



Edelman
TRUST BAROMETER 2007
THE EIGHTH GLOBAL OPINION LEADERS STUDY

January 2007

Edelman's Eighth Annual Trust Barometer Survey.

Survey Population:

- Ages 35 to 64
- College educated
- In top 25% of household income nationally
- Reported a significant interest and engagement in the media, economic and policy affairs.
- Across 11 countries

Nations Represented:

400 in the United States

300 in China

150 each in the United Kingdom, Germany, France, Italy, Spain, the Netherlands, Sweden, Poland, Russia, Ireland, Mexico, Brazil, Canada, Japan, South Korea, and India

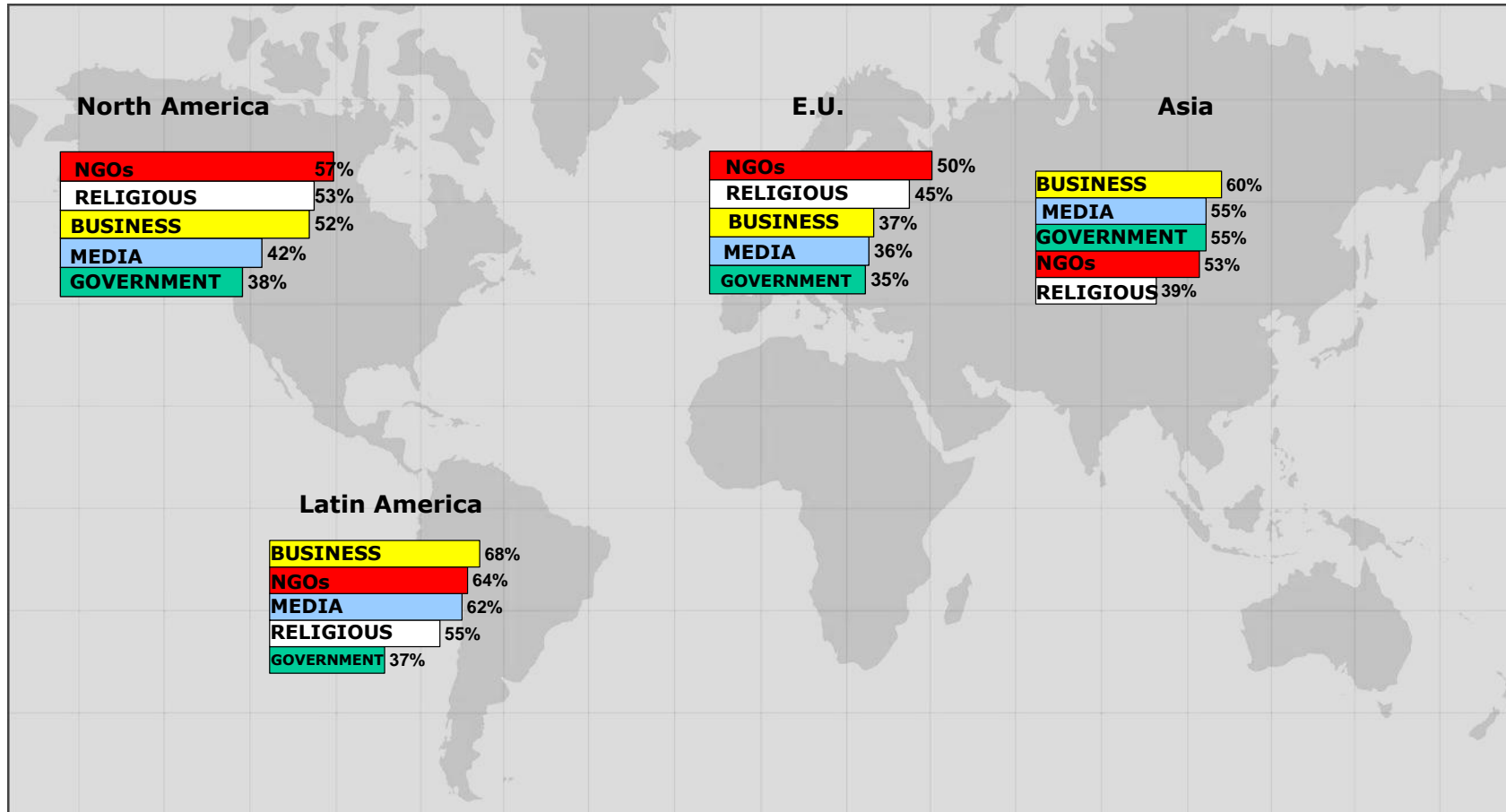
The study was a 30-minute telephone survey conducted in October - November 2006.

State of Trust:

***Business on the Rise: Filling the
Void Left by Declining Trust in
Government***

2007 Global Trust in Institutions

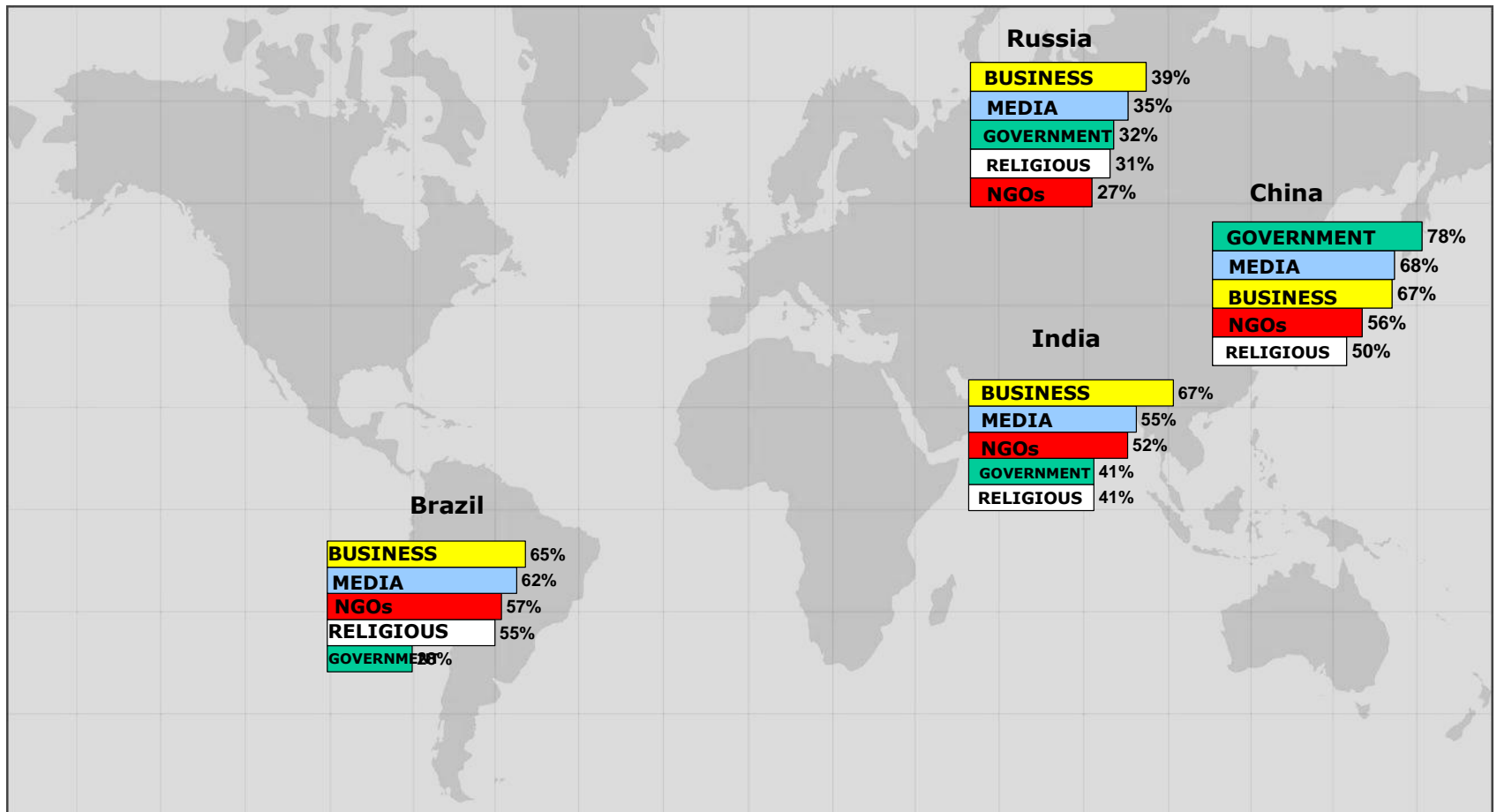
Business Ahead of Media and Government Trust



I'm 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 1 means that you do not trust them at all and 9 means that you trust them a great deal. (Top 4 boxes shown)



2007 BRIC Trust in Institutions



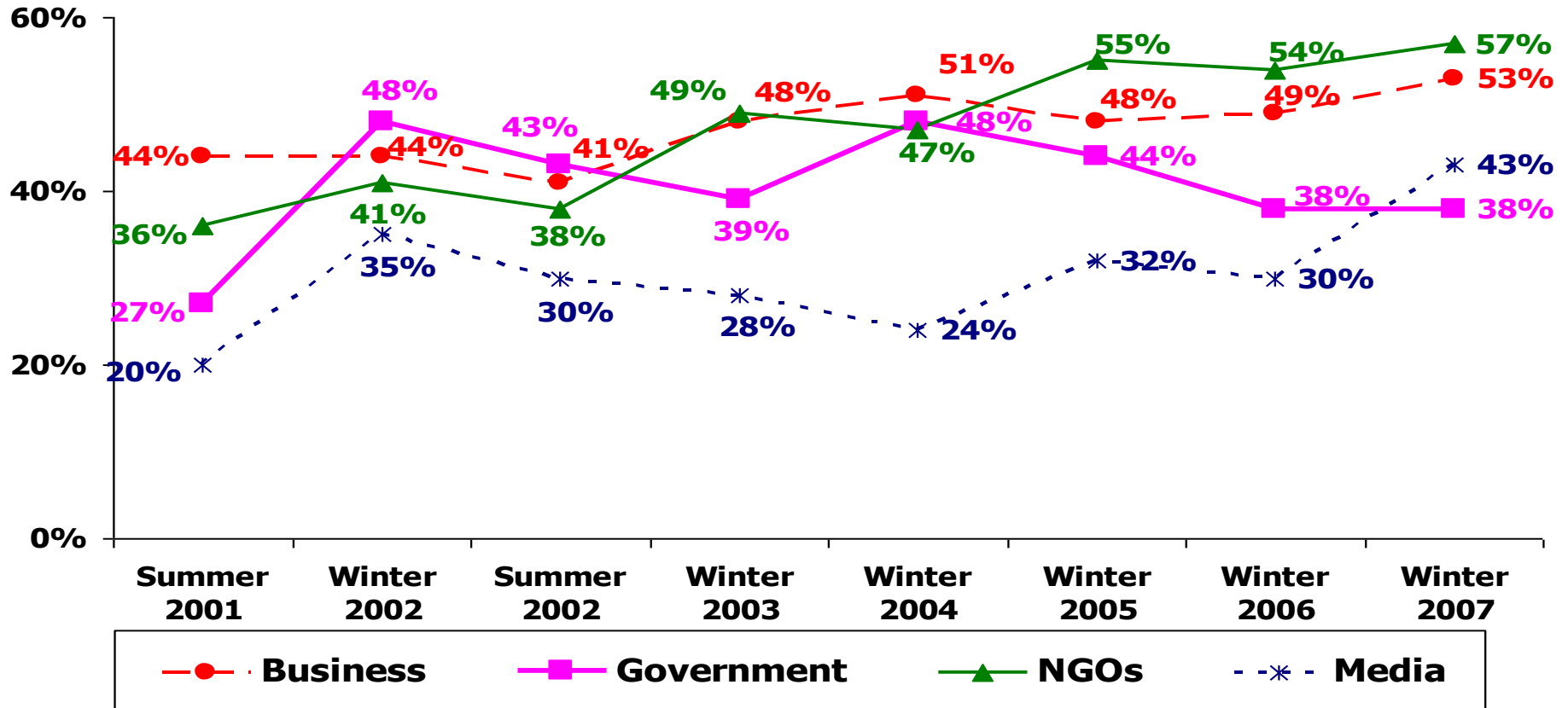
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US Trust in Institutions: Trust in Business Now Highest Ever in Survey

Largest Gap Ever Between Business and Government

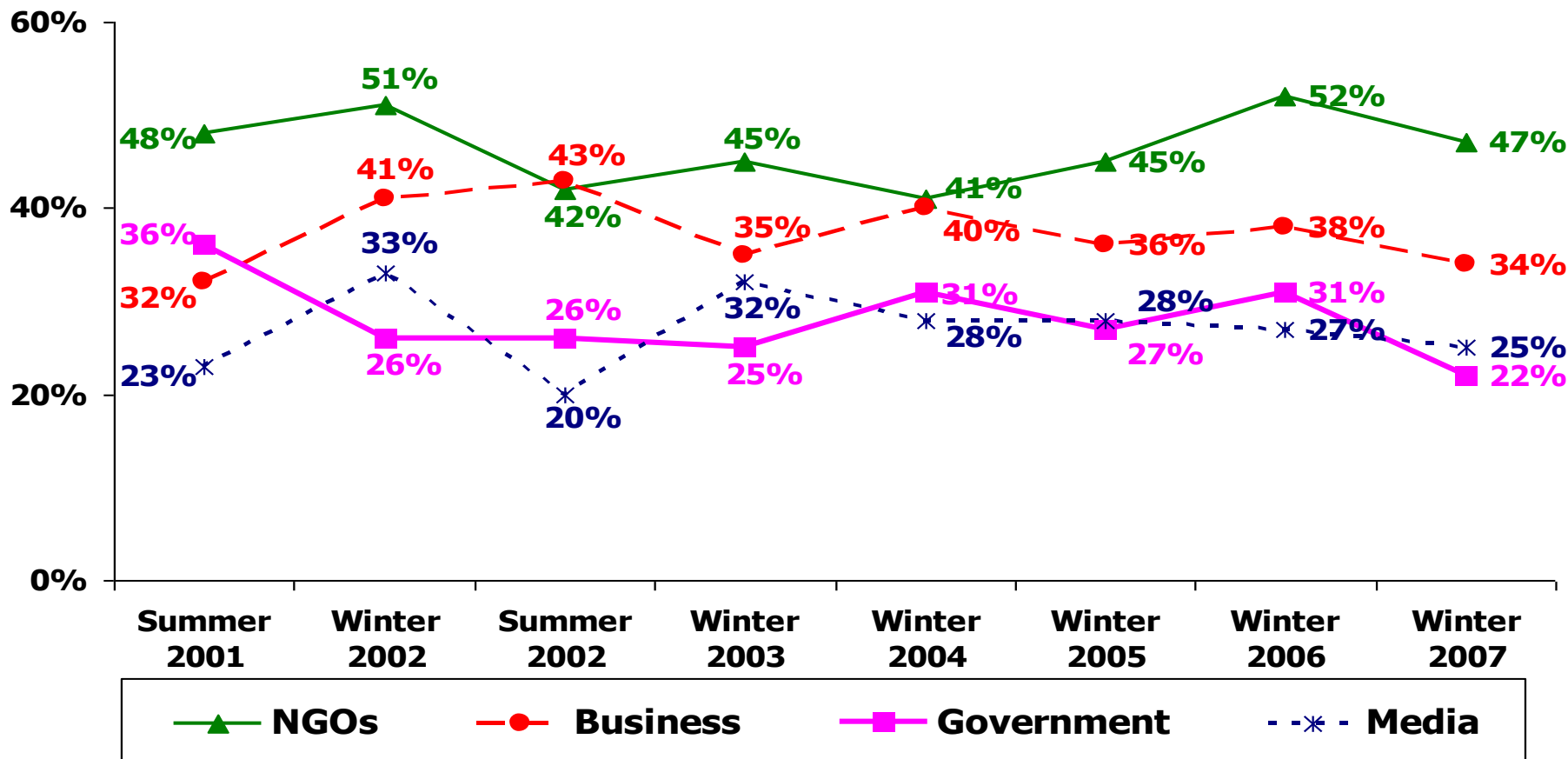
Media On Rebound



Now I would like you to tell me how much you TRUST each 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 FOUR BOXES SHOWN]



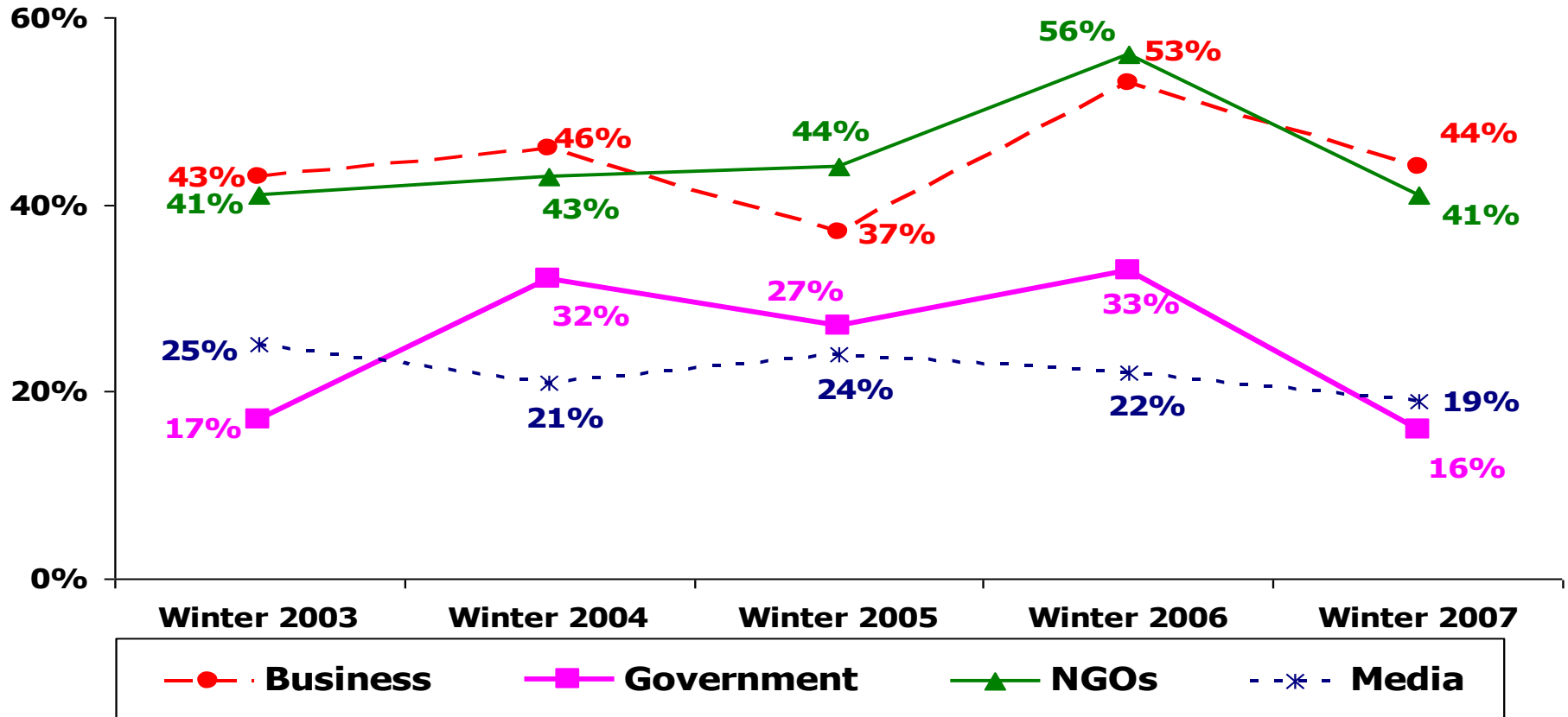
UK/France/Germany Trust in Institutions: Trust in Government at All-Time Low



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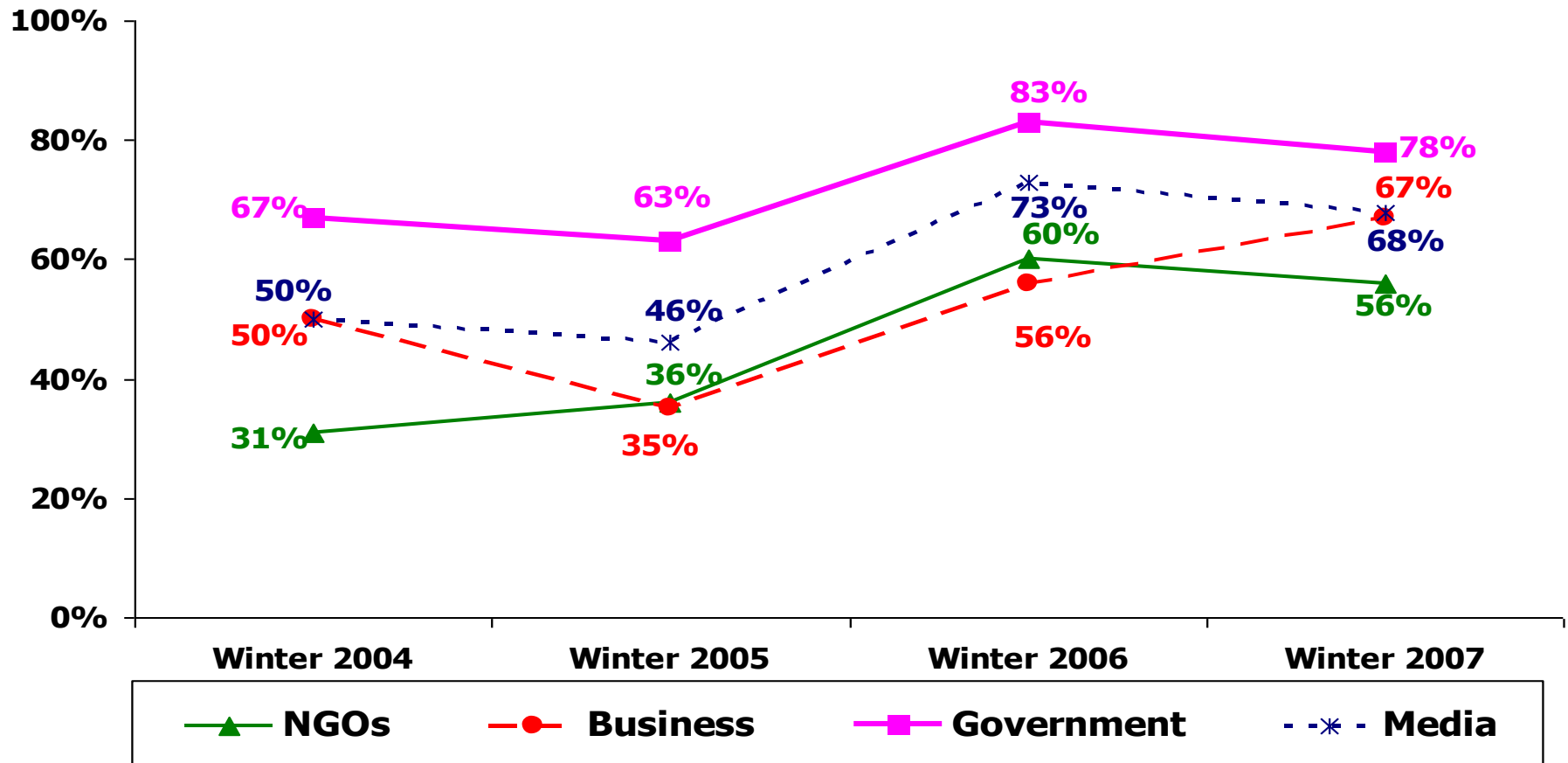
UK Trust in Institutions: Sharp Declines Over the Past Year



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Chinese Trust in Institutions: Shrinking Lead of Government Over Business



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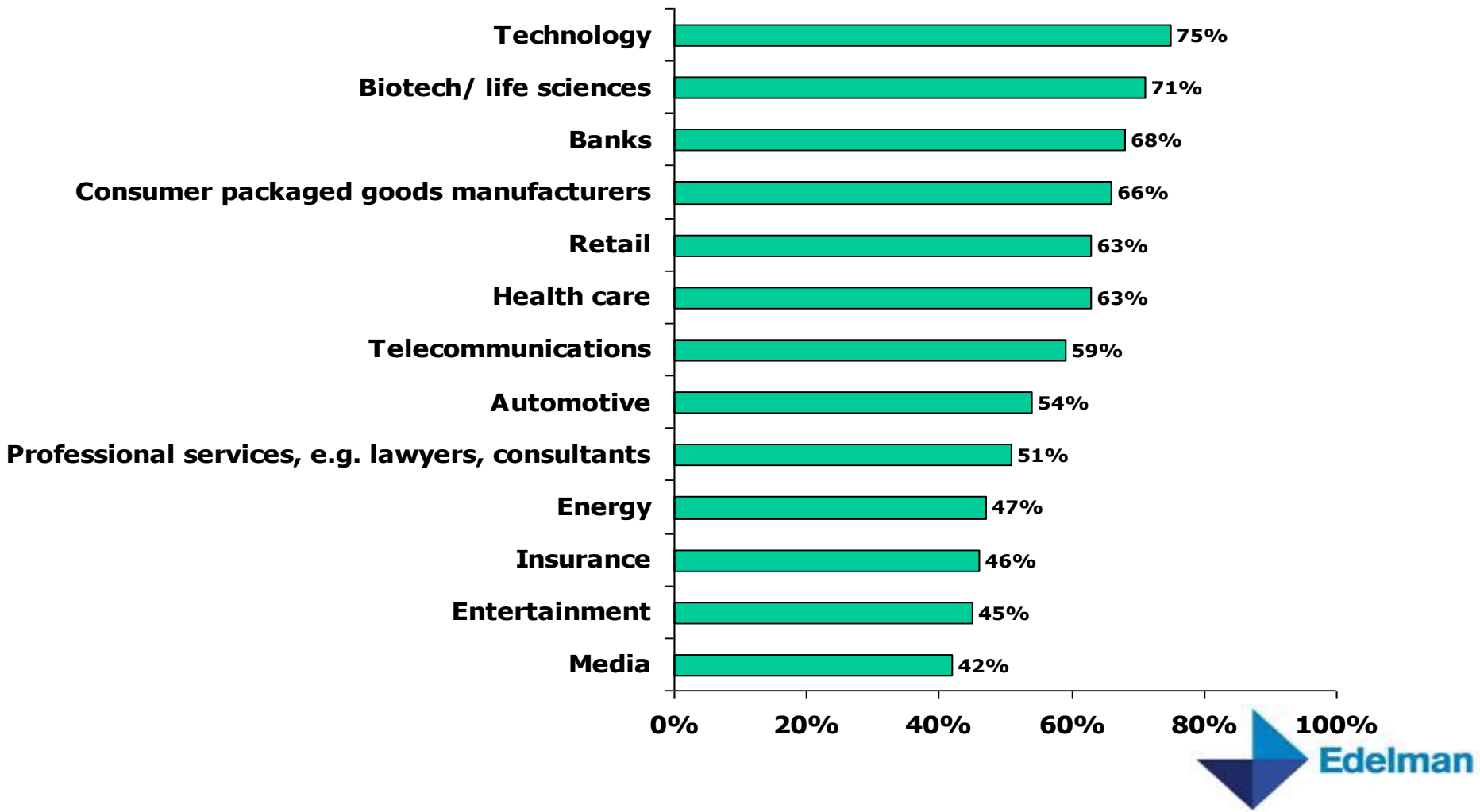


Trust in Industries

*Technology is the Only Globally
Trusted Industry*

Technology and Biotech Most Trusted Sectors in US

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 sectors 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 FOUR BOXES SHOWN]



Tech Leads Globally, Other Sectors Show Far Greater Regional Variation

Ranking

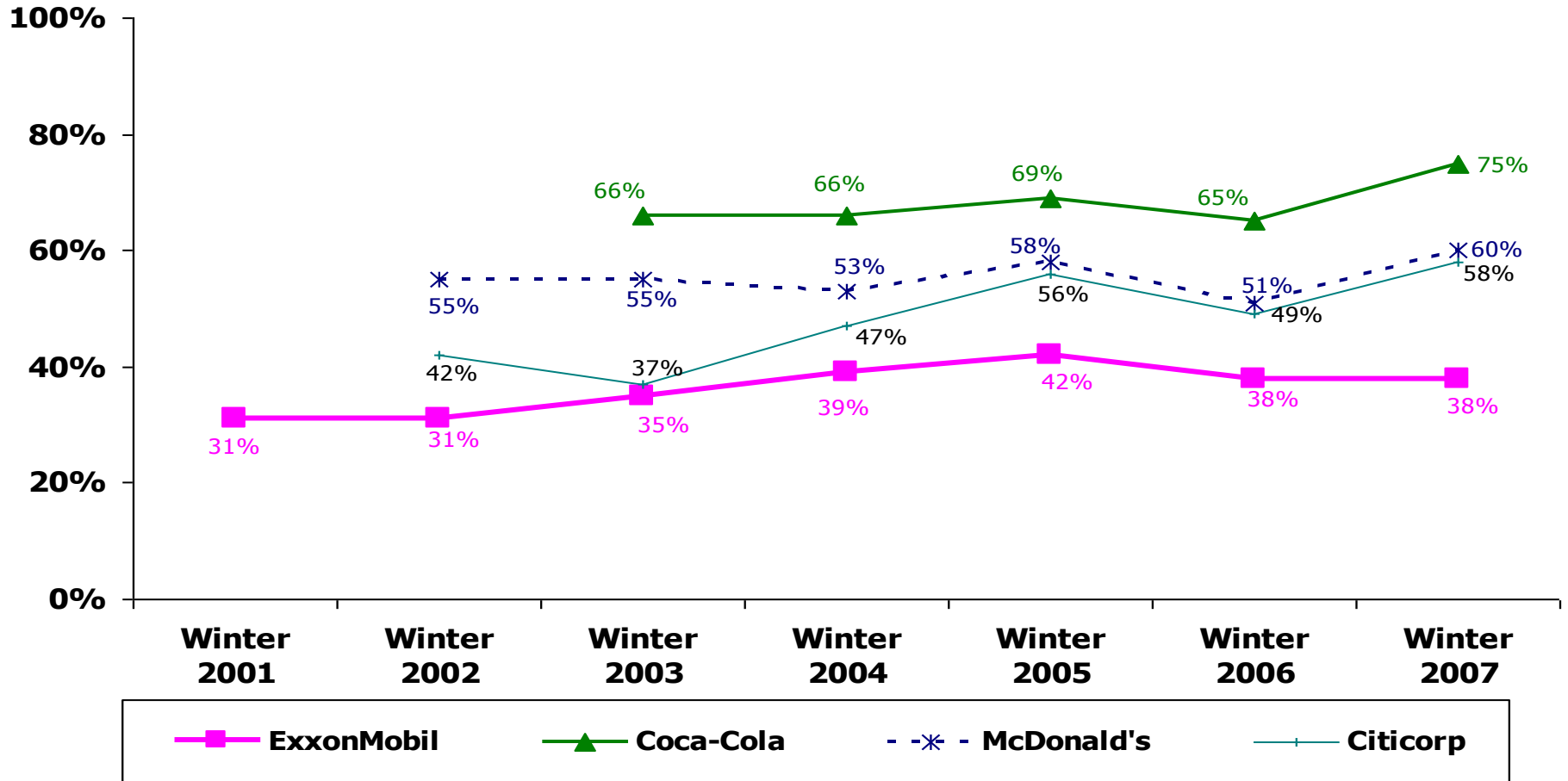
	US	E.U.	Russia	China	Japan	India
Technology	1	1	1	2	1	1
Biotech/ life sciences	2	3	4	4	5	6
Banks	3	10	7	3	10	3
Consumer packaged goods manufacturers	4	7	6	11	7	10
Health care	5	2	12	5	9	7
Retail	5	4	7	8	3	7
Telecommunications	7	9	2	7	6	2
Automotive	8	6	9	8	2	5
Professional services	9	5	3	5	8	13
Energy	10	11	5	1	4	12
Insurance	11	13	9	10	12	10
Entertainment	12	7	9	13	11	4
Media	13	12	13	11	13	9

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 9-point scale where one means that you do not trust them at all and nine means that you trust them a great deal.



Trust in Companies:
Ongoing US Corporate Trust
Deficit in Western Europe

US Trust in American Companies Has Grown Slightly Over the Course of the Study

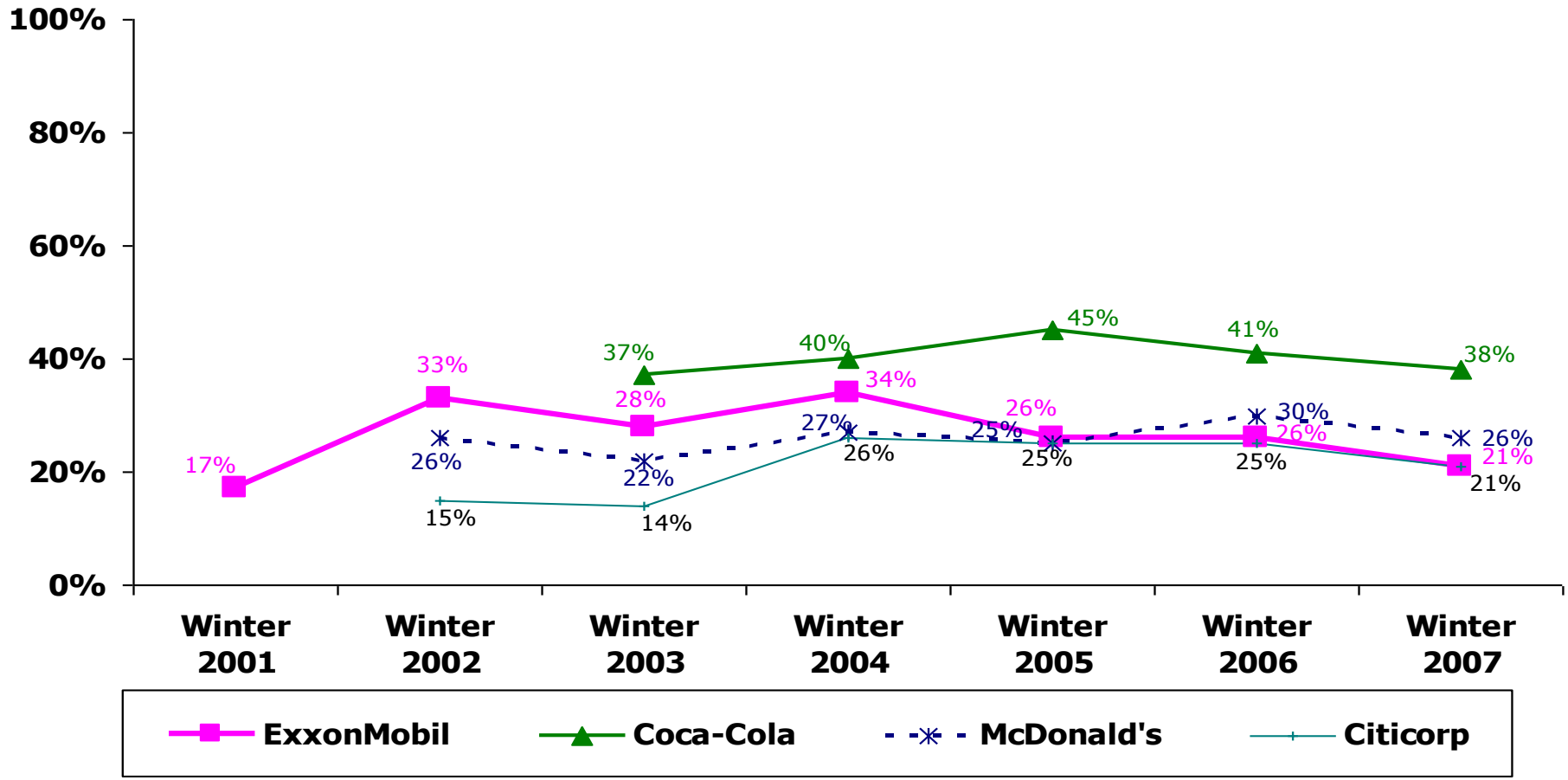


I am going to read you a list of organizations and companies. For each one, please tell me how much you TRUST each to do what is right. Please use a 9-point scale where one means that you “DO NOT TRUST THEM AT ALL” and nine means that you “TRUST THEM A GREAT DEAL.” [TOP FOUR BOXES SHOWN]

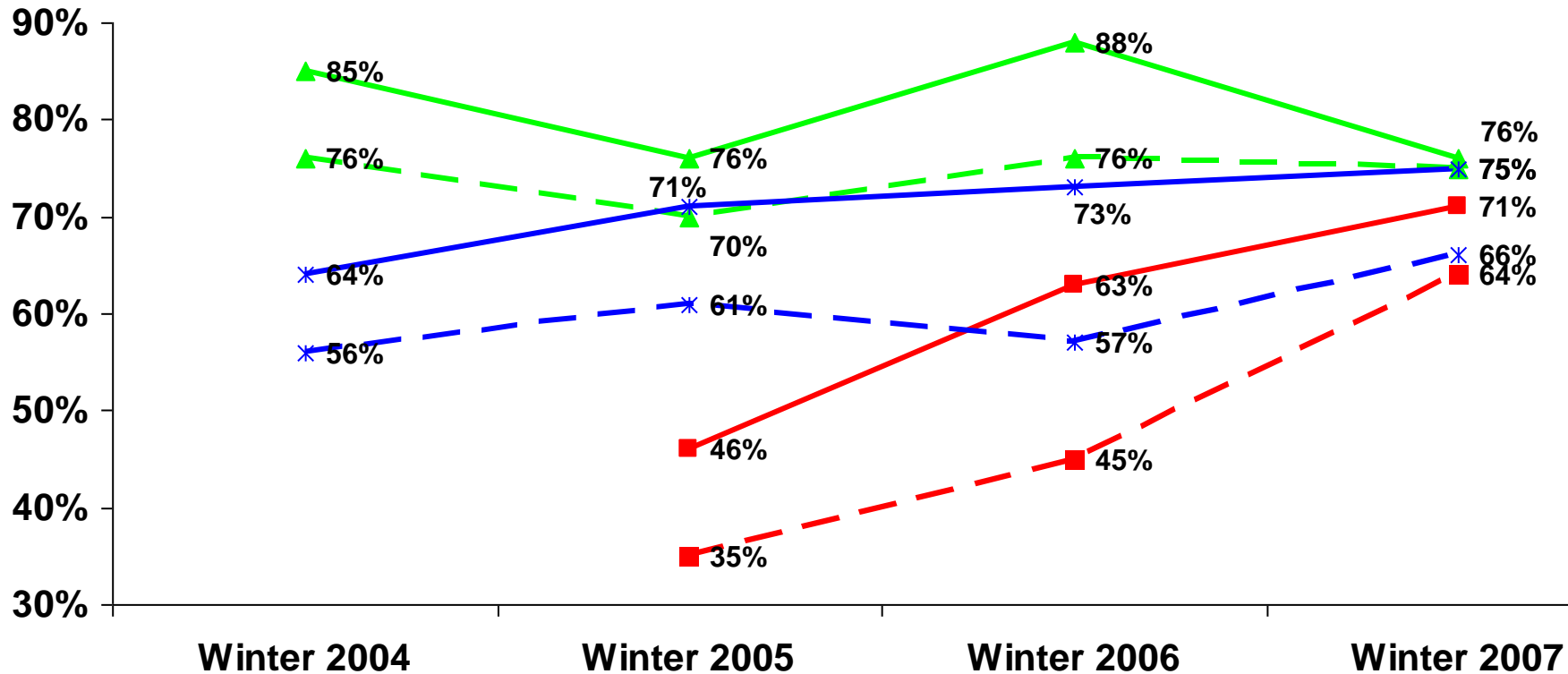


Trust Discount for American Companies Operating In Europe

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Two Major US Brands Trending Upwards in Japan, China and Brazil



- **Coca-Cola (Japan)**
- ▲— **Coca-Cola (China)**
- *— **Coca-Cola (Brazil)**
- -■ - - **McDonald's (Japan)**
- -▲ - - **McDonald's (China)**
- -* - - **McDonald's (Brazil)**

Non-US Brands Receive High Trust Across Regions

	US	E.U.	Russia	China	Brazil
Siemens	63%	68%	87%	93%	77%
Nissan	69%	60%	89%	63%	69%
Danone	72%	57%	73%	88%	89%
Electrolux	60%	62%	81%	78%	90%
Samsung	69%	62%	76%	90%	88%
Gucci	58%	46%	71%	51%	65%

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 9-point scale where one means that you do not trust them at all and nine means that you trust them a great deal.



UK/France/Germany Trust Scores Minus US Trust Scores

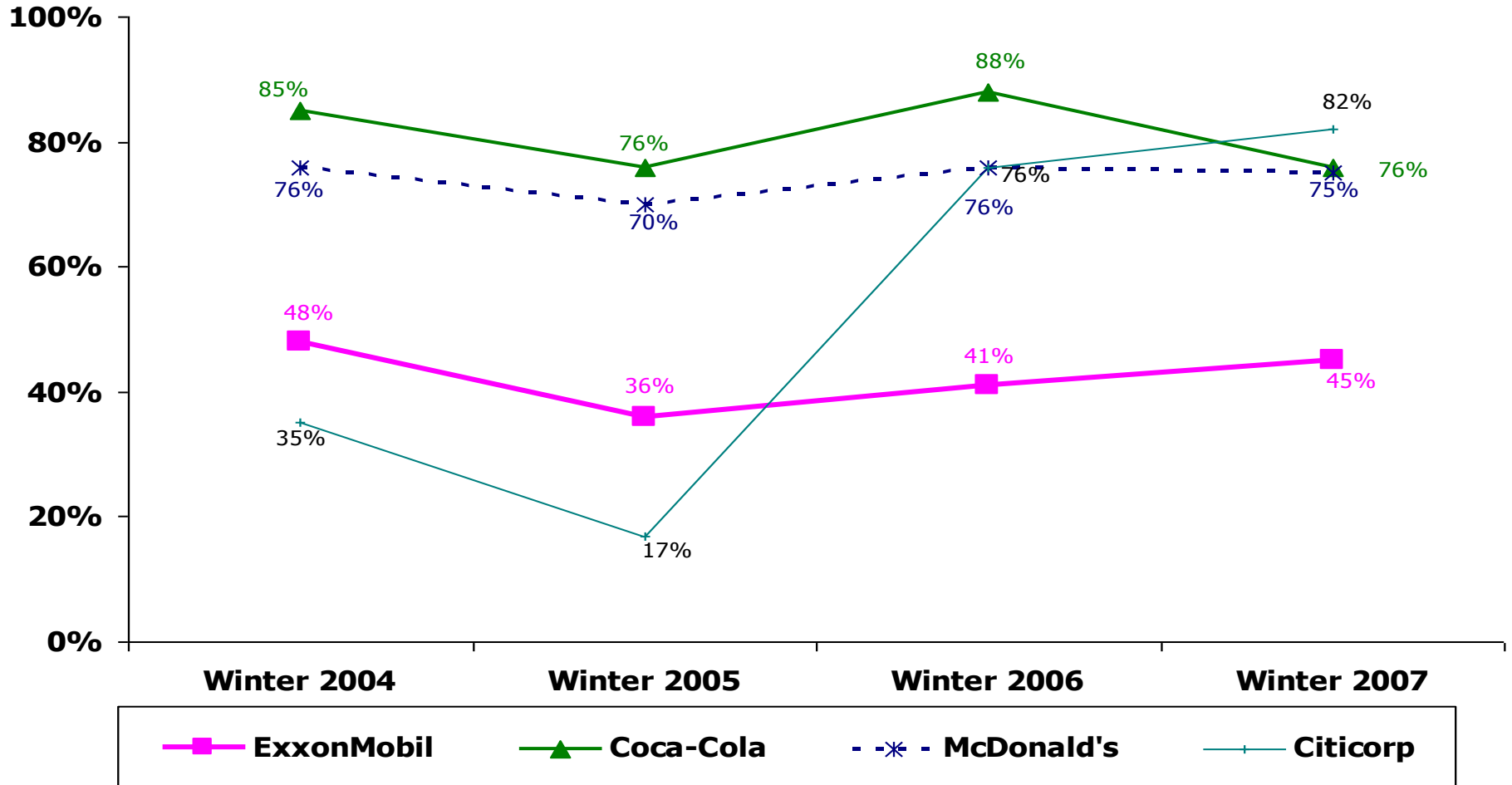
TOP 2 BOX	2001	2002	2003	2004	2005	2006	2007
	%	%	%	%	%	%	%
ExxonMobil	-14	2	-7	-5	-16	-12	-17
Citicorp	N/A	-27	-23	-21	-31	-24	-37
McDonald's	N/A	-29	-33	-26	-33	-21	-34
Coca-Cola	N/A	N/A	-29	-26	-24	-24	-37

- UK/France/Germany Trust Score Greater
- US Trust Score Greater

*UK, France, and Germany only



Chinese Trust in US Companies Trending Upwards



I am going to read you a list of organizations and companies. For each one, please tell me how much you TRUST each 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 FOUR BOXES SHOWN]



Trust in Countries:

*Sweden, Canada and Germany
are Most Trusted Headquarter
Countries*

Sweden, Canada and Germany Most Trusted Headquarter Countries

Respondent Region

	EU	North America	Latin America	Asia
Sweden	75	70	82	70
Canada	72	76	85	72
Germany	71	57	85	77
The Netherlands	69	65	82	61
Japan	66	63	81	64
United Kingdom	65	73	80	72
Ireland	64	63	58	53
France	56	38	78	70
Spain	51	50	74	55
United States	48	66	72	71
Italy	42	54	74	66
South Korea	31	41	54	61
Poland	29	43	51	47
India	26	37	45	45
China	25	27	44	52
Brazil	22	34	61	43
Mexico	19	26	60	43
Russia	15	20	44	42

○ Highest Ranked
 □ Lowest Ranked

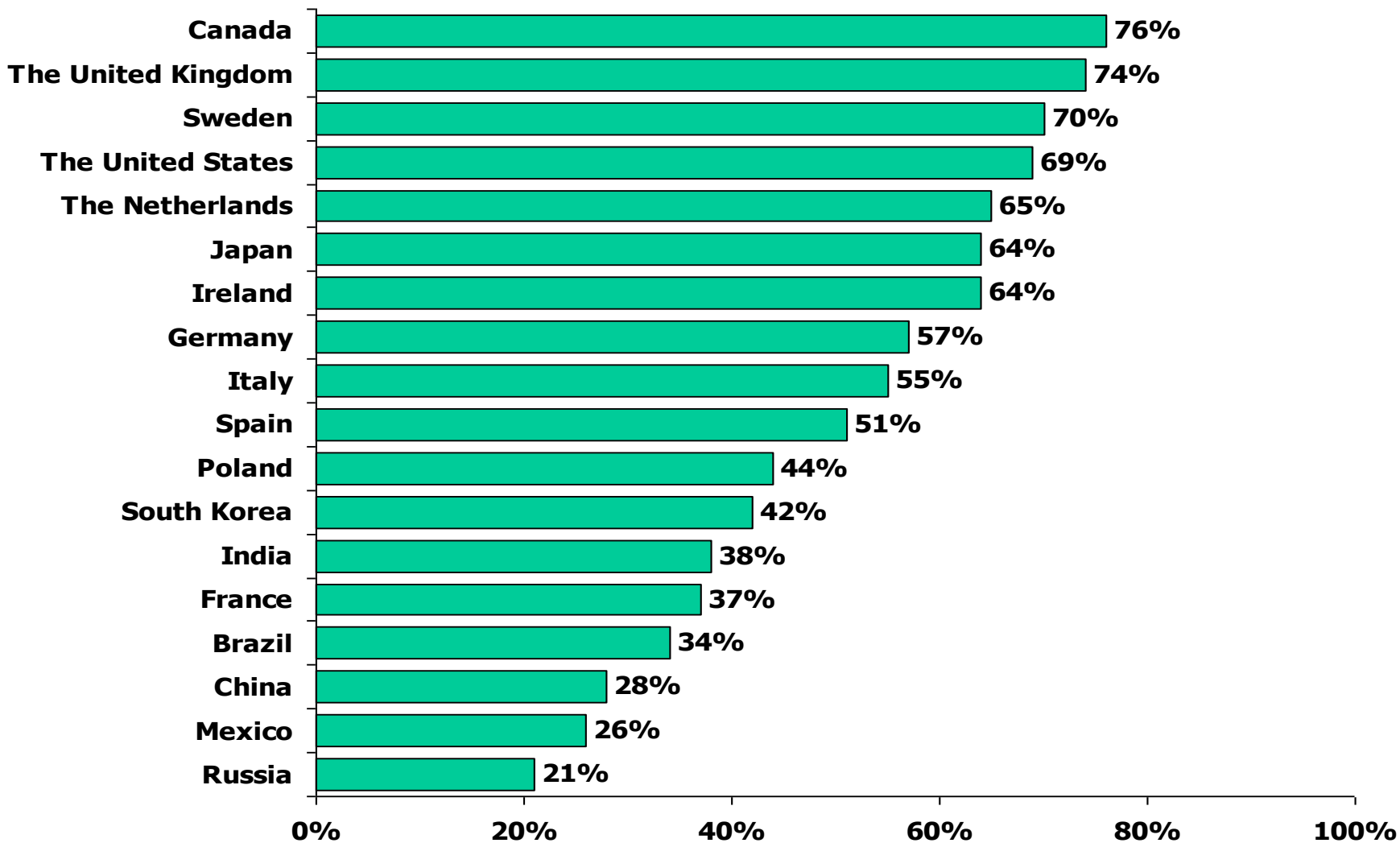
HQ

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 9-point scale where 1 means that you DO NOT TRUST THEM AT ALL and 9 means that you TRUST THEM A GREAT DEAL.

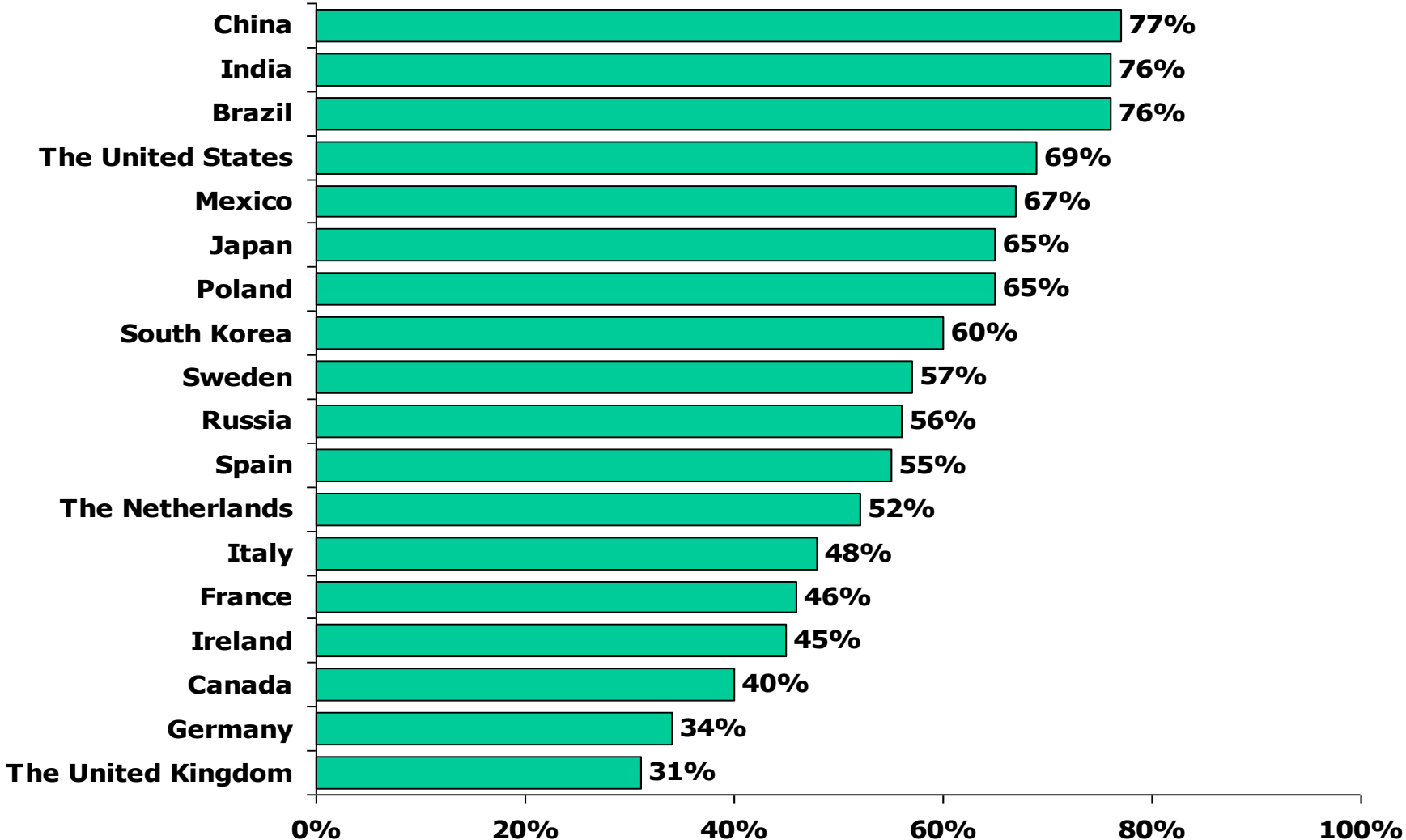
Top 4 boxes shown



American Most Likely To Trust Canadian and UK Companies



Chinese Most Trusting of US Firms, UK is Least Trusting

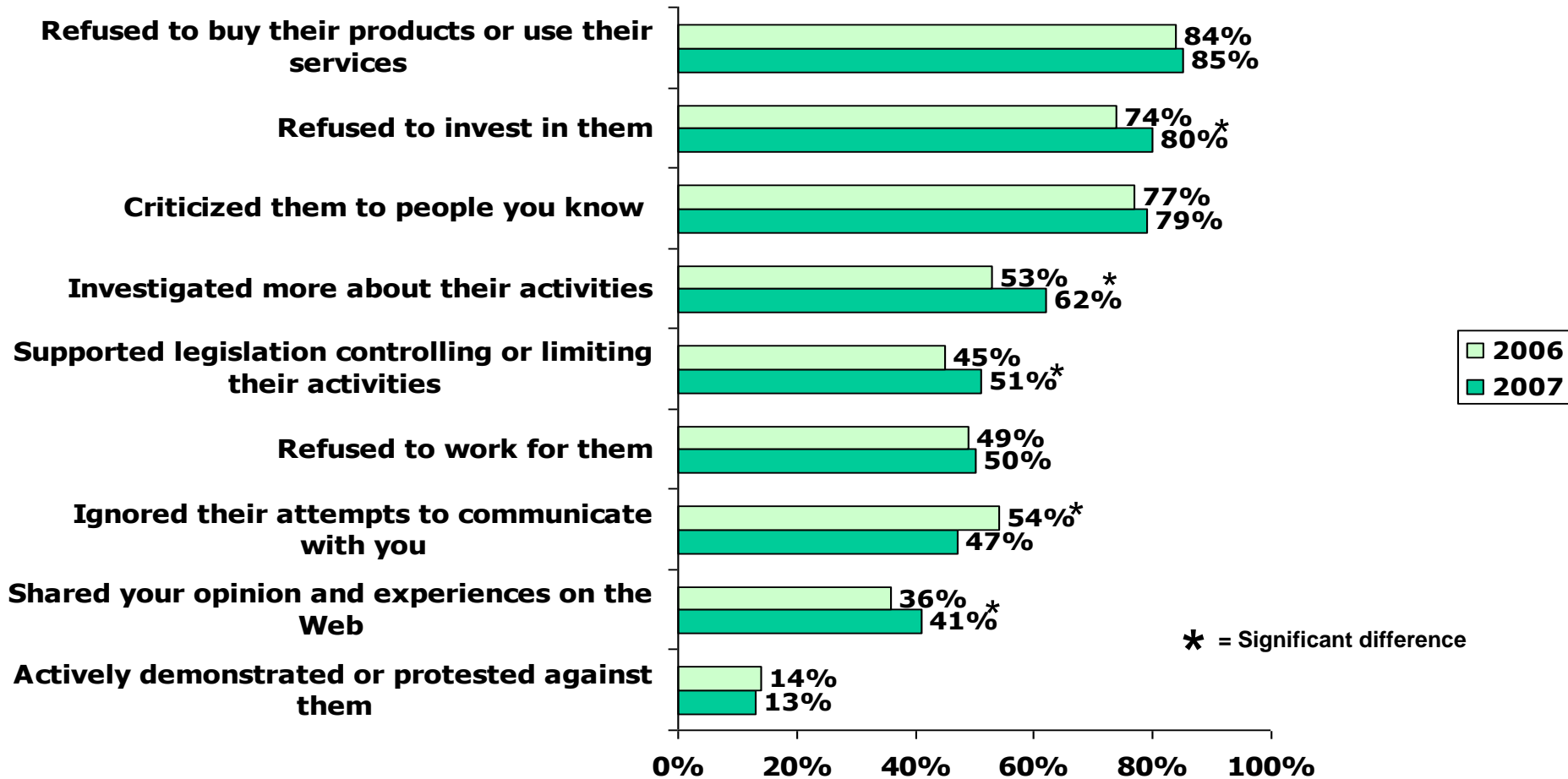


Why Trust Matters:

***Opinion Elites in Many Countries
are Taking More Actions Against
Distrusted Companies***

Americans Have Become More Likely to Take Several Actions in Response to Distrusted Companies

25



For each one, please tell me if you have ever done this in relation to a company you do not trust.



Information Sources:

***Business Magazines & Analyst
Reports Lead in Trust***

US Credible Information Sources: Business Magazines Remain Most Credible

TOP 2 BOX	2003	2004	2005	2006	2007
	%	%	%	%	%
Articles in business magazines	49	45	55	66	55
Stock or industry analyst reports	26	34	49	52	47
News coverage on the radio	32	36	40	48	39
Friends and family (2003-2006)/Conversations with your friends and peers (2007)	35	44	42	58	37
Articles in newspapers	35	32	42	44	37
Television news coverage	20	30	32	38	35
Communications issued by companies such as press releases, annual reports, and newsletters	19	30	31	36	28
A company's own website	13	21	24	31	20
Weblogs or blogs	N/A	N/A	N/A	17	16

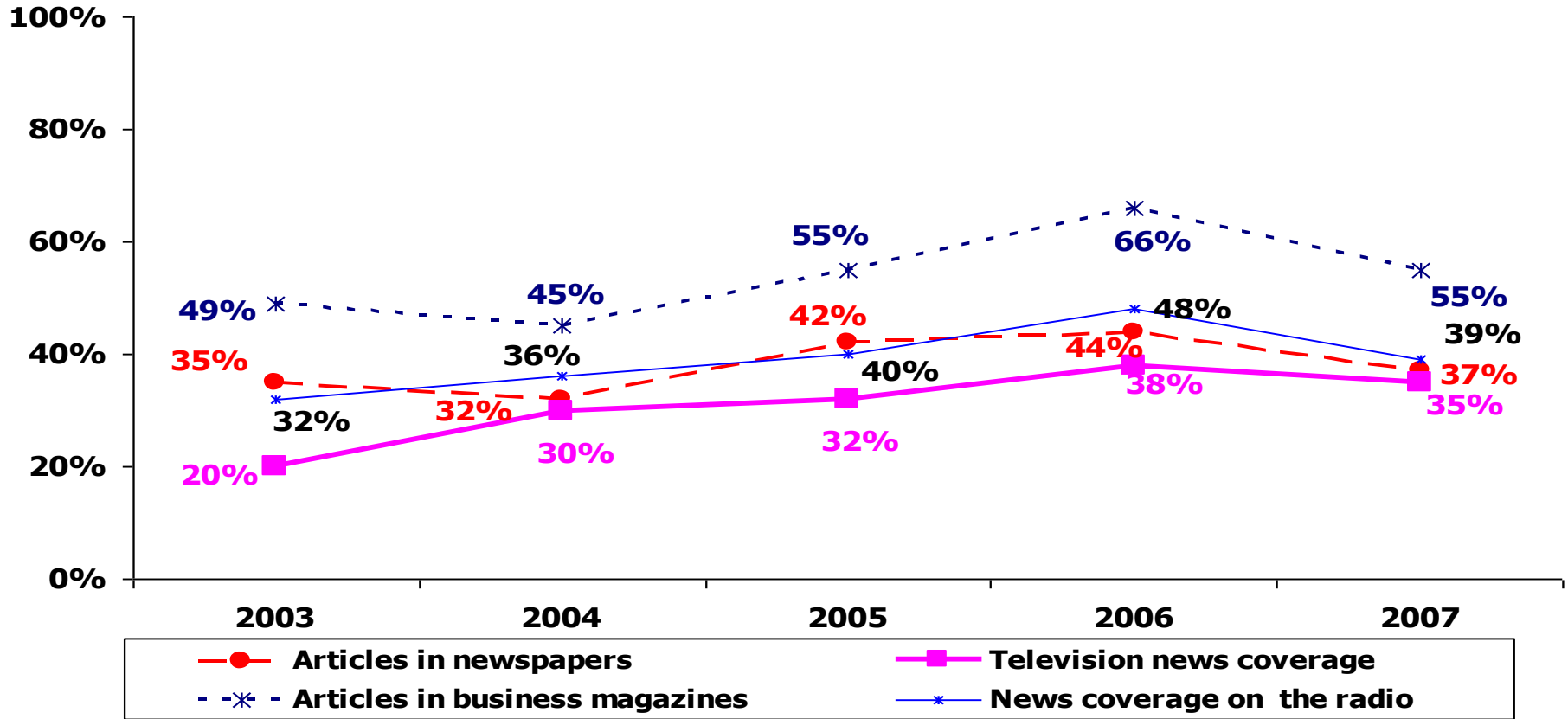
 Highest ranked

 Lowest ranked

*In general, how credible do you feel each of the following sources is for information about a company?
Is information that you get from [SOURCE] extremely credible, very credible, somewhat credible, or not credible at all?*



US Credibility of Key Information Sources: 2007 Reverses the the Upward Trend



Top two boxes shown

In general, how credible do you feel each of the following sources is for information about a company? Is information that you get from [SOURCE] extremely credible, very credible, somewhat credible, or not credible at all?



UK/France/Germany Credible Sources: Business Magazines and Analyst Reports Lead

TOP 2 BOX	2003	2004	2005	2006	2007
	%	%	%	%	%
Articles in business magazines	52	52	51	60	49
Stock or industry analyst reports	42	44	47	60	49
News coverage on the radio	58	47	52	55	43
Friends and family (2003-2006)/Conversations with your friends and peers (2007)	51	44	43	50	39
Television news coverage	45	37	43	45	38
Articles in newspapers	37	38	34	45	29
Communications issued by companies such as press releases, annual reports, and newsletters	32	30	27	36	25
Weblogs or blogs	N/A	N/A	N/A	15	13
A company's own website	27	22	17	23	11



Highest ranked



Lowest ranked

*In general, how credible do you feel each of the following sources is for information about a company?
Is information that you get from [SOURCE] extremely credible, very credible, somewhat credible, or not credible at all?*



Chinese Credibility of Information Sources: TV News Most Credible

TOP 2 BOX	2004	2005	2006	2007
	%	%	%	%
Television news coverage	64	62	50	62
News coverage on the radio	49	55	44	56
Friends and family (2003-2006)/Conversations with your friends and peers (2007)	48	48	56	52
Articles in newspapers	39	38	44	33
Articles in business magazines	31	31	33	30
Communications issued by companies such as press releases, annual reports, and newsletters	27	24	34	30
Stock or industry analyst reports	39	24	23	27
A company's own website	23	29	24	27
Weblogs or blogs	N/A	N/A	17	11

 Highest ranked

 Lowest ranked

*In general, how credible do you feel each of the following sources is for information about a company?
Is information that you get from [SOURCE] extremely credible, very credible, somewhat credible, or not credible at all?*

Spokespeople:
Person Like Yourself
Continuing to Lead
Industry Experts Also Important

US Credible Spokespersons:

Person Like Yourself Continues to Lead, CEO Drops

TOP 2 BOX	2003	2004	2005	2006	2007
	%	%	%	%	%
A person like yourself	22	51	56	68	51
Doctor or healthcare specialist	37	54	60	59	49
Academic	43	47	60	57	48
Non-profit organization or NGO representative	36	41	47	53	43
Financial/ Industry analyst	N/A	37	46	53	42
Regular employee of company	26	29	30	45	36
The CEO or leader of your company or employer	N/A	N/A	N/A	N/A	31
CEO of a company	14	20	25	28	22
Lawyer	13	17	14	21	16
Public relations executive	7	10	9	17	12
Entertainer/ Athlete	1	6	4	12	11
Blogger	N/A	N/A	N/A	13	9

 Highest ranked

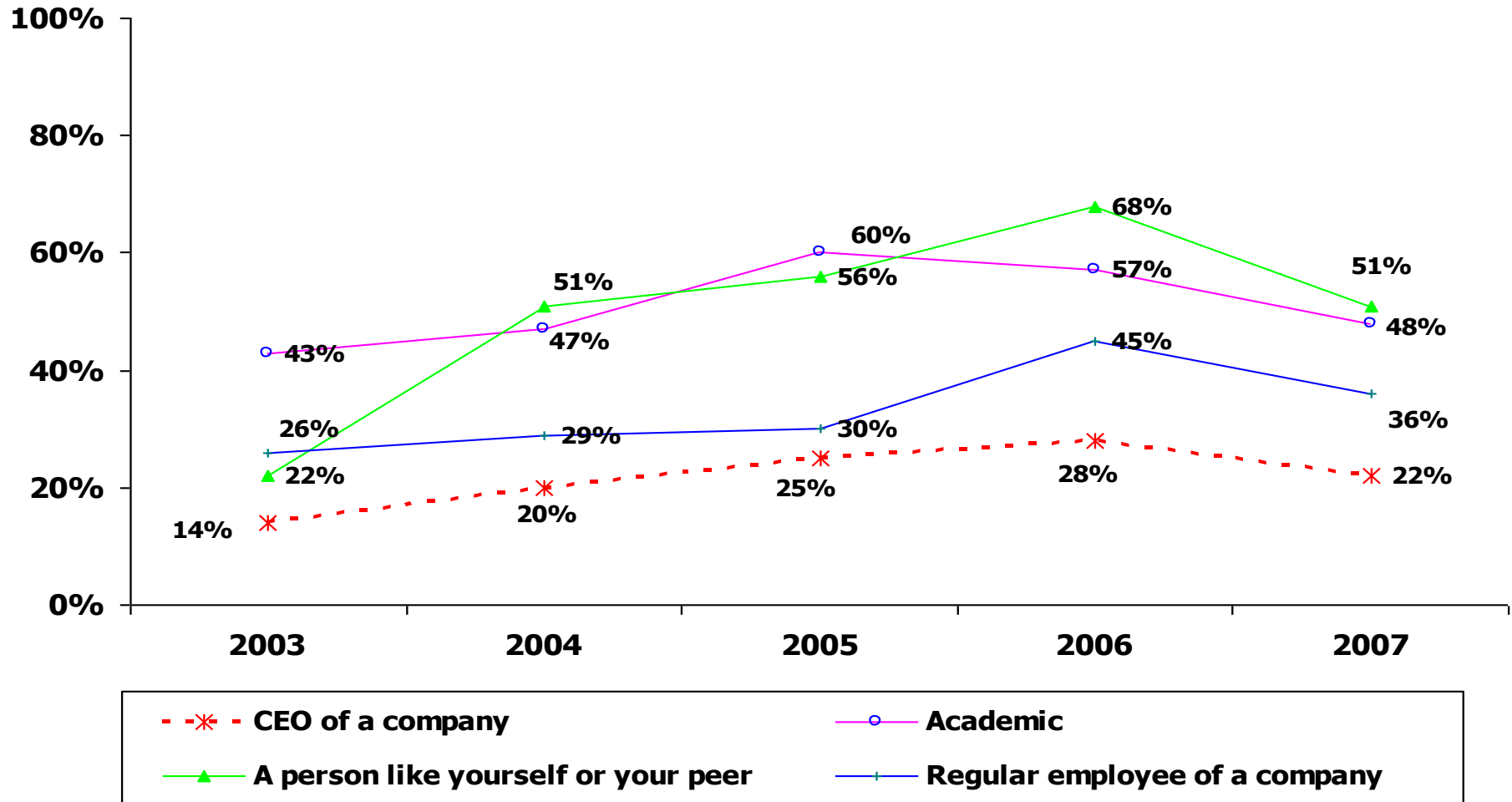
 Lowest ranked



2003-2006 wording: In general, when forming an opinion of a company, if you received information from a/an [INSERT PERSON] about a company, how credible would the information be? Would it be extremely credible, very credible, somewhat credible, or not credible at all? The next is ... [READ LIST. RANDOMIZE. ACCEPT ONLY ONE RESPONSE]

2007 wording: In general, when forming an opinion of a company, if you heard information about a company from a/an [INSERT PERSON], how credible would the information be? Would it be extremely credible, very credible, somewhat credible, or not credible at all? The next is ... [READ LIST. RANDOMIZE. ACCEPT ONLY ONE RESPONSE]

US: Person Like Me and Regular Employee Have Risen Well Ahead of CEO



Top two boxes shown

2003-2006 wording: In general, when forming an opinion of a company, if you received information from a/an [INSERT PERSON] about a company, how credible would the information be? Would it be extremely credible, very credible, somewhat credible, or not credible at all? The next is ... [READ LIST. RANDOMIZE. ACCEPT ONLY ONE RESPONSE]

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Credible Spokespersons for Information about a Company

TOP 2 BOX	E.U.	North America	Latin America	Asia
	%	%	%	%
A person like yourself	53	51	83	54
Doctor or healthcare specialist	50	49	80	56
Non-profit organization or NGO representative	46	44	67	48
Academic	45	47	70	48
Financial/ Industry analyst	45	43	71	47
Regular employee of company	34	36	54	39
The CEO/leader of your company or employer*	32	31	62	48
Lawyer	30	16	35	43
Government official or regulator	25	22	30	41
CEO of a company	24	22	55	41
Public relations executive	15	12	46	22
Entertainer/ Athlete	14	11	39	24
Blogger	13	9	21	18

 **Highest ranked**

 **Lowest ranked**

* Asked only of employed respondents



In general, when forming an opinion of a company, if you received information from (INSERT PERSON) about this company, how credible would the information be? Would it be extremely credible, very credible, somewhat credible, or not credible at all?

UK/France/Germany Credible Spokespersons: Doctor & Person Like Yourself Remain Most Credible

TOP 2 BOX	2003	2004	2005	2006	2007
	%	%	%	%	%
Doctor or healthcare specialist	54	53	56	55	45
A person like yourself	33	51	53	56	45
Non-profit organization or NGO representative	43	41	48	53	42
Academic	46	42	48	53	38
Lawyer	48	46	35	41	29
Regular employee of company	40	25	27	32	28
The CEO or leader of your company or employer	N/A	N/A	N/A	N/A	21
CEO of a company	28	21	21	28	18
Entertainer/ Athlete	16	11	12	12	10
Public relations executive	14	13	13	16	9
Blogger	N/A	N/A	N/A	10	6

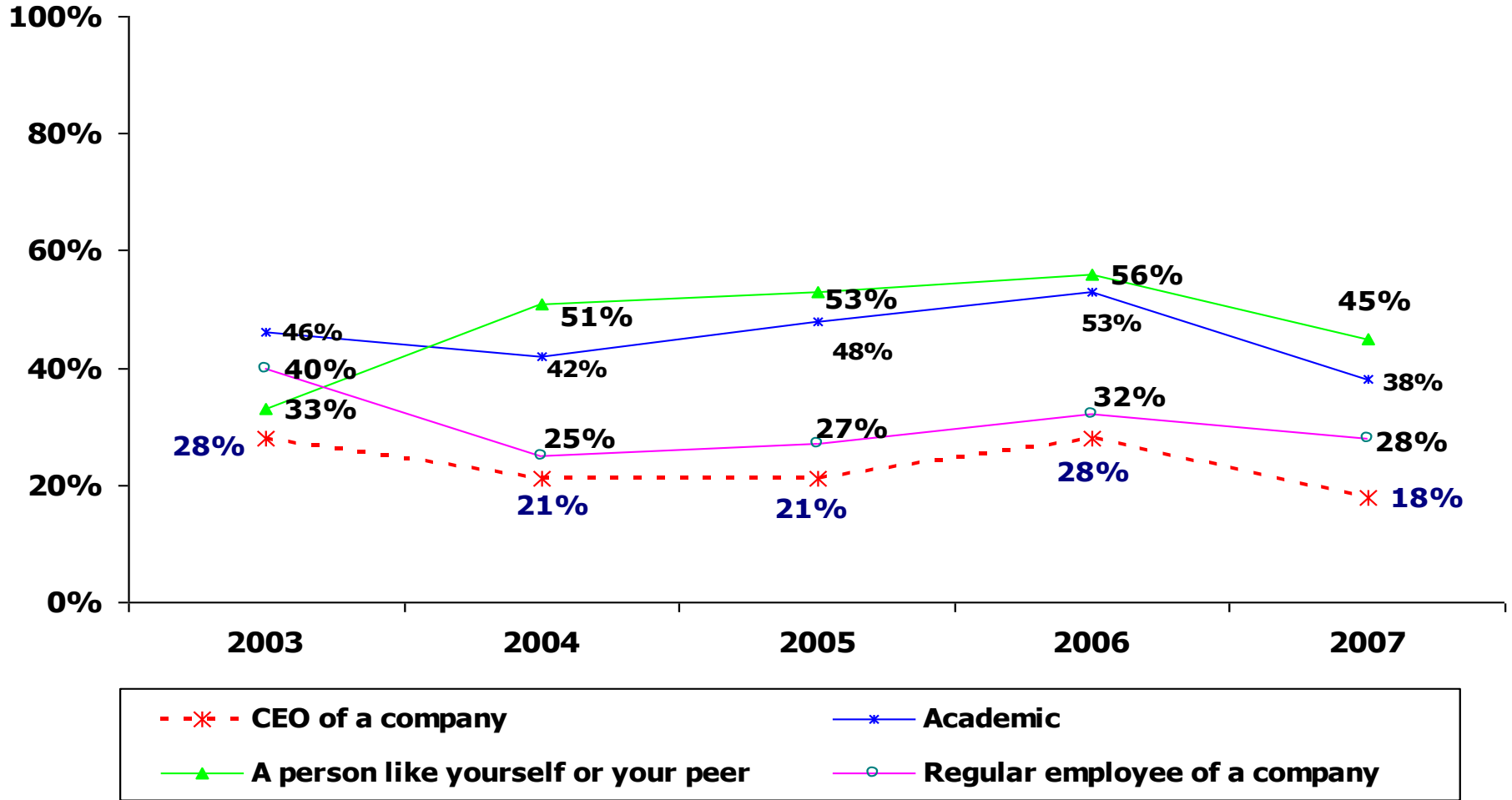
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UK/France/Germany: CEO Trust at All Time Low; Largest Gap to Date with Person Like Yourself



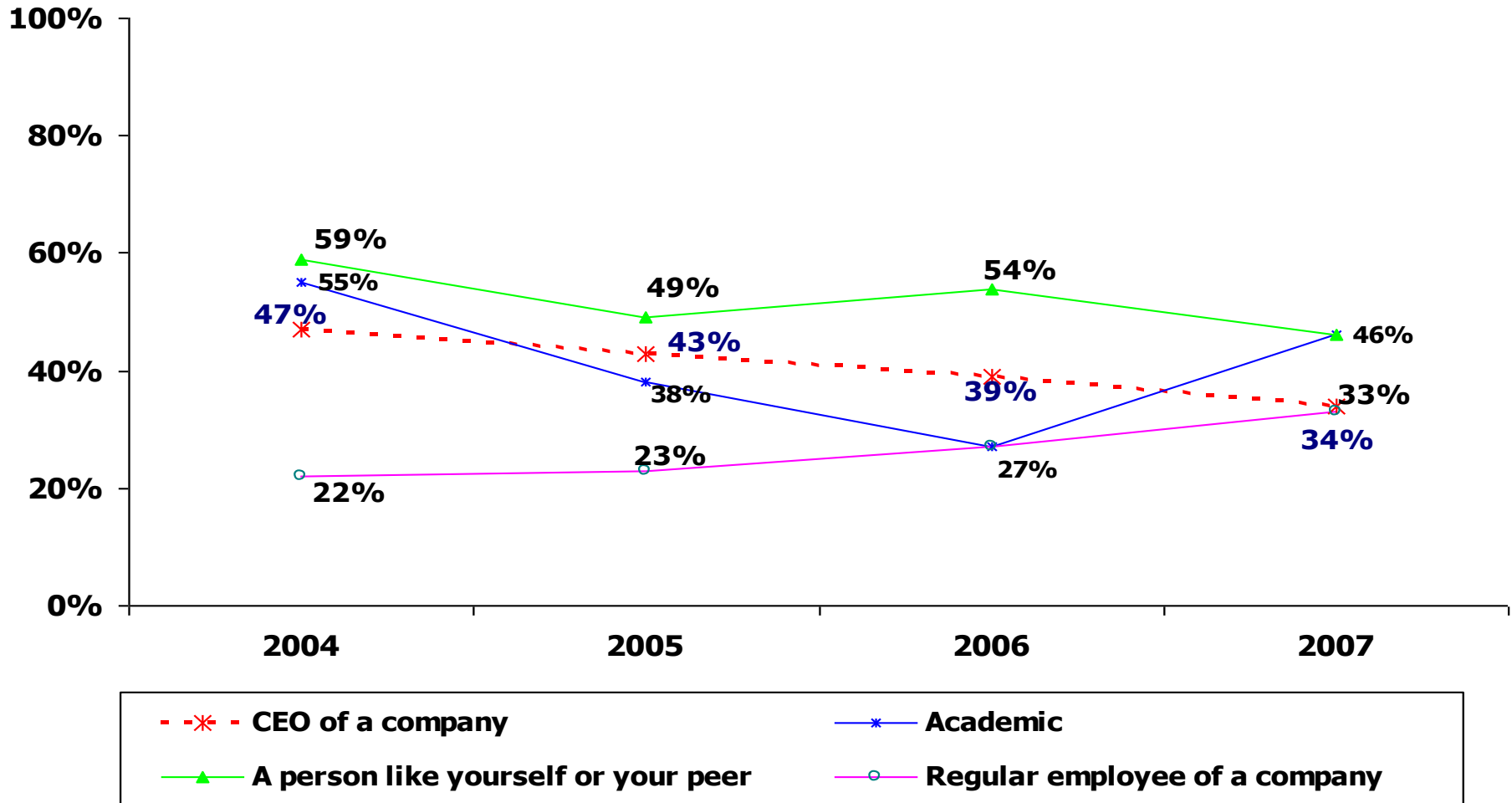
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Top two boxes shown



China: CEOs Declining in Credibility as Regular Employees Rising



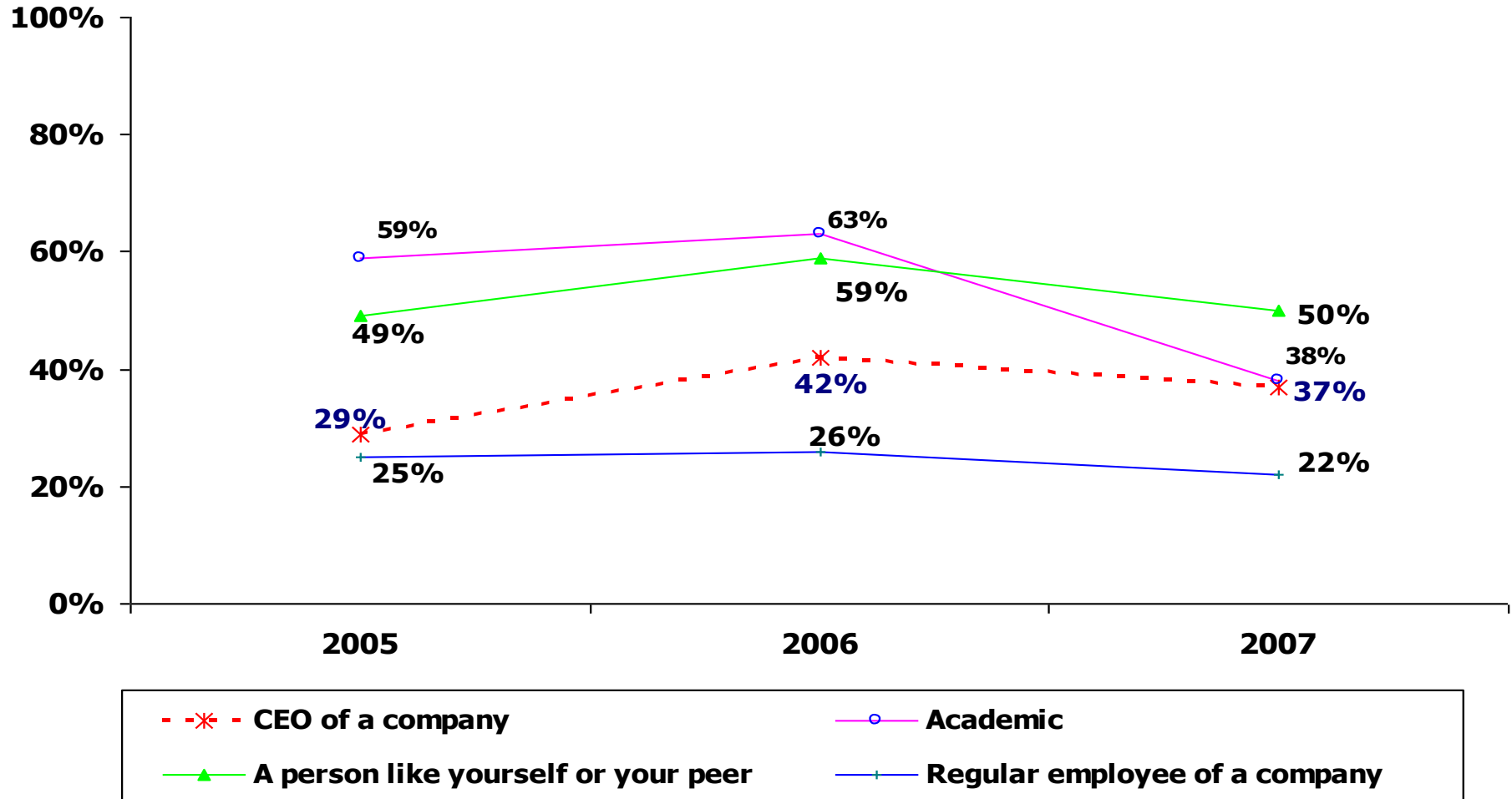
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Top two boxes shown



Japan: Person Like Yourself Continues to Lead Ahead of CEOs



2003-2006 wording: In general, when forming an opinion of a company, if you received information from a/an [INSERT PERSON] about a company, how credible would the information be? Would it be extremely credible, very credible, somewhat credible, or not credible at all? The next is ... [READ LIST. RANDOMIZE. ACCEPT ONLY ONE RESPONSE]

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Top two boxes shown

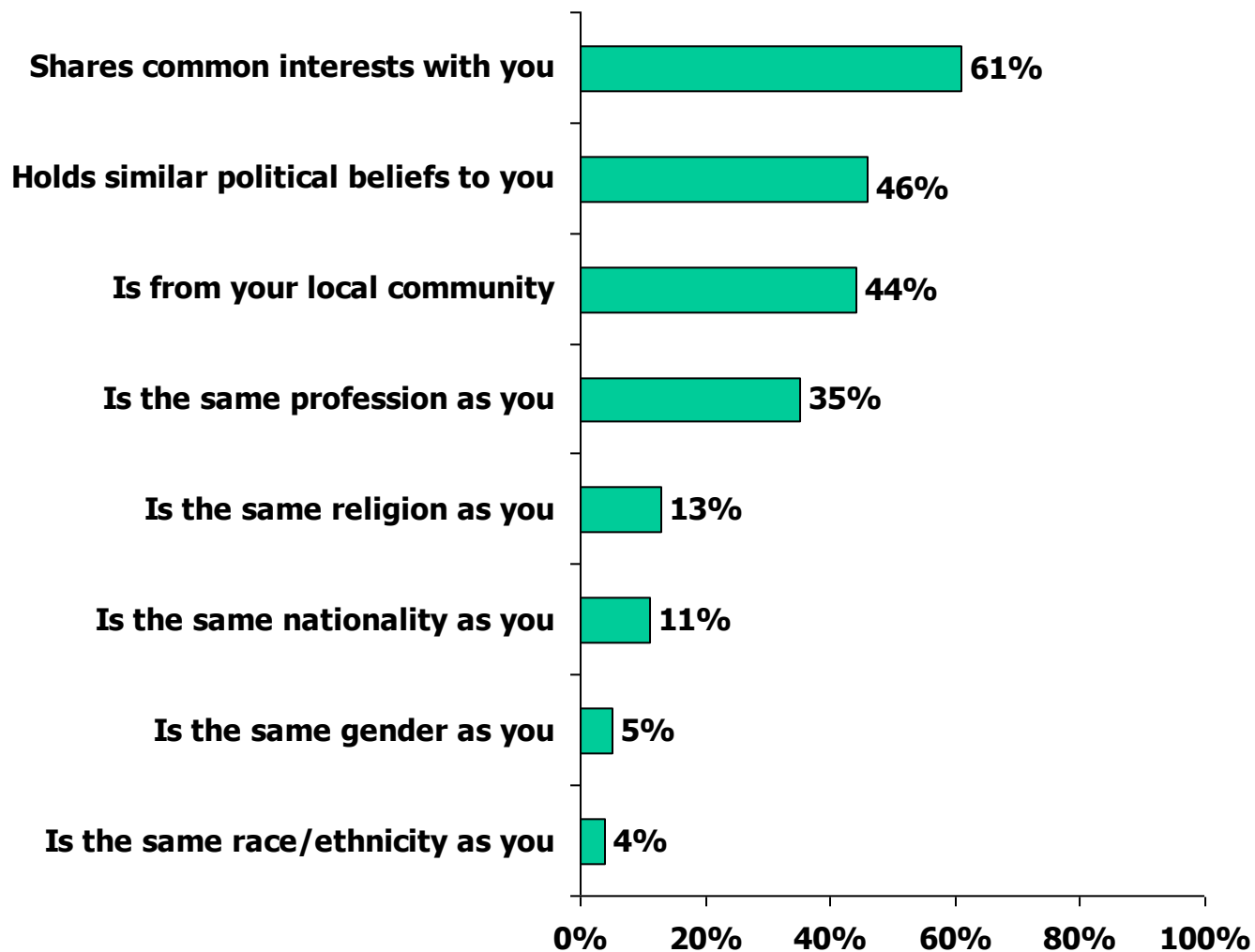


Building Trust

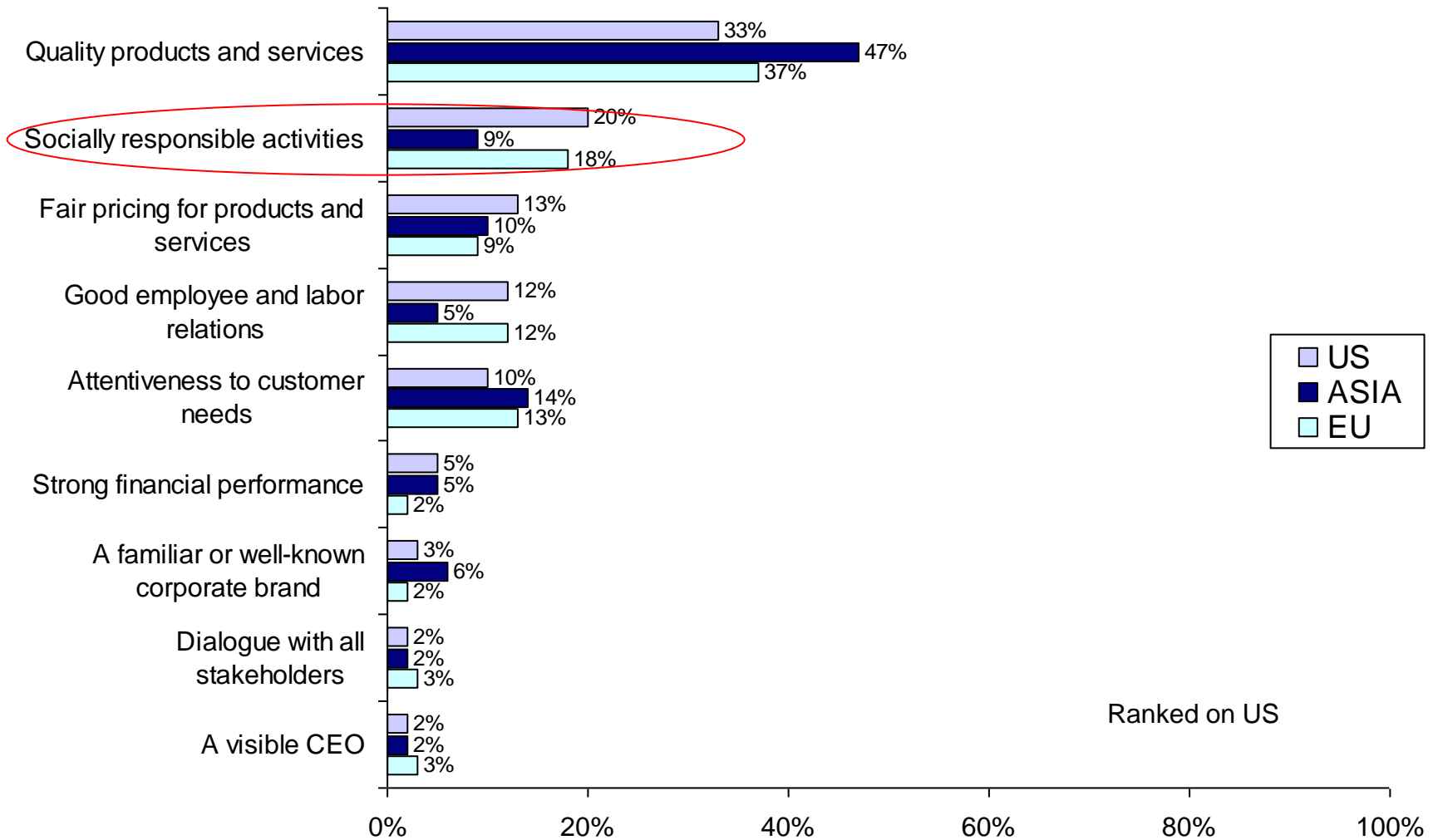
*Personalization, Localization
and Inside-Out Reputation*

US “A Person Like Me” Defined by Interests Not Demographics

All other things being equal, which THREE of the following characteristics are most likely to increase your trust in someone sharing information about the company? Are you MOST likely to trust the person if he/ she... [RANDOMISE LIST. ACCEPT THREE]



Social Responsibility is More Important than Corporate Brand or Financial Performance

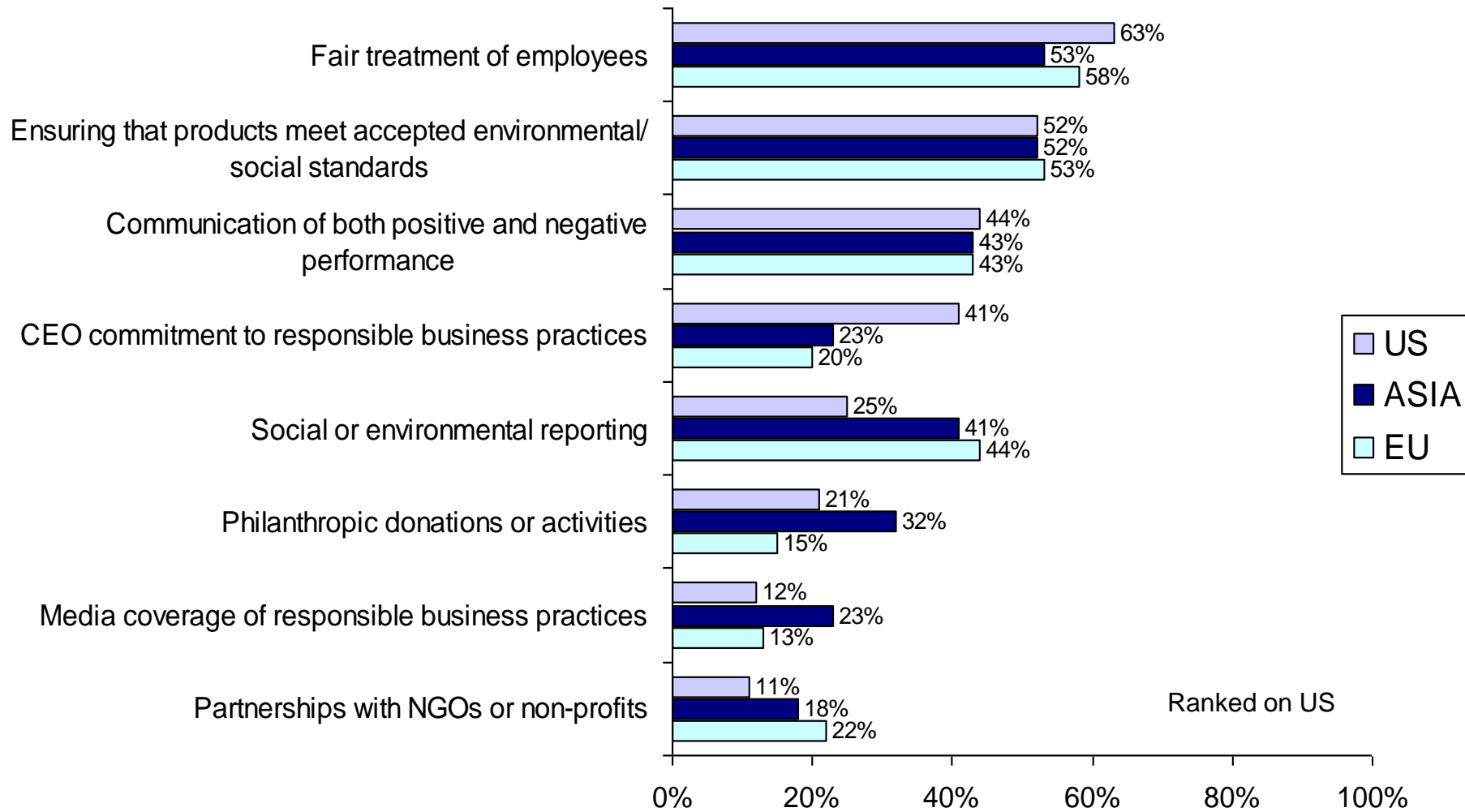


Ranked on US



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

Employees Are The New “Green” in US and Globally



Ranked on US



When you think of the major global companies that you trust, which are the three most important activities for a socially responsible company to engage in?

Companies Need to Communication Along Both the Vertical and the Horizontal Axis

Vertical axis: Traditional “top-down” media still plays role, although credibility is declining

- ◆ Business magazines and stock/industry analysts most trusted sources of company info
- ◆ Expertise valued (e.g., doctors, academics)
- ◆ Significant credibility declines for many traditional media sources

Horizontal axis: Peer-to-peer conversation highly influential

- ◆ “Person like yourself” most trusted in Europe, North America, Latin America
- ◆ “Regular employee of a company” generally more trusted than CEOs



Activating Trust

Communicating to Distinct TrustHolder Personalities

We profiled four trust influencer segments: TrustHolders

*We found that Trust has a **personality***

Three segments have distinct orientations in how people form, share, and act on their trust in brands

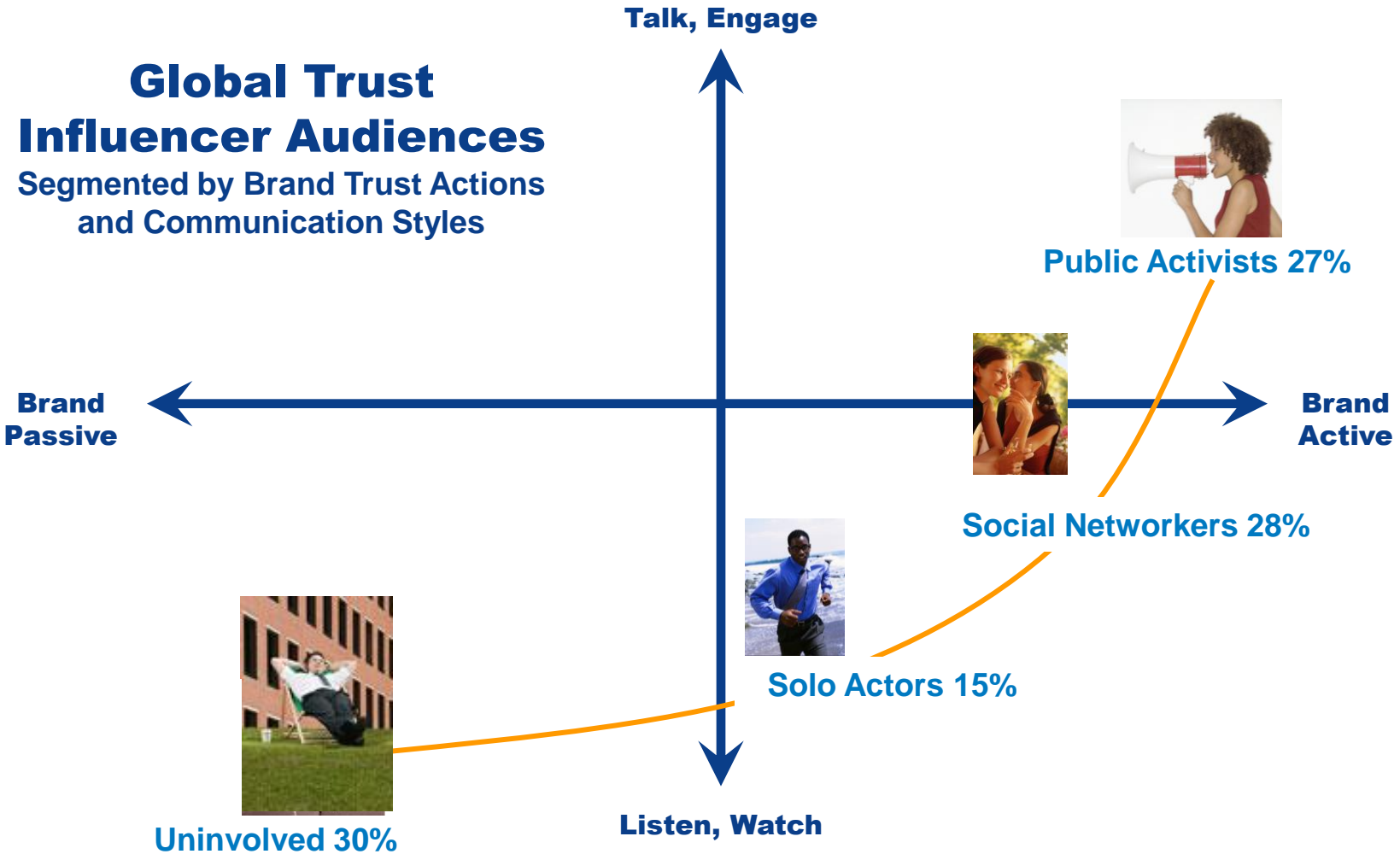
Public Activists	Engage in outspoken public actions
Social Networkers	Share, seek, and value public opinions
Solo Actors	Take more passive or personal actions

The “Uninvolveds” engage little beyond personal consumption

Uninvolved	Opinion of brands not driven by trust reputation
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How global institutions reach and relate to these TrustHolders is central to their success

Influencers: How Trust Is Activated and Communicated



TrustHolders Have Different Trust Activators

Public Activists



Social Networkers



Solo Actors



Uninvolved



Globally

27%

28%

15%

30%

Trust Builders

Quality Products/Services

Social Responsibility

Financial Performance

Quality Products/Services

Trust Busters

Accounting scandal

Unethical labor practices

Large-scale layoffs

Defective Products

Credible Spokespersons

Peers, own CEO, doctors

Peers, friends, employees, experts

“People Like Me,” experts, corporate

“People Like Me,” doctors

Media

TV news
business magazines

TV news, business magazines, conversations, entertainment

Business magazines, brand advertising, analyst reports

Analyst reports, business magazines

Corporate Implications

Listen, engage

Be visible in community

Sound business management

Mass market



- ◆ Trust is not distributed evenly
 - ◆ Business has recovered from low point of 2002
 - ◆ Government at low in the West
 - ◆ The developing world puts far more trust and faith in business than does the developed world
 - ◆ Technology is the only globally trusted industry sector
 - ◆ American companies face a lingering trust deficit in Europe
- ◆ New attributes matter in building trust:
 - ◆ Personalization
 - ◆ Localization
 - ◆ Developing reputation from the “inside-out”
 - ◆ CEO Important but not sufficient