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**WITH TRUST IN BANKS, INSURERS AT HISTORIC LOWS, 'QUALITY OF COMMUNICATIONS' AND 'CUSTOMER SERVICE' RANK AS HIGH AS 'PRICE' AND 'PERFORMANCE' IN REPAIRING FAITH**

1st Edelman Financial Services U.S. Trust Barometer Finds Consumers 25-34 Most Trusting

NEW YORK and CHICAGO, Feb. 2, 2010 – Reflecting their deep turmoil during the past two years, the banking and insurance industries rank as the least trusted in the U.S., with banks recording the only slide in faith in the past year. The inaugural 2010 Edelman Financial Services U.S. Trust Barometer also found that 93 percent of those surveyed believe problems exist in the industry that must be addressed and 63 percent think financial institutions need more regulation.

The survey of 500 informed publics ages 25-64 also found that they consider “quality of communications” and “customer service” as important as “price” and “performance” in influencing trust. While the Edelman survey was the first to focus in-depth on financial services, Edelman has conducted an annual Global Trust Barometer since 2001.

“We’ve seen significant changes in how people evaluate corporate reputations and the factors they view as most important in shaping their decisions,” said Matthew Harrington, president and CEO, Edelman U.S. “Just three years ago, financial performance ranked as the top criterion for all U.S. companies. It now scores at the bottom, replaced by transparency and trust. In financial services specifically, companies must realize that transparency via frequent communication and high-quality customer products and services are as essential to creating and maintaining investor trust as superior returns and five-star ratings.”

In the U.S., trust in banks fell to 33 percent in the 2010 survey from 36 percent, while trust in insurers was the lowest in 2010 at 32 percent, although that level improved from 29 percent in the previous survey. Only media companies matched the 32 percent low. Technology ranked highest with a trust level of 81 percent.

In the survey, community/regional banks ranked as the most trusted financial institutions in the U.S., with mutual fund companies and life insurance companies close behind. Brokers/advisors were ranked as the most-trusted sources to provide accurate information on investments, investing, or the markets. They were followed by friends or family, and CEOs were judged least-trusted.



While trust in U.S. financial services companies declined from last year's record low, the survey signaled a rebound in trust among informed publics ages 25-34. For this demographic group, trust levels rose to 47 percent from 36 percent the previous year. "Informed publics" are college-educated, within the top 25 percent of households by age, and report significant media consumption and business news and public policy engagement.

Still, only 7 percent of those surveyed think the industry is problem-free, while just 8 percent believe financial services should be regulated less than they are now.

Business TV news, family and friends and local newspapers are the most widely used sources for financial information, according to the survey. However, among traditional, corporate and digital vehicles, none was more widely used than the others.

"With so many communications vehicles available to investors today, it's imperative that corporate marketers and communicators use them all," said Jeff Zilka, general manager, Edelman Financial Communications. "Our research underscores that people use a spectrum of media and need to hear a message five times before it registers. This suggests that financial-services executives must use a portfolio of traditional and on-line communications vehicles to convey their messages successfully."

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#### **About the Edelman Financial Services U.S. Trust Barometer**

The 2010 Edelman Financial Services U.S. Trust Barometer is the firm's first annual trust and credibility survey tailored specifically to the financial services industry. The survey was produced by research firm StrategyOne and consisted of 10-minute telephone interviews using the fielding services of World One from October 13 – November 8, 2009. The 2010 Edelman Financial Services U.S. Trust Barometer survey sampled 500 informed publics in two age groups (25-34 and 35-64) in the United States. All informed publics met the following criteria: college-educated; household income in the top quartile for their age; read or watch business/news media at least several times a week; follow public policy issues in the news at least several times a week. For more information, visit [http://www.edelman.com/trust/2010/docs/2010\\_Financial\\_Services\\_US\\_Trust\\_Results\\_Deck.pdf](http://www.edelman.com/trust/2010/docs/2010_Financial_Services_US_Trust_Results_Deck.pdf) or call 312.297.7508.

#### **About the Edelman Trust Barometer**

The 2010 Edelman Trust Barometer is the firm's 10th annual trust and credibility survey. The survey was produced by research firm StrategyOne and consisted of 25-minute telephone interviews using the fielding services of World One from September 29 – December 6, 2009. The 2010 Edelman Trust Barometer survey sampled 4,875 informed publics in two age groups (25-34 and 35-64) in 22 countries. All informed publics met the following criteria: college-educated; household income in the top quartile for their age in their country; read or watch business/news media at least several times a week; follow public policy issues in the news at least several times a week. For more information, visit <http://www.edelman.com/trust> or call 212.704.4530.



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