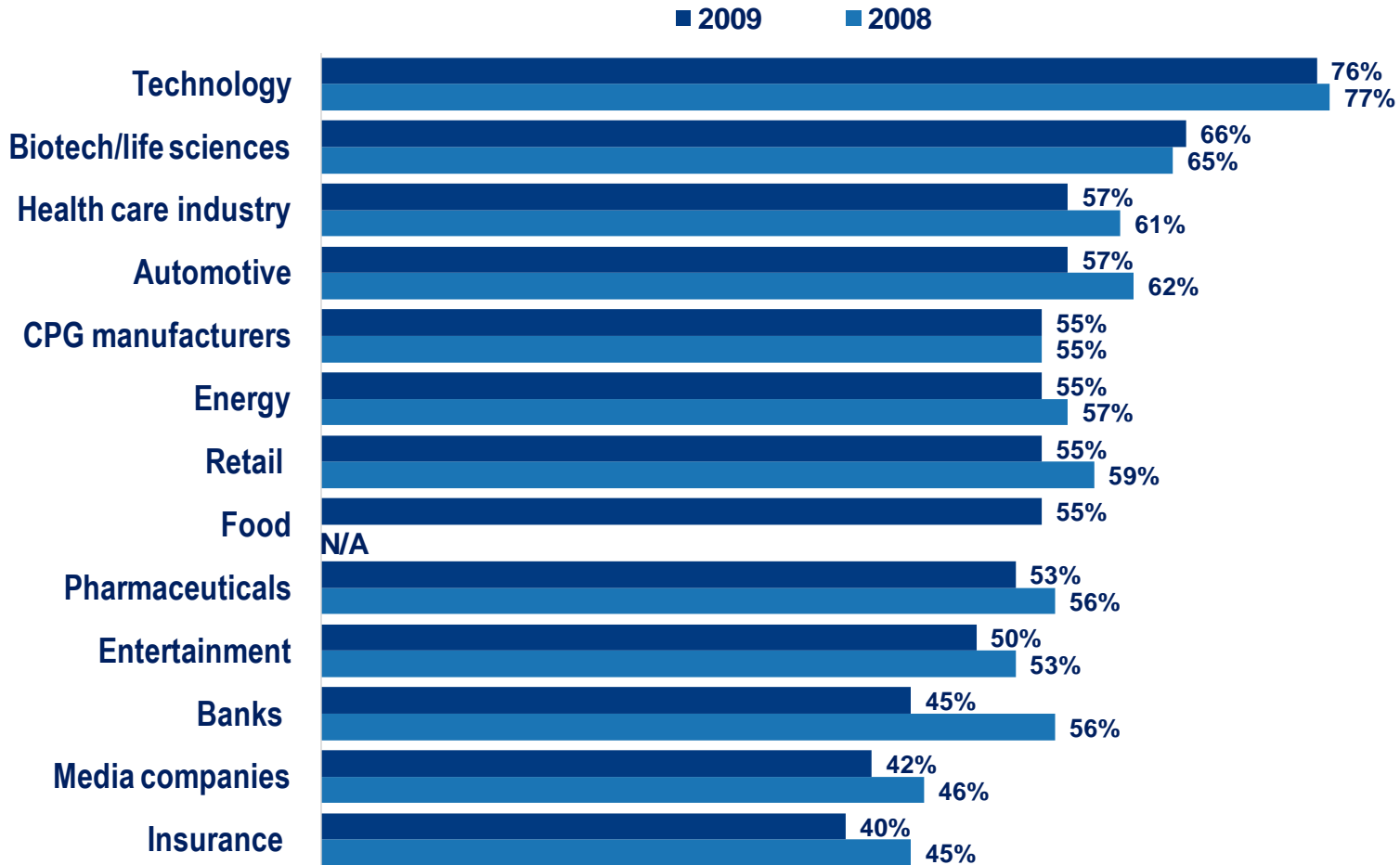
NGOs most trusted institution in every region except Asia Pacific

% who trust each institution



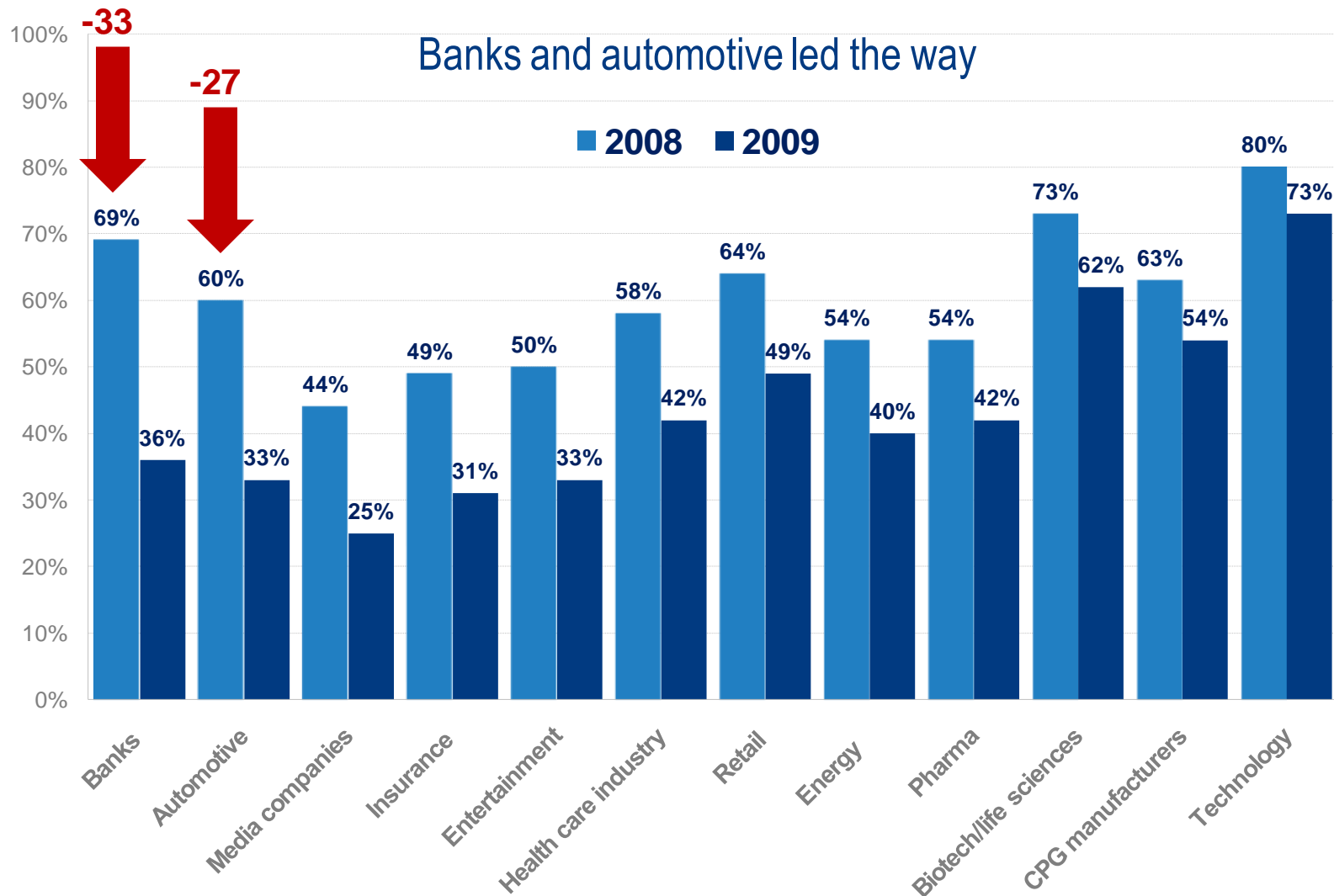
A8-11. [TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL." The higher the number, the more you TRUST them to do what is right. (Top 4 Box) Informed publics 35-64 (global 20 countries)

Technology remains most trusted industry sector globally



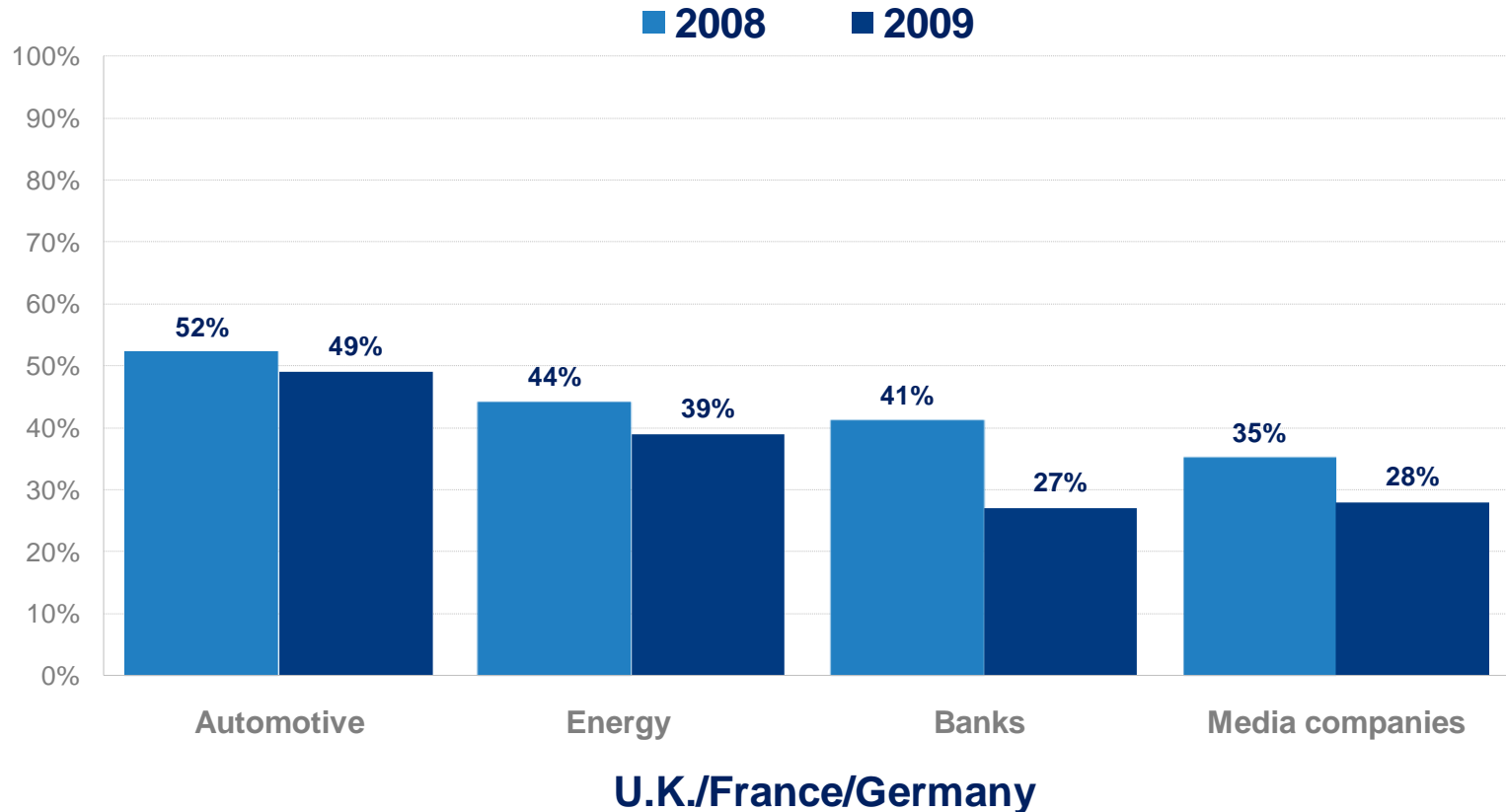
A25-37. [TRACKING] Now I would like to focus on your trust in different industry sectors. Please tell me how much you TRUST businesses in each of the following industries to do what is right. Again, please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL." (Top 4 Box) Informed publics 35-64 in 18 countries 2008-2009

In U.S., trust in every industry declined



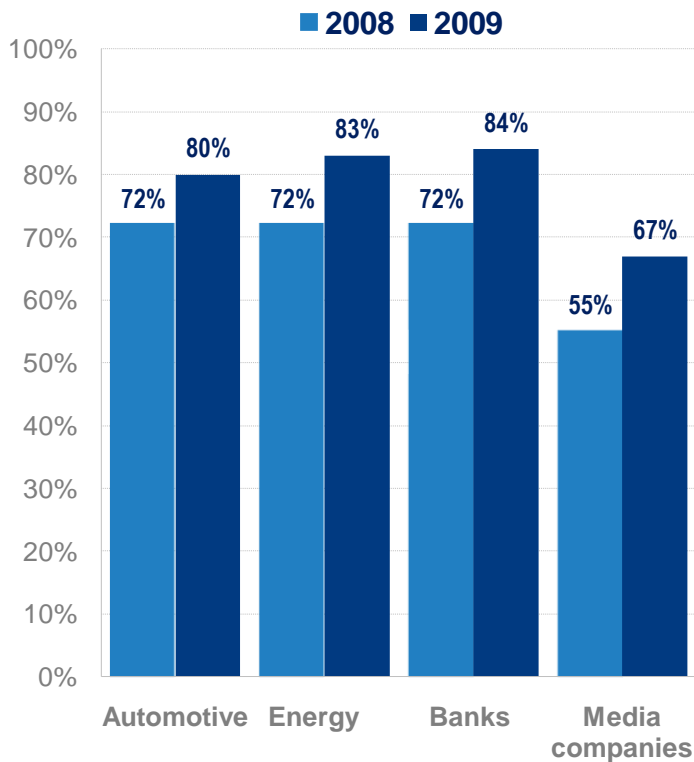
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In the U.K., France, and Germany, trust in automotive, energy, banks, and media companies fell

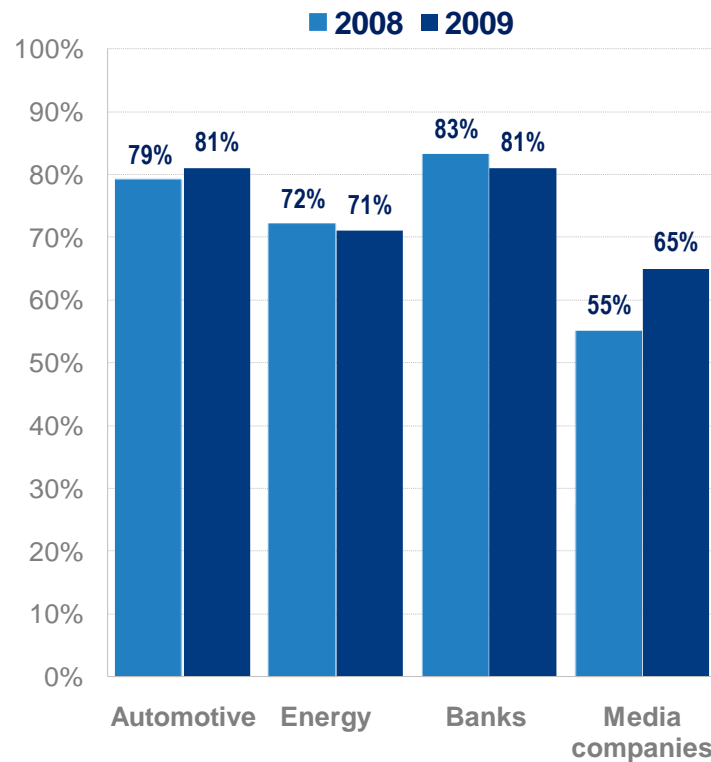


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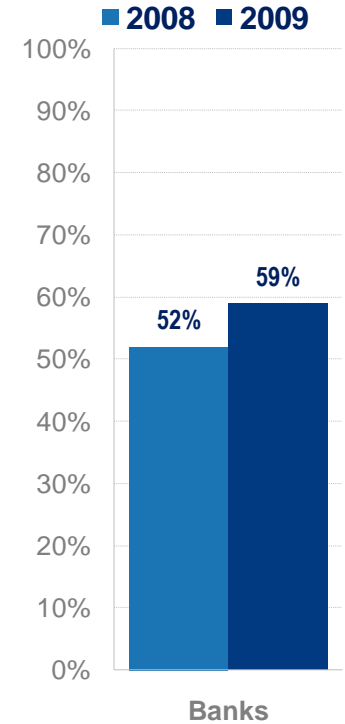
In emerging economies, industries that suffer in West remain trusted



China



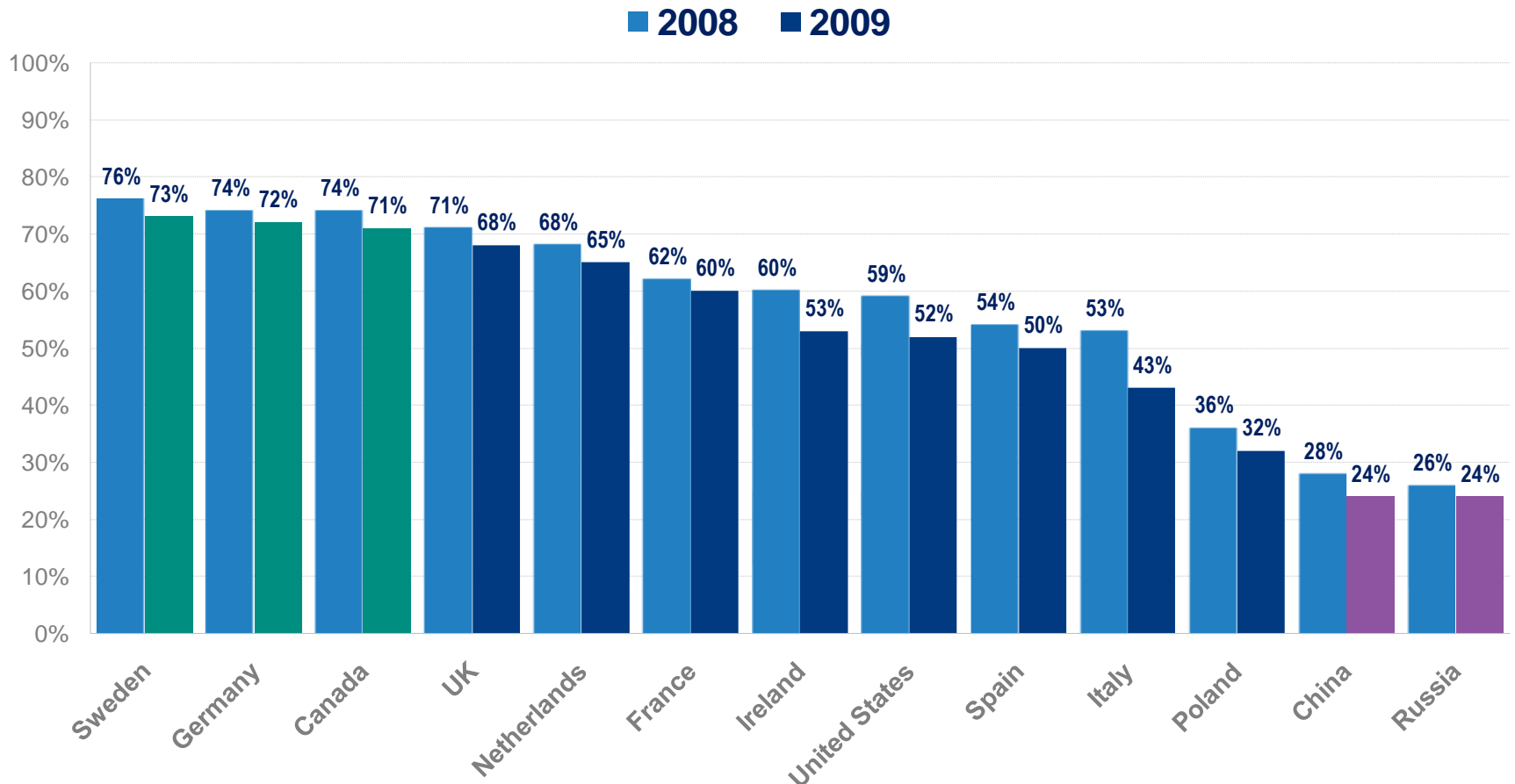
India



Brazil

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Companies headquartered in Sweden, Germany, and Canada remain most trusted; companies in China and Russia trusted the least



A12-24. [TRACKING] Now I would like to focus on global companies headquartered in specific countries. Please tell me how much you TRUST global companies headquartered in the following countries to do what is right. Use the same nine-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) Informed publics 35-64 in 18 countries

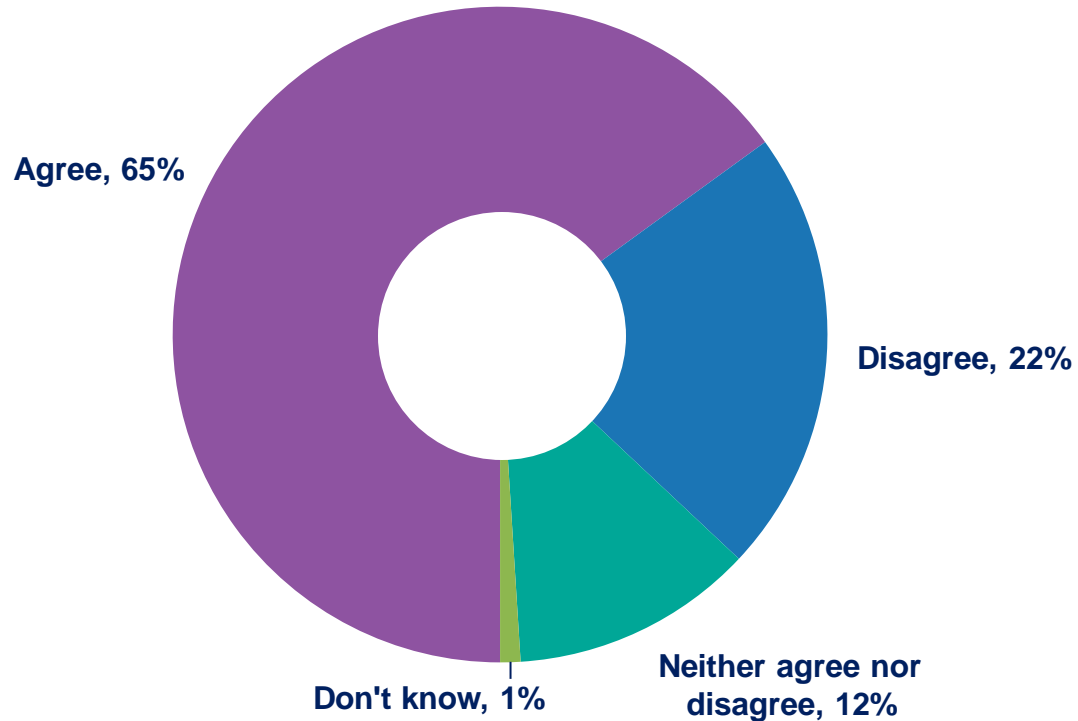
Lack of Trust Triggers Call for Government Intervention



“...our problem is not just a deficit of dollars. It’s a deficit of accountability...a deficit of trust.”

– Barack Obama

By a 3:1 margin, informed publics agree government should impose stricter regulations and greater control over business across all industries



F146. The recent credit crisis and government bail-outs have led to debates on how much governments should intervene to regulate industry or nationalize companies to restore public trust. Please tell me how strongly you agree or disagree that your government should in the future impose stricter regulations and greater control over business across all industry sectors. (Informed publics 25-64 in 20 countries)

Four Global Issues: Who Is Responsible for Causing and Solving?



**Financial
Credit Crisis**



**Energy
Costs**



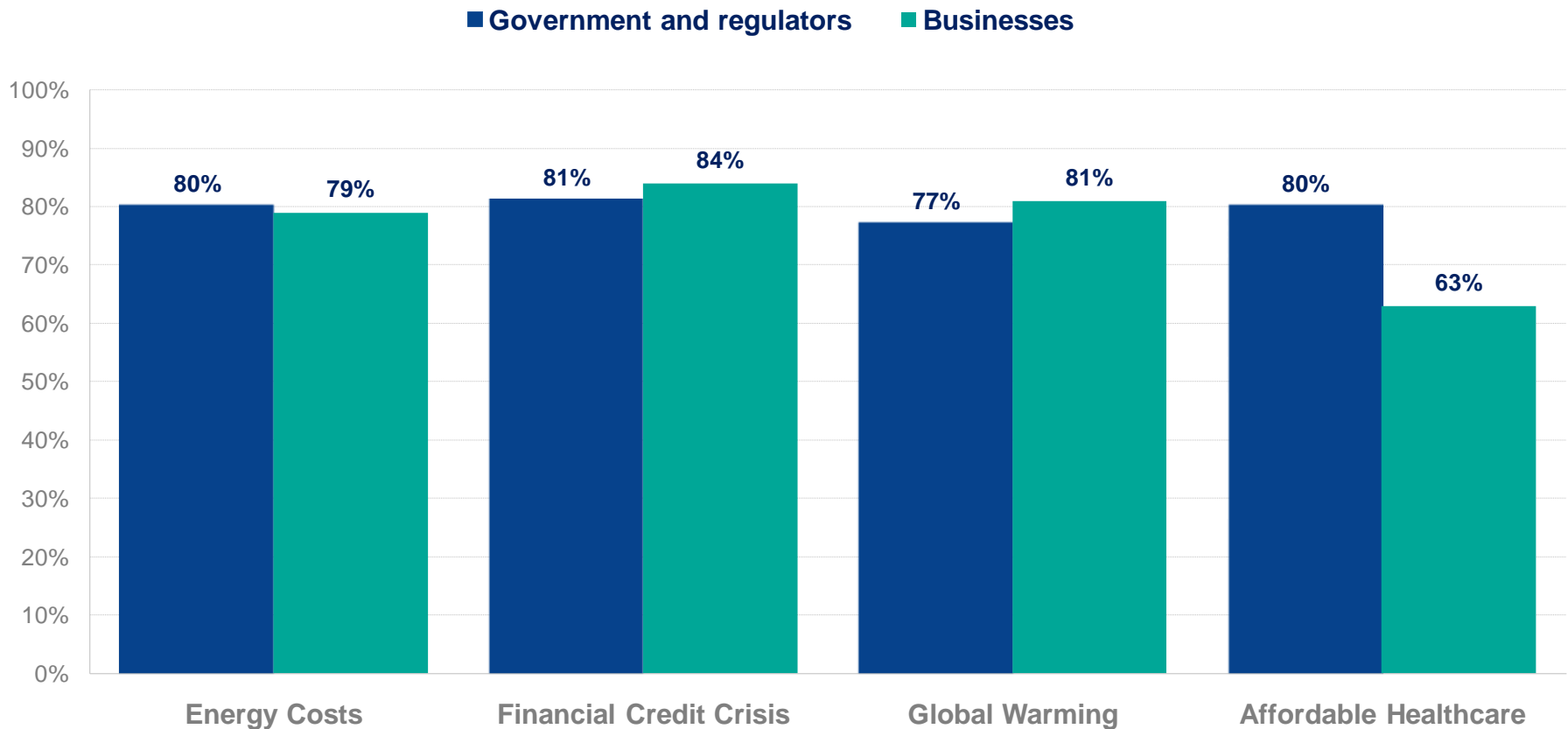
**Global
Warming**



**Access to
Affordable
Healthcare**



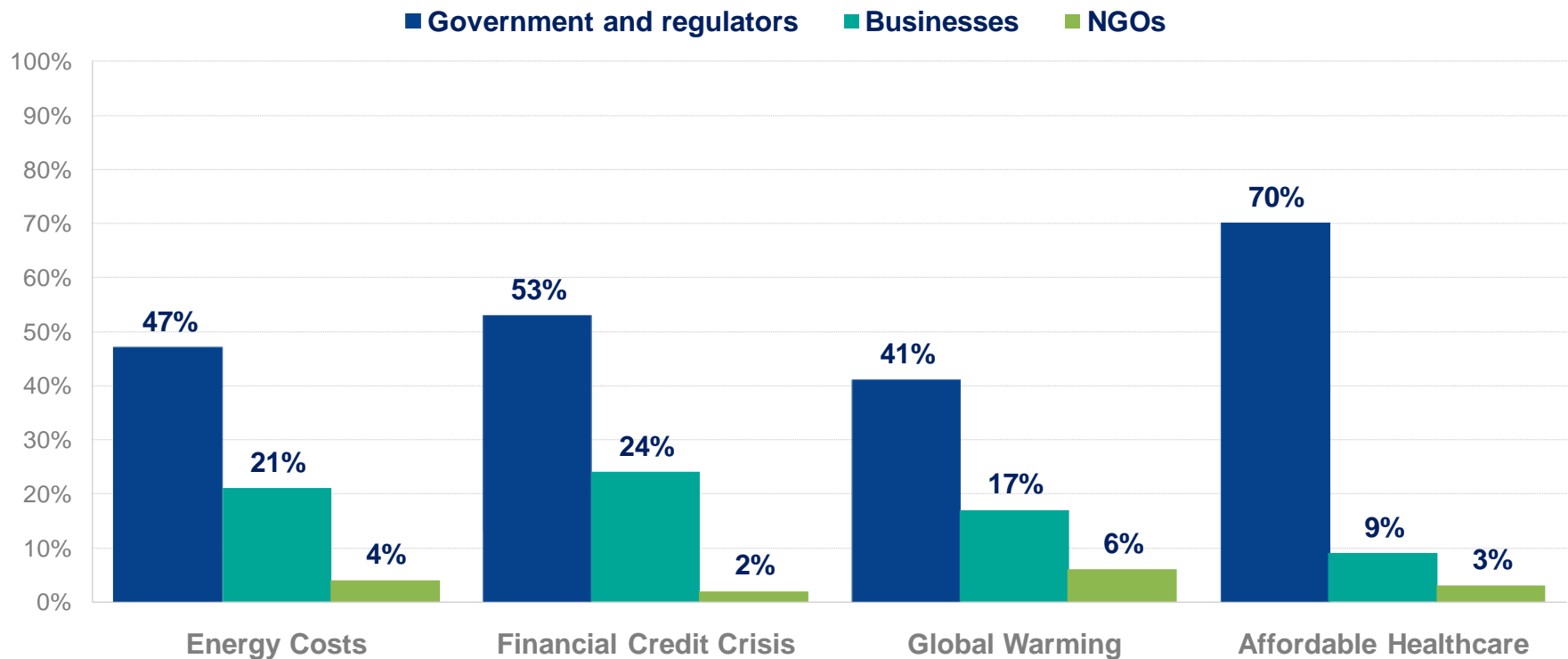
Government and business share responsibility for causing global issues



E. 119-120, E124-125, 129-130, 134-135. Now thinking about (energy costs, financial credit crisis, global warming, affordable healthcare), please tell me how responsible you think each of the following entities are for contributing to (global issue)? TOP 4 BOX 25-64 informed publics in 20 countries

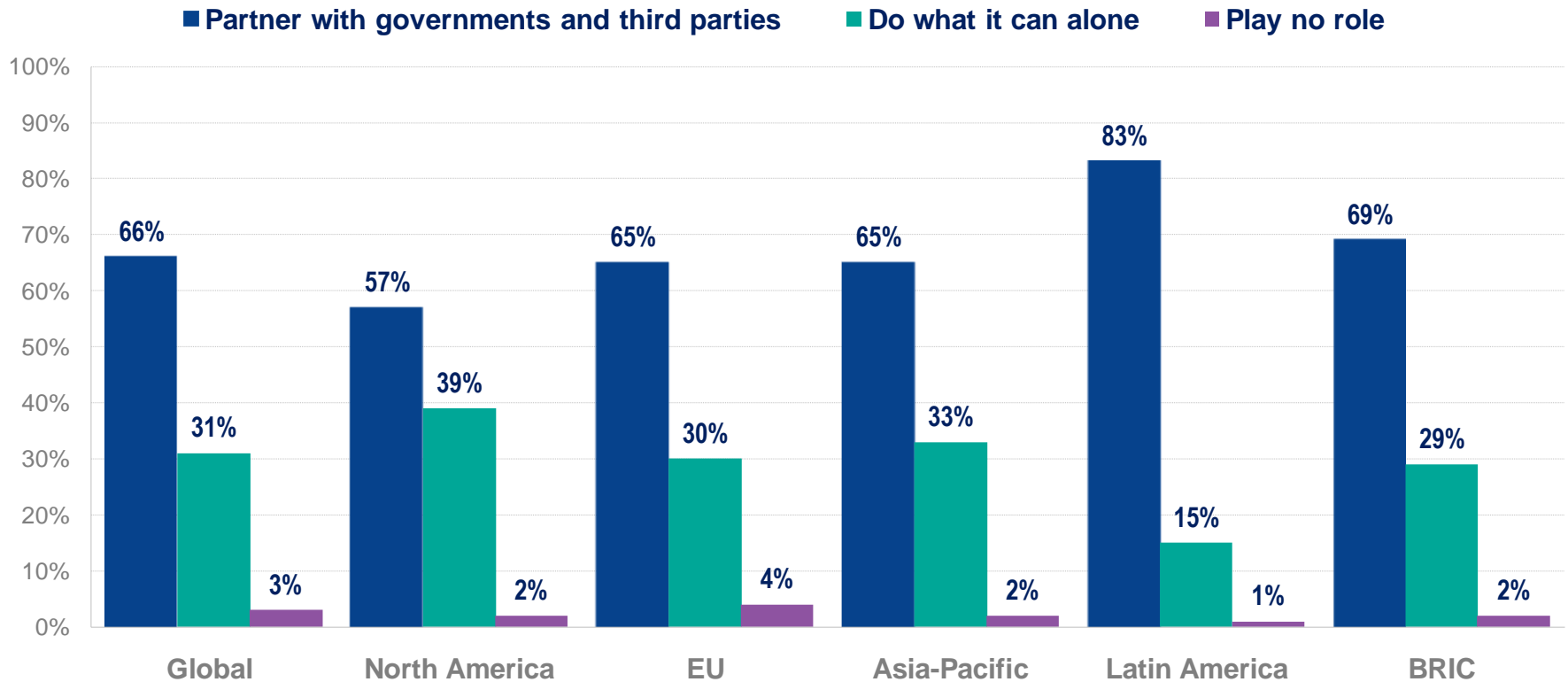
Government held most responsible for solving these issues

Despite being most trusted institution globally,
NGOs not considered most responsible for solutions



E138. And which ONE entity do you think should be MOST responsible for (solving each global issue)?
Informed publics 25-64 in 20 countries

Business has lost ability to lead unilaterally Must partner with others to solve global issues



E139. Thinking about the role that business should play in helping to solve global issues such as energy costs, the financial credit crisis, global warming, or access to affordable healthcare, which of these following three statements is closest to your view? Business has to partner with governments and advocacy groups to solve these global issues, it cannot do it alone; OR Business should focus on what they themselves can do on these global issues, whether or not governments or others partner with them ; OR Business should not play a part in helping to solve these global issues (Informed publics 25-64 in 20 countries)

Who Can We Trust?

Trust in Information Sources and Spokespeople Declines Across the Board

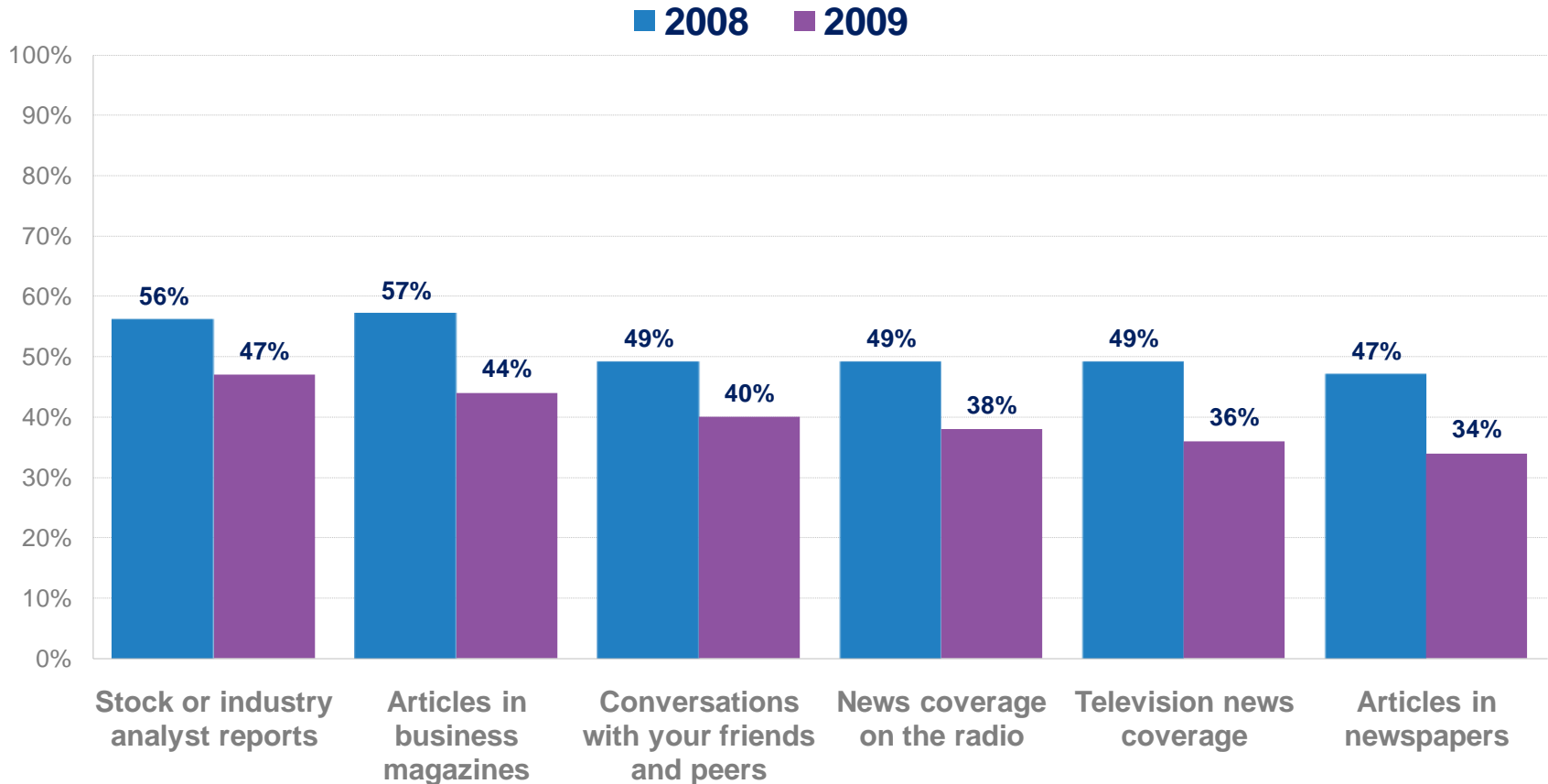
“Under the circumstances,
I am tendering my resignation....I am
now prepared to subject myself to the
laws of the land and face the
consequences thereof.”

– Ramalinga Raju, former chairman,
Satyam Computers



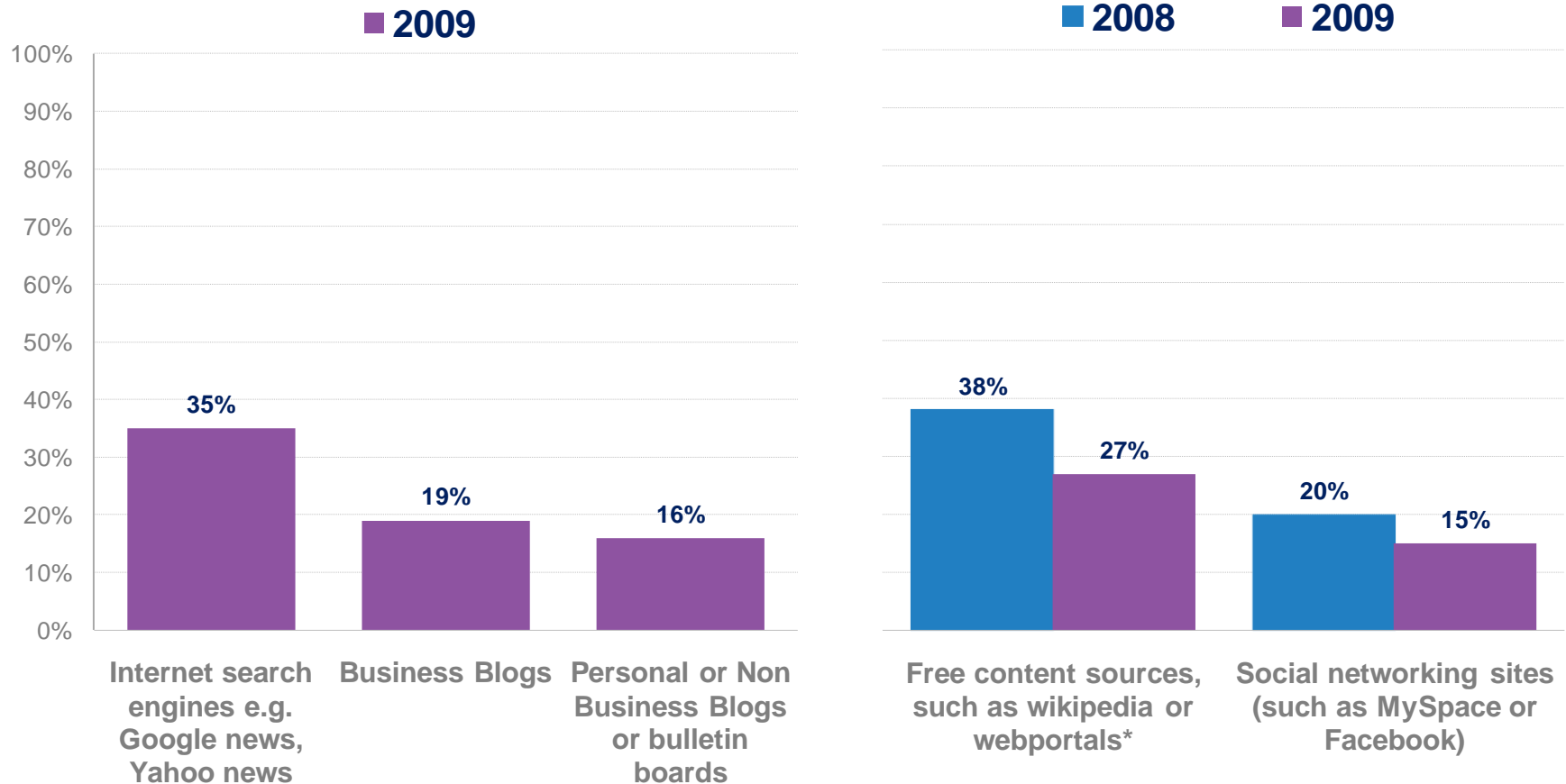
Trust wanes for traditional information sources

Ranking stays consistent



C95-98,103. [TRACKING] Now I'm going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company—is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 35-64 in 18 countries

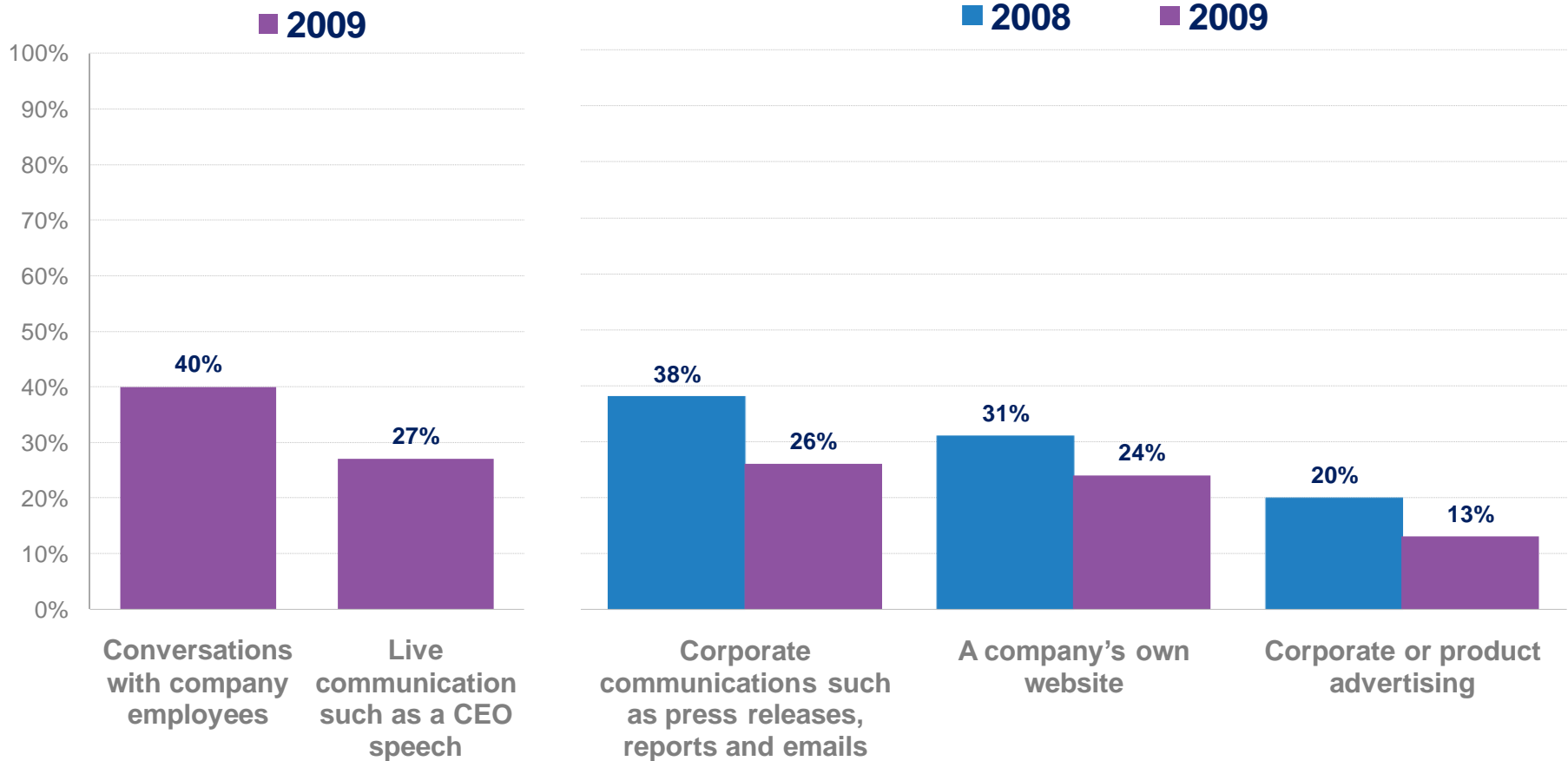
Trust in digital channels down but still important Internet search engines most trusted



*asked as "Free content encyclopedia (such as Wikipedia)" in 2008

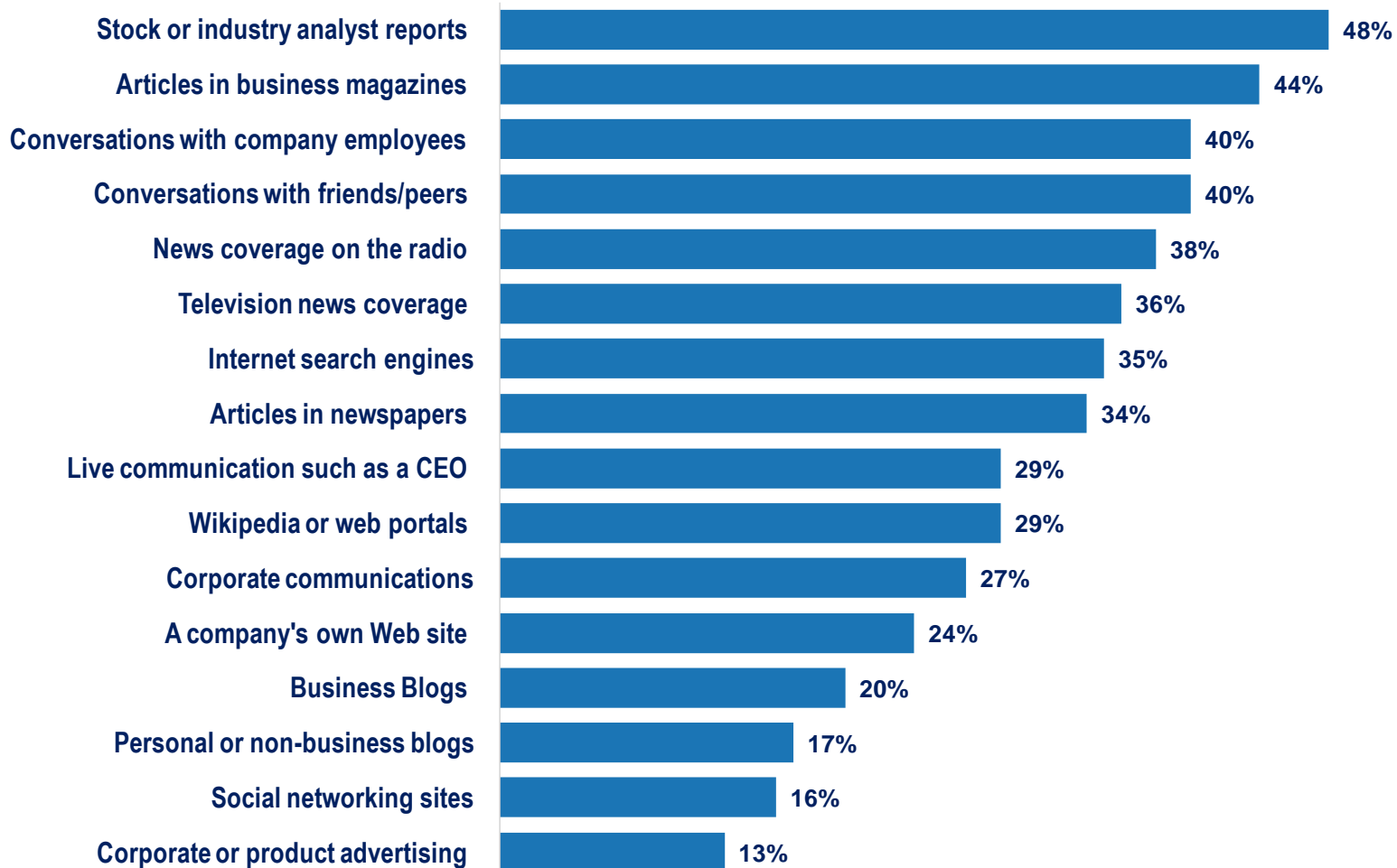
C95-110. [TRACKING] Now I'm going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company—is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 35-64 in 18 countries

Trust in corporate channels also down Employees most trusted source



C99-101,109,110. [TRACKING] Now I'm going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company—is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 35-64 in 18 countries

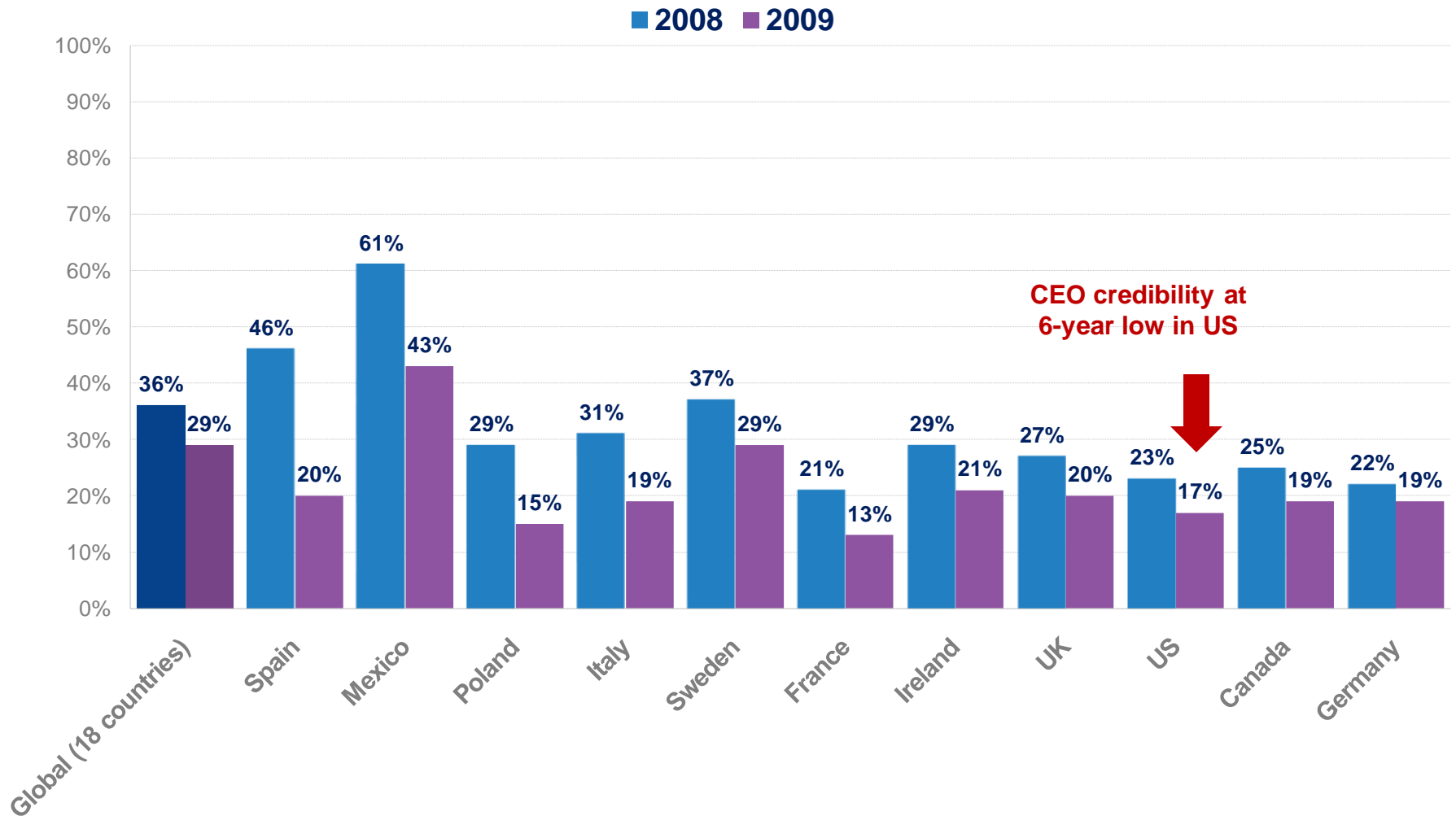
Experts, peers, and employees top 2009 list of credible sources



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CEO credibility hits new low globally

Driven by drops in North America and Europe

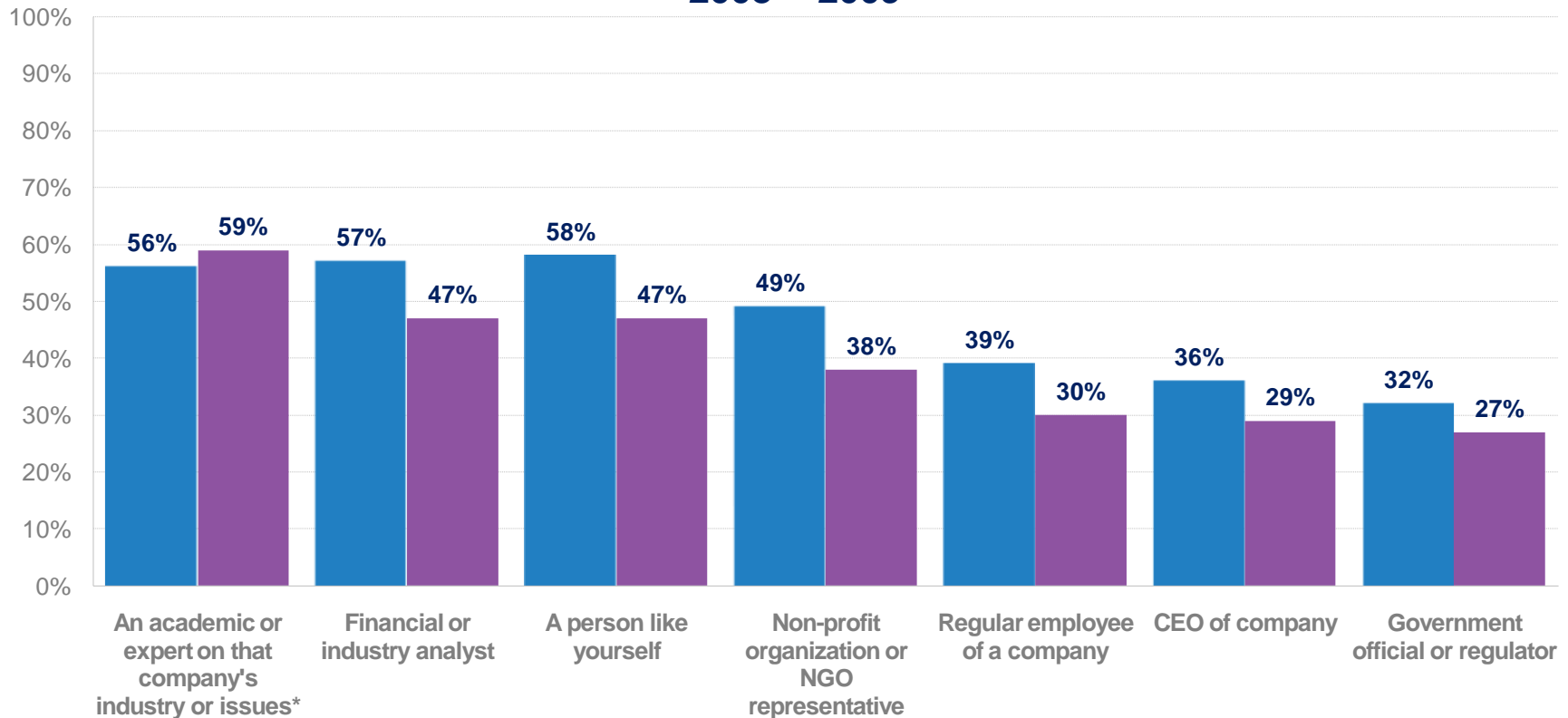


D112-118. [TRACKING] Now I'm going to read you a list of people. In general, when forming an opinion of a company, if you heard information about a company from that person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box) Informed Publics 35-64 in 18 countries

Trust in nearly every spokesperson down

Academics, industry experts most credible

■ 2008 ■ 2009

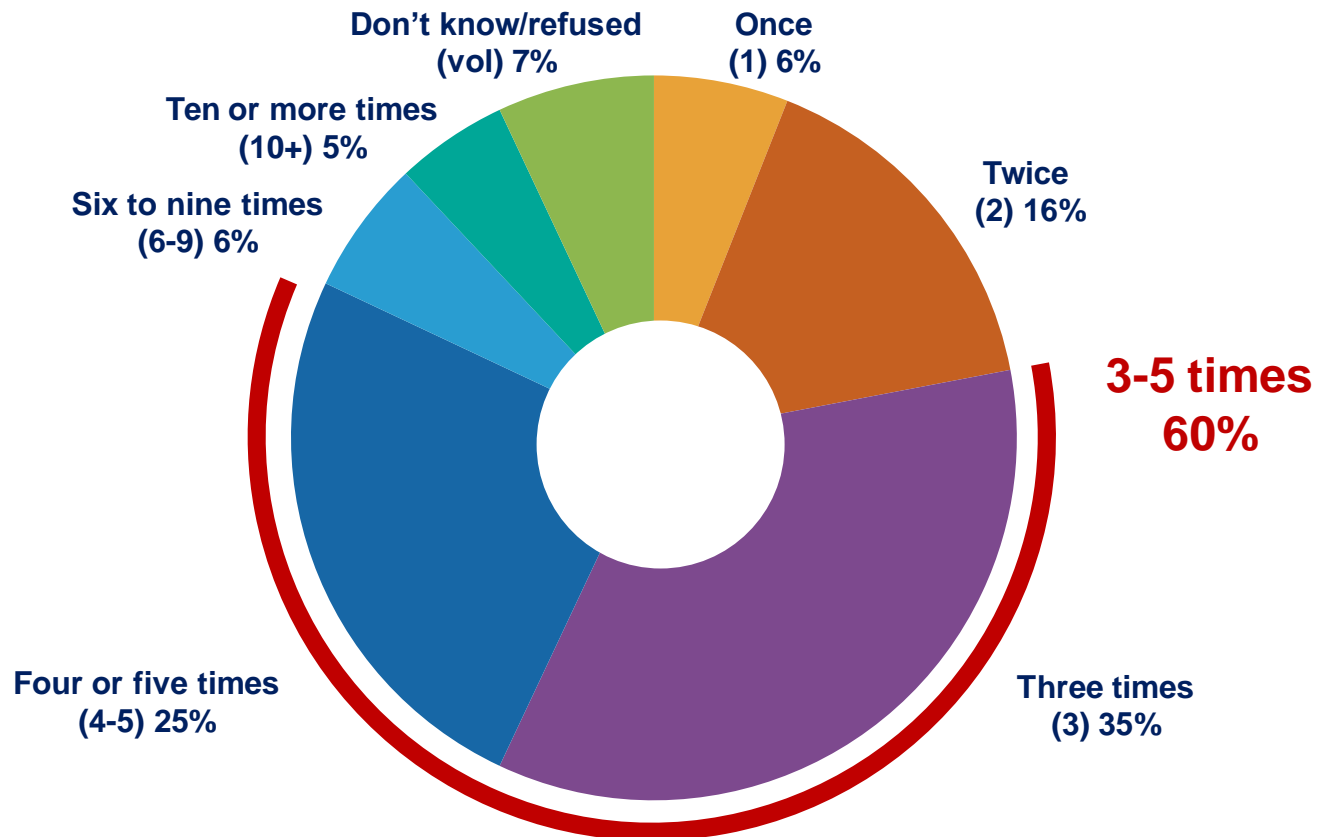


*asked as "an academic" in 2008

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Informed publics need information from multiple sources, multiple voices

And need to hear it 3-5 times to believe it



C111. Think about everything you see or hear every day about companies, whether it is positive or negative. How many times in general do you need to hear something about a specific company to believe that the information is likely to be true? Please give me a number.
25-64 Informed publics

The Business Case for Trust

Reputation, Sales, and License to Operate Driven by Trust and Transparency



“Trust is the cornerstone for the survival of an enterprise and a society.”

– *China Daily*

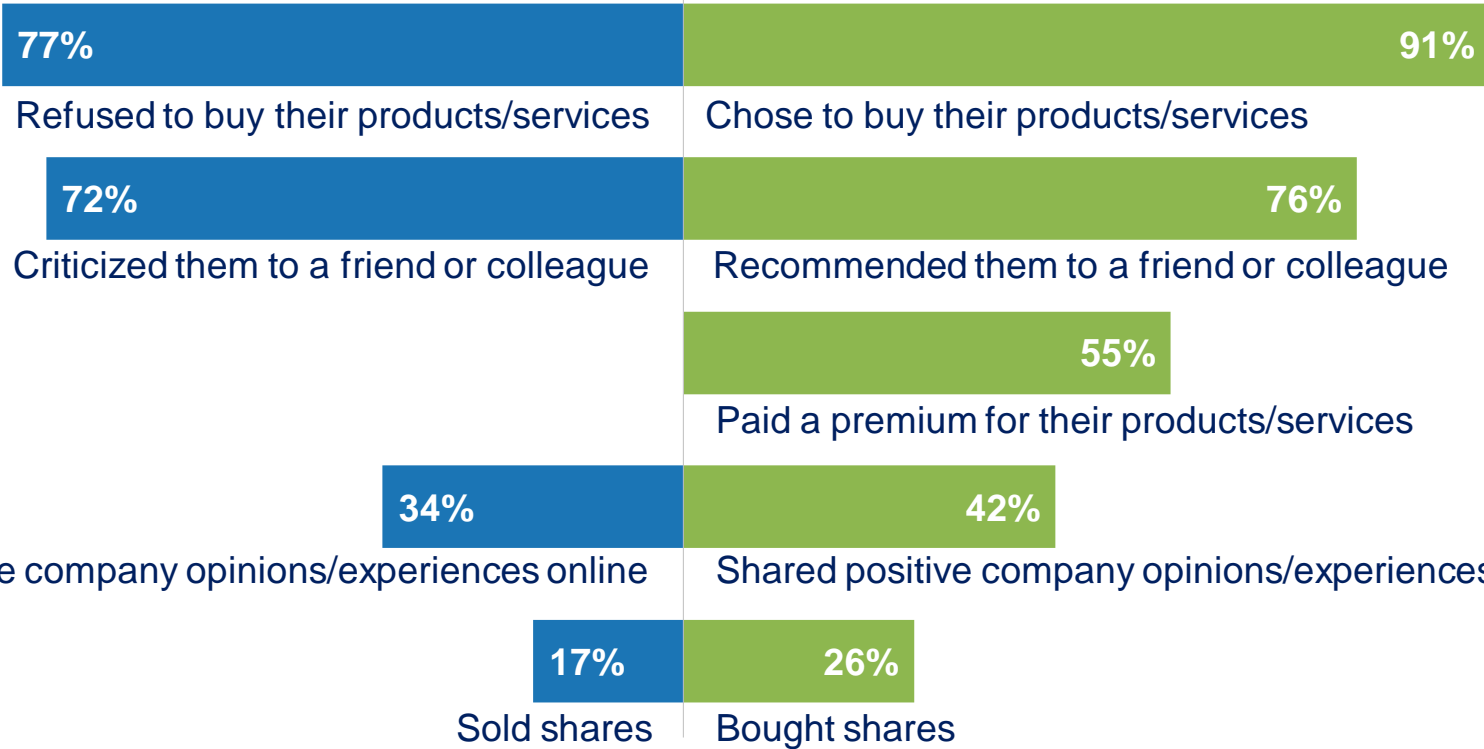
Communication and trust as important to reputation as value for money



B62-73. When you think of good and responsible companies, how important is each of the following factors to the overall reputation of the company? Please use a nine-point scale where one means that factor is “not at all important” and nine means it is “extremely important” to overall reputation. (Top 4 Box) 25-64 Informed publics in 20 countries

Through personal action, trust has tangible benefits

Personal actions taken with trusted and distrusted companies



B74-78 Thinking back over the past 12 months, have you taken any of the following actions in relation to companies that you trust? Please answer yes or no to each action.

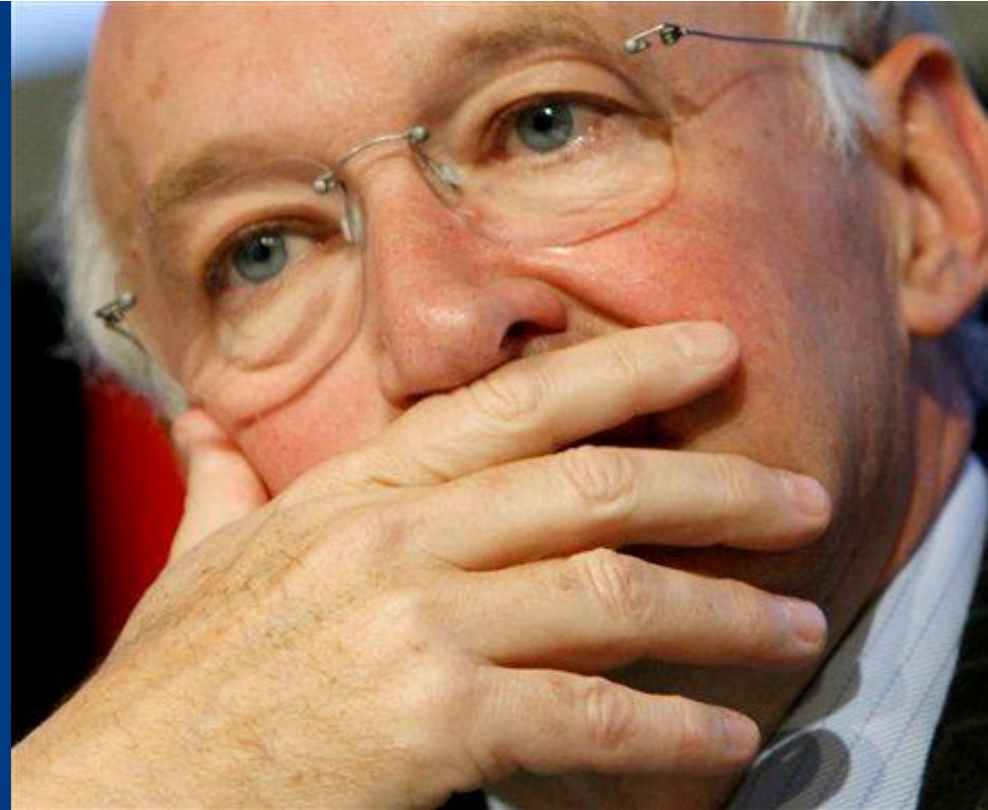
B79-82. Still thinking about the past 12 months, have you taken any of the following actions in relation to companies that you do not trust? Please answer yes or no to each action. Informed publics 25-64 in 20 countries

Rebuilding Trust

The Power of Public Engagement

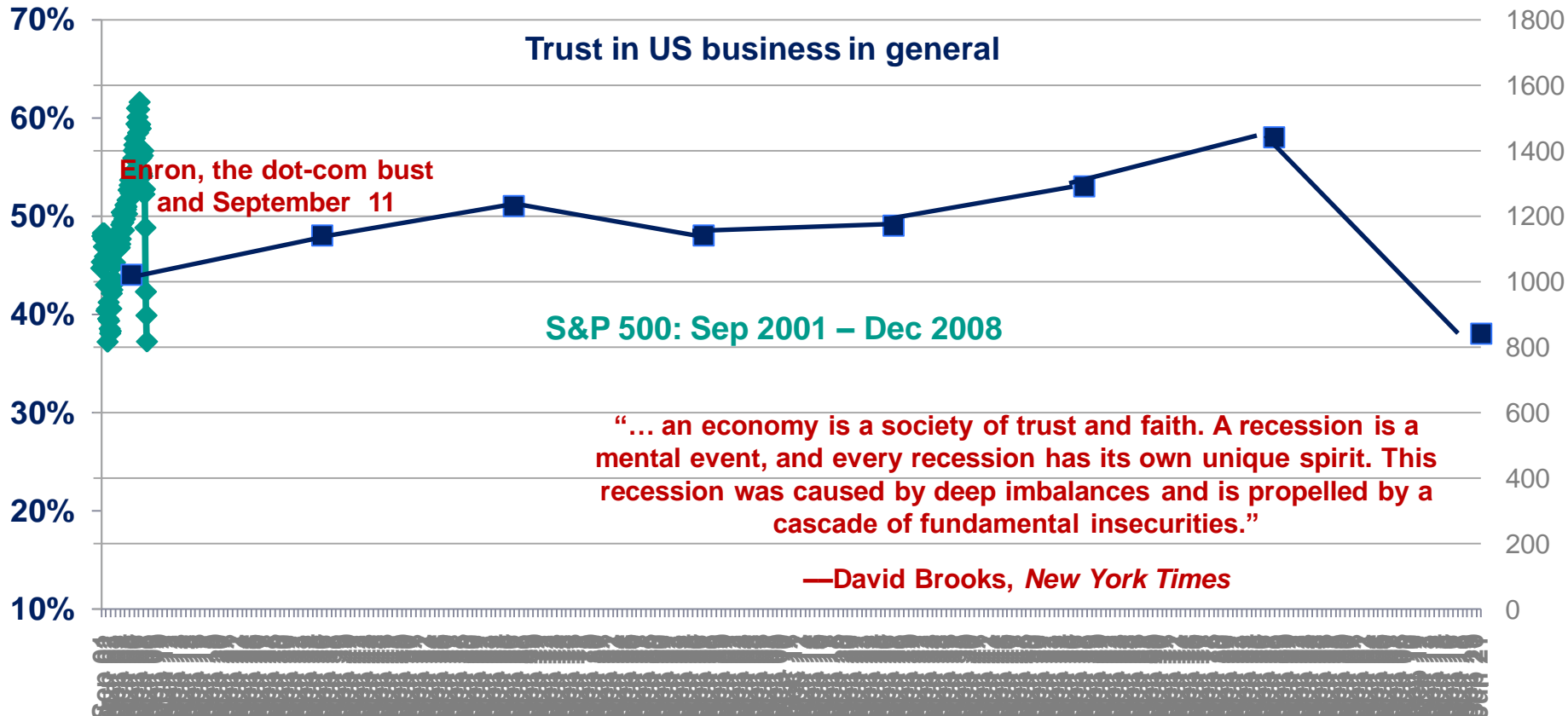
"I understand your disappointment,
your anger. This situation is
perfectly unacceptable."

– Daniel Bouton,
former CEO of Société Générale



A study in chickens and eggs

Which will drive recovery?



A10. Business in General [TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use 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) Informed Publics 35-64 in the US

What We Have Learned

Diminished
trust impedes
business license
to operate

Regulation \neq
abdication

A public
company serves
shareholders
and society

Partnership is
the solution

Public Engagement: A Strategy for Changing Policy and Communication

**Private Sector
Diplomacy**

**Mutual Social
Responsibility**

**Shared
Sacrifice**

**Continuous
Conversation**

Private Sector Diplomacy

Shape policy on world's most pressing problems, including ones that don't concern company's industry

Partner with government, NGOs to drive decision-making and set strategy on major societal issues

“ ...Come together—government, NGOs and business—in new approach to solving big problems facing our country. ... This can work.”

**– H. Lee Scott, Jr.,
President and CEO, Wal-Mart**

Private Sector
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Mutual Social Responsibility

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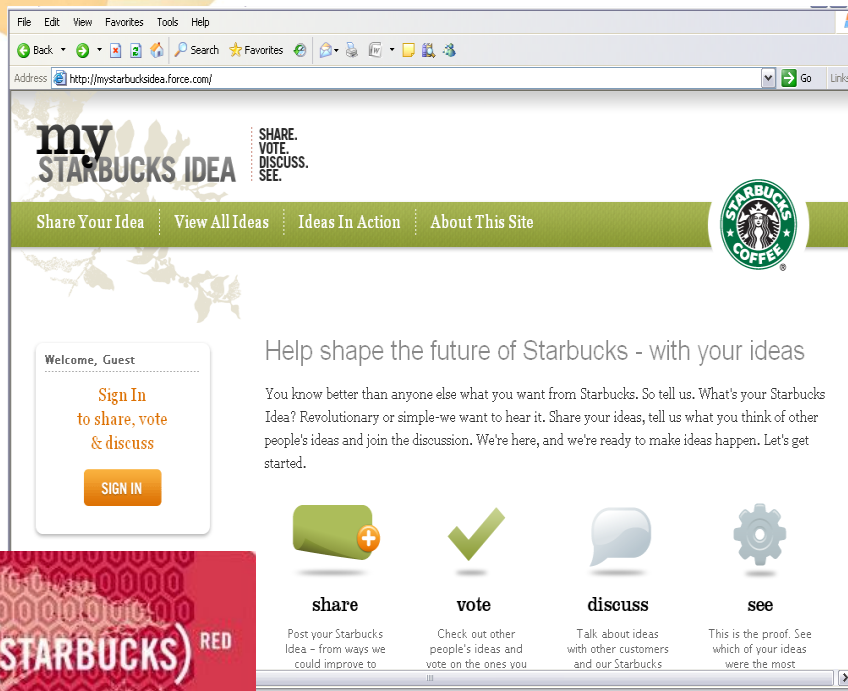


Benefit society and the bottom line

Integrate approaches to societal problems into products and services

Involve employees and customers in decisions and actions about company's social responsibility

Starbucks invites customers to partner as a force for good



Shared Sacrifice

Private Sector
Diplomacy

Mutual Social
Responsibility

Set collaborative tone for company:
we're all in this together

Shared Sacrifice

Continuous
Conversation

Equitable compensation (executive pay cuts, bonus
forfeiting) sends powerful message

Communicate with employees, welcome their voices



“Heavy equipment maker Caterpillar Inc announced in late December it would cut executive pay in half, and many salaried employees would see cuts of as much as 15 percent.”

– Wall Street Journal

Continuous Conversation

Private Sector
Diplomacy

Mutual Social
Responsibility

Shared Sacrifice

Continuous
Conversation

Be agile and “of the moment”

Inform, don’t control the
conversation

Say... then do as you say

**Johnson & Johnson among first
companies to join public
conversation on health**





The 2009 Edelman Trust Barometer is the firm's 10th trust and credibility survey.

The survey was produced by research firm StrategyOne. The survey consisted of 30-minute telephone interviews conducted in November – December 2008. For the first time, the survey sampled two different age groups concurrently (25-34 and 35-64).

For more information on the Edelman Trust Barometer and to view past results, please visit www.edelman.com/trust.

Methodology

10th Edelman Trust Barometer

Global Reach

20 countries on five continents

Sample Size

N=4475 Total
N=3400 age 35-64 (20 countries)
N=1075 age 25-34 (20 countries)

Audience Profile

Informed Publics (same as 2008)

- College-educated
- In top 25% of household income per age group in each country
- Reported significant media consumption and engagement in business news and public policy

Field Dates

Nov 5 -Dec 14, 2008
(post-U.S. election)

