

Edelman Trust Barometer 2008



Key Themes



- **Business has a historic opportunity to lead:**
 - Tied with NGOs as the trust leaders globally
 - Leads government in 14 out of 18 countries surveyed
- **Youthful optimism – 25-34 elites are more trusting of business; use multi sources of information**
- **Mainstream news sources continue to be most used and credible**
 - Social media strongest among younger opinion elites and in BRIC countries
- **A “person like yourself” and experts such as doctors, academics and industry analysts continue to represent the most credible spokespeople; not CEOs**
- **Elites will act positively based on trust or negatively based on distrust in companies**





Edelman's Ninth Trust Barometer Survey

- Conducted by StrategyOne
- Thirty-minute telephone survey conducted in October - November 2007
- “Opinion elites” meeting the following screening criteria:
 - 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
- Tracking trust from 2001 - 2008
- Sampled two age groups concurrently (25-34 and 35-64)
 - Opinion elites aged 35-64 (N = 3,100):
 - Surveyed in 18 countries: 400 in the US; 300 in China; 150 each in United Kingdom, Germany, France, Italy, Spain, the Netherlands, Sweden, Poland, Russia, Ireland, Mexico, Brazil, Canada, Japan, South Korea, and India
 - Consistent with previous Edelman Trust Barometers
 - Opinion elites aged 25-34 (N = 675):
 - Surveyed in 12 countries: 100 in the US; 75 in China; 50 each in United Kingdom, Germany, France, Russia, Mexico, Brazil, Japan, South Korea, Canada, and India
 - New audience to the survey this year



State of Trust '08

An Opportunity for Business



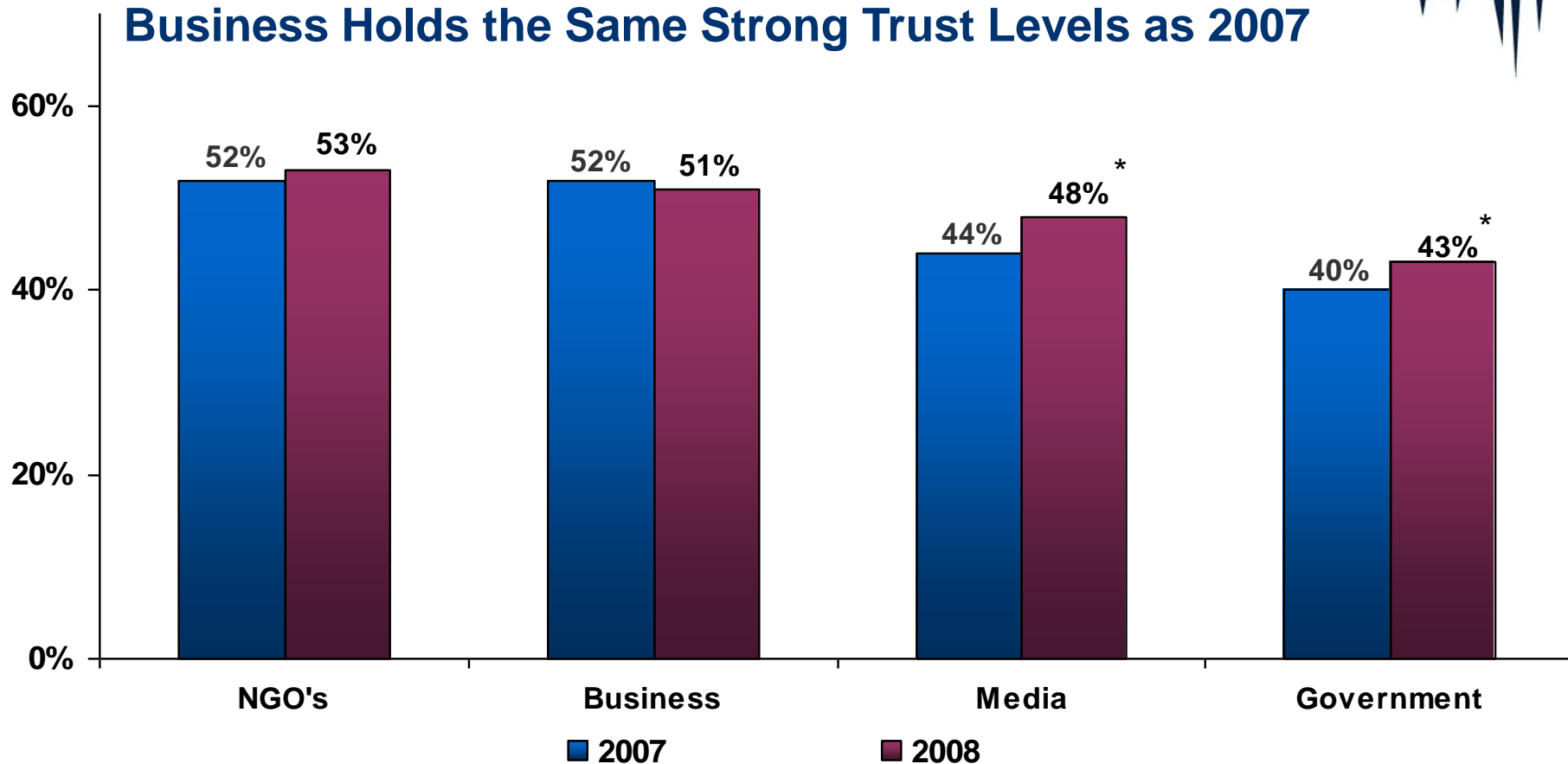
Business more trusted than government in 14 out of 18 countries

Global Trust in Institutions

NGOs and Business Tied as the Trust Leaders



Business Holds the Same Strong Trust Levels as 2007



* Statistically higher than comparable age group at the 95% confidence level.

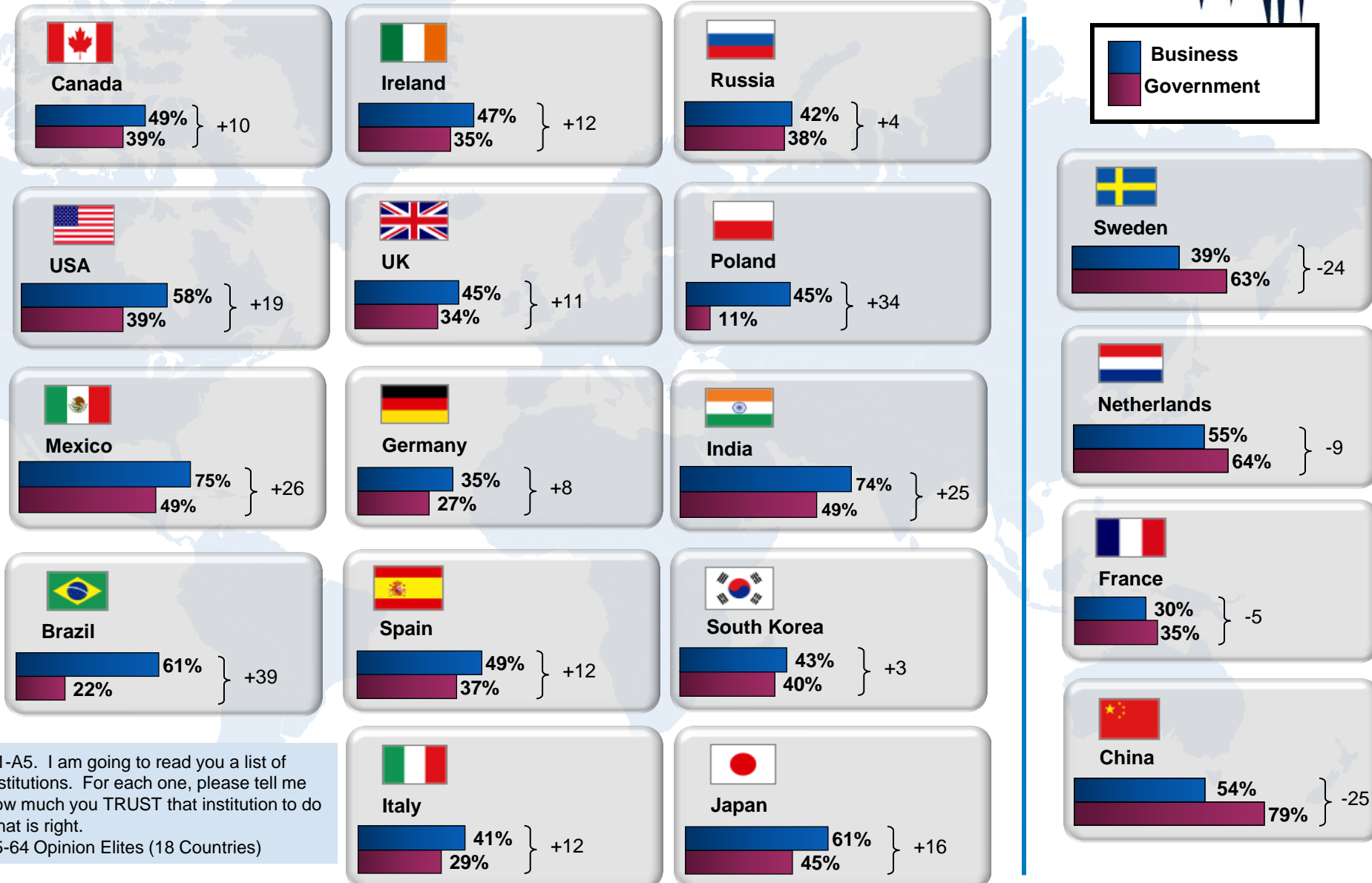
A1-A5. I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a 9-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". The higher the number the more you TRUST them to do what is right.
35-64 Opinion Elites (18 Countries); Global Total

Business trust up in US, Japan;
down China, Sweden



Business Leads Government in Nearly Every Market

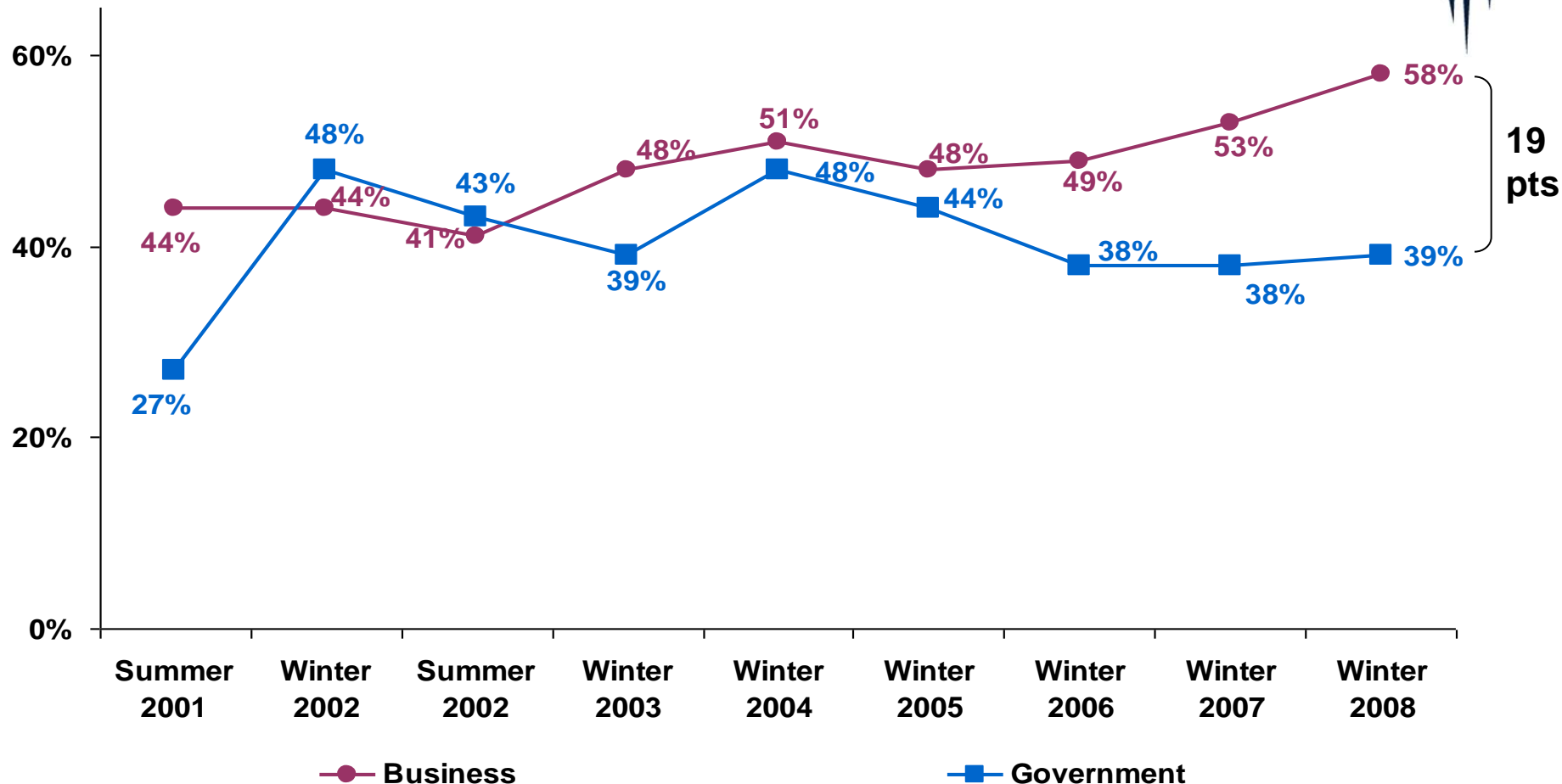
Gap widens over prior years in 7 markets



A1-A5. 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.

35-64 Opinion Elites (18 Countries)

Largest Gap Ever Between Business and Government - US

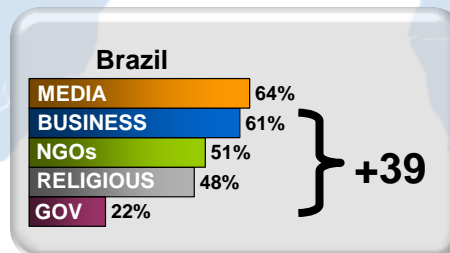
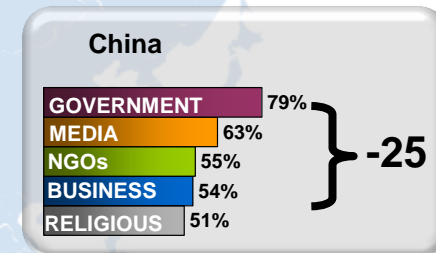
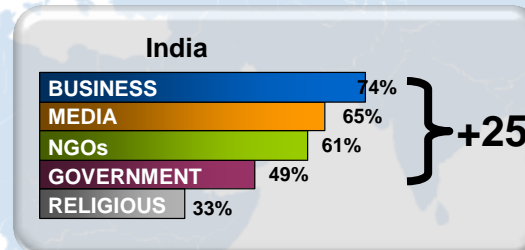
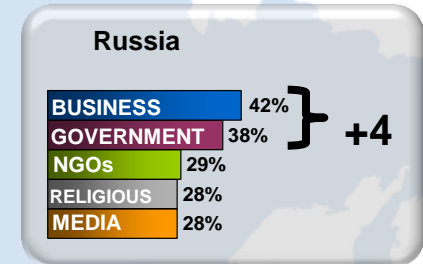
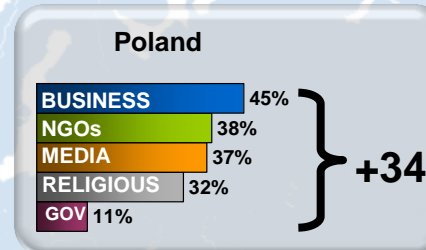
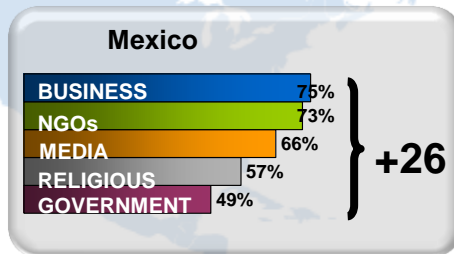


A1-A5. I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a 9-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". The higher the number the more you TRUST them to do what is right.

35-64 Opinion Elites (18 Countries)

Trust in Business Over Government is Larger in Most of Developing World

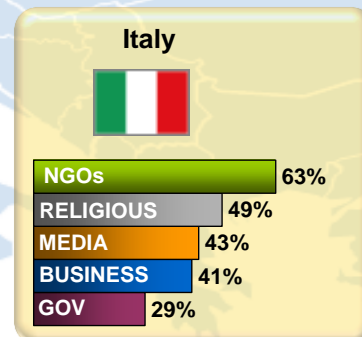
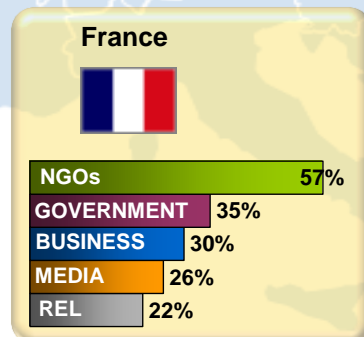
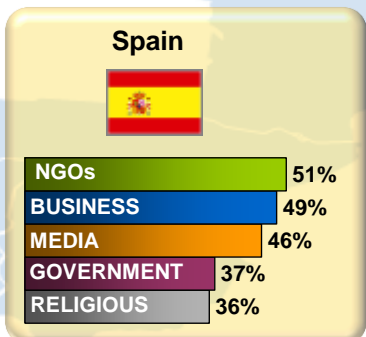
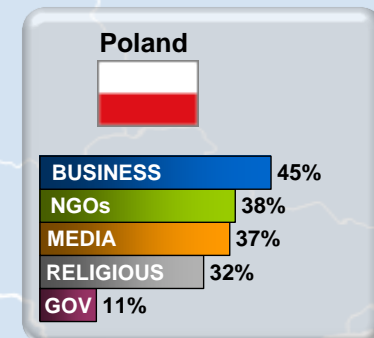
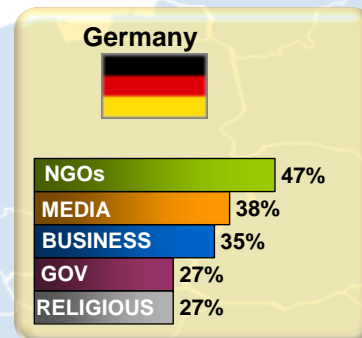
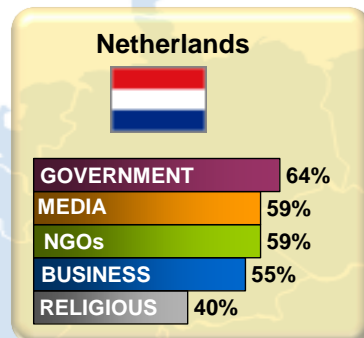
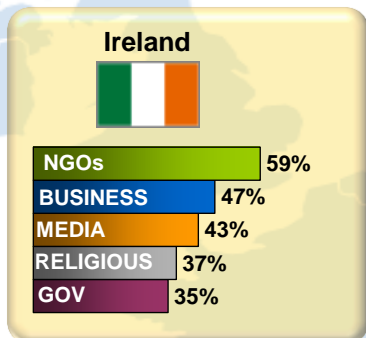
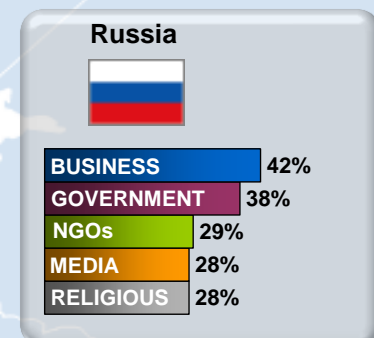
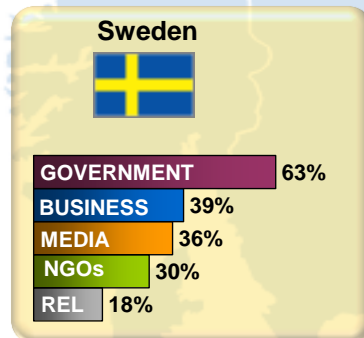
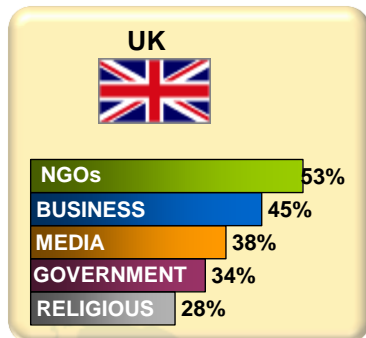
China is an Exception



A1-A5. 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.
35-64 Opinion Elites (18 Countries)

NGOs Have a Strong Trust Advantage in Most European Countries

Eastern Europe Differs

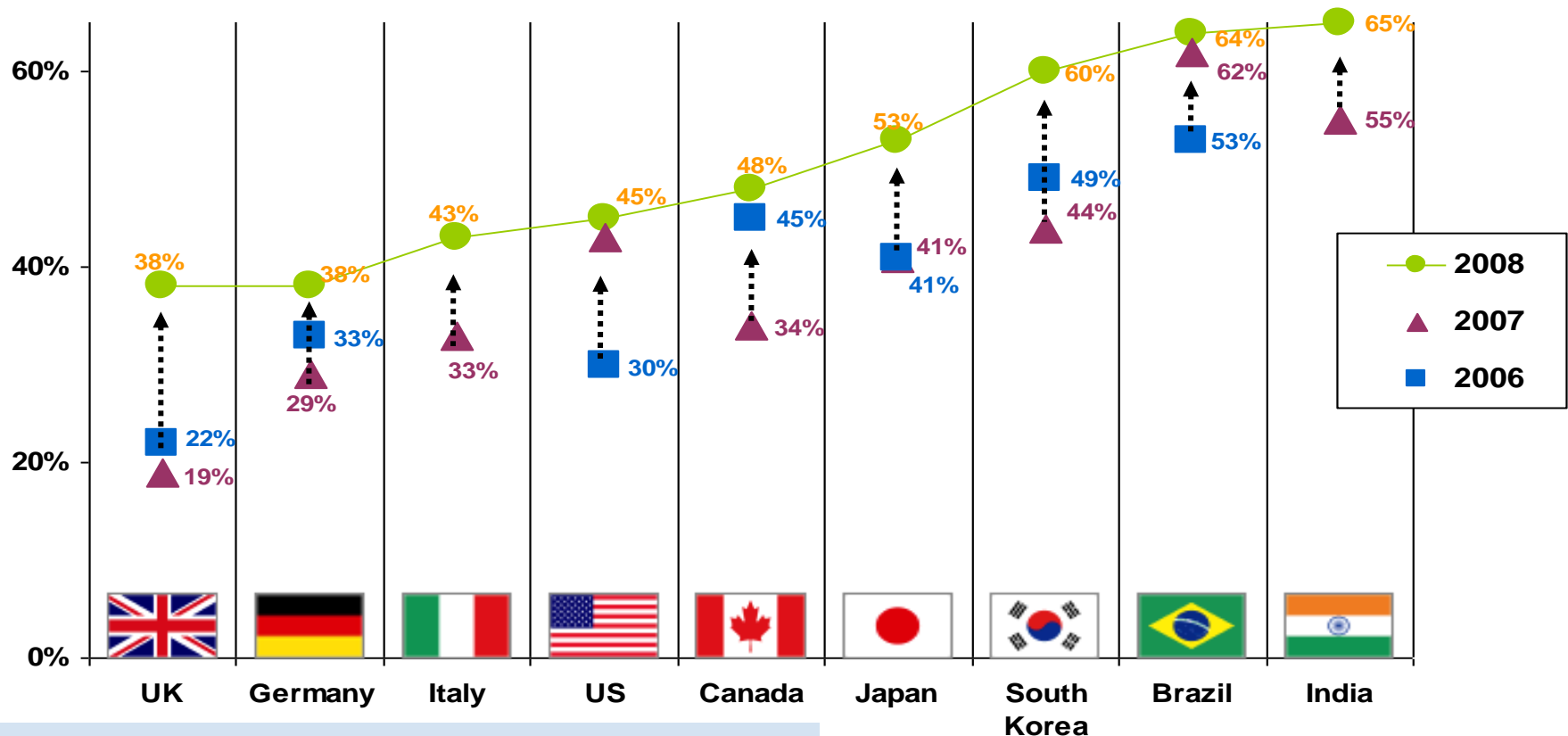


A1-A5. I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a 9-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". The higher the number the more you TRUST them to do what is right.

35-64 Opinion Elites (European Countries)

Trust in The Media At A High Point In Many Countries – “The Voice of Media Is Back”

Media is more trusted than governments in 13 of 18 countries

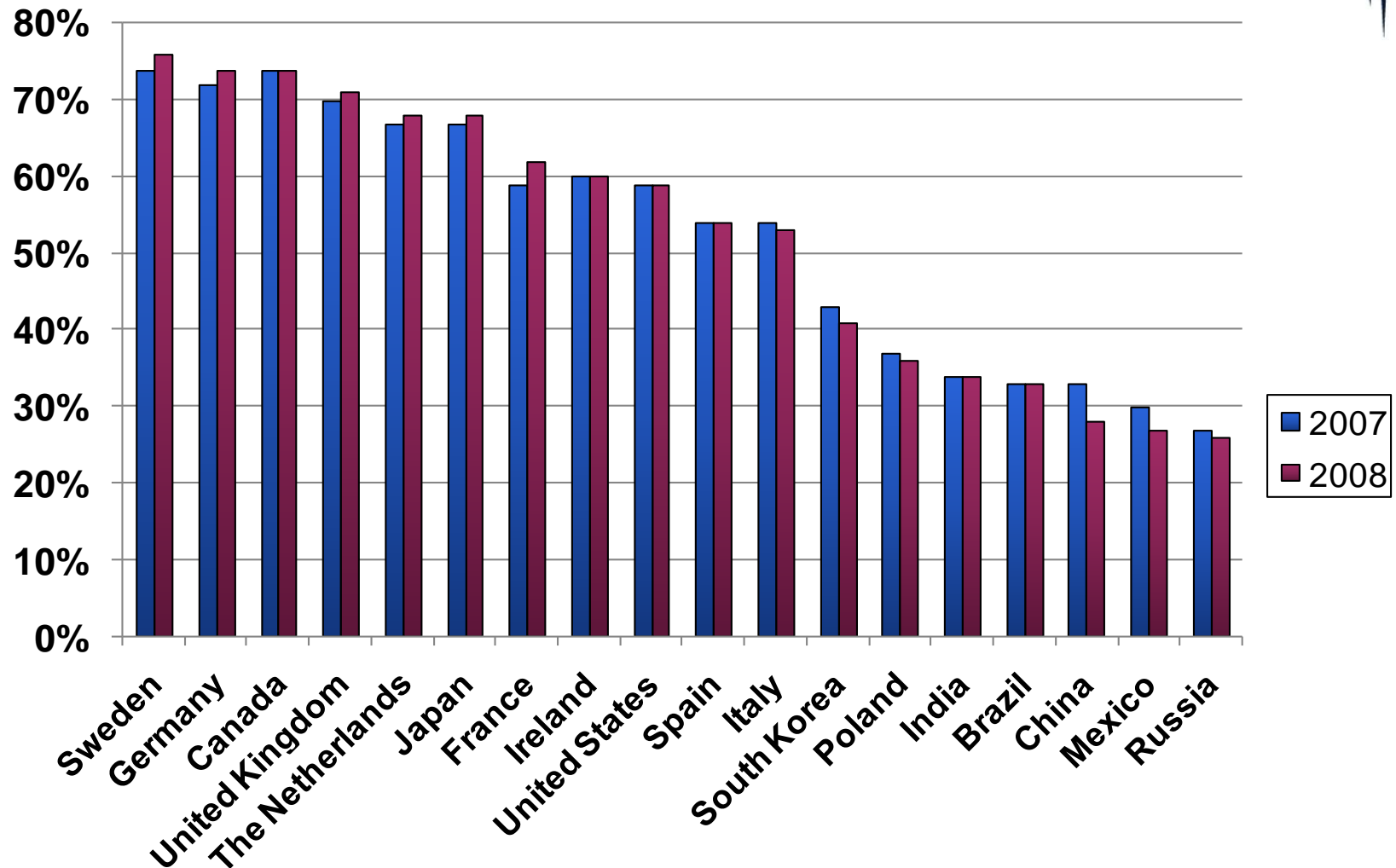


A1-A5. I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a 9-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". The higher the number the more you TRUST them to do what is right.

35-64 Opinion Elites (18 Countries)

- No significant change in media trust in France, China, Spain, Ireland, Sweden, Netherlands, Russia, Mexico
- Drop in Poland



Sweden, Germany and Canada Remain the Most Trusted HQ Countries; China, Mexico, Brazil and Russia the Least



Trust in Overseas Headquartered Companies Driven More by Pragmatism Not Ideology



Important Factors in Placing Trust in Overseas HQ'd Company	North America %	Latin America %	EU %	Asia %
Your experience with products and services from that country	68	67	62	64
Your perceptions of how corrupt or fair business practices are in that country	70	60	67	60
What you have seen, heard or read in the news about that country	67	56	57	64
The country's human rights track record	56	46	60	43
The country's environmental track record	46	55	51	49
Your experience with other companies from that country	52	49	49	46
The political relationship between that country and yours	58	36	40	49

 Primary Factor
 Secondary Factor

A36. Which, if any, of the following factors are important to you in deciding whether to place your trust in a company headquartered in an overseas country?
35-64 Opinion Elites (18 Countries)



Younger Opinion Elites Are The New Opportunity For Business

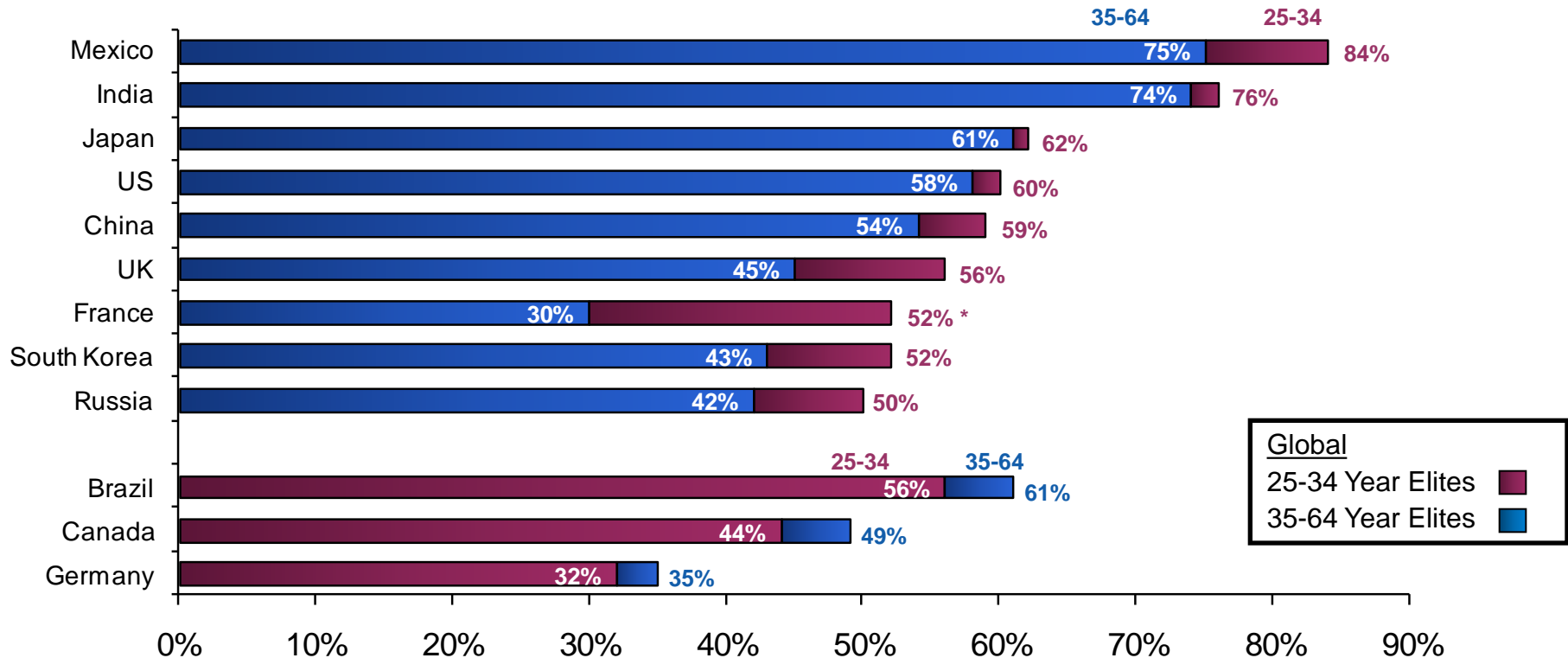


(12 Country Data 25-64)

Younger Elites Show Higher Trust in Business in Nine of the Twelve Countries

Trust in Business – By Respondent Country/Age Group

Respondent Country



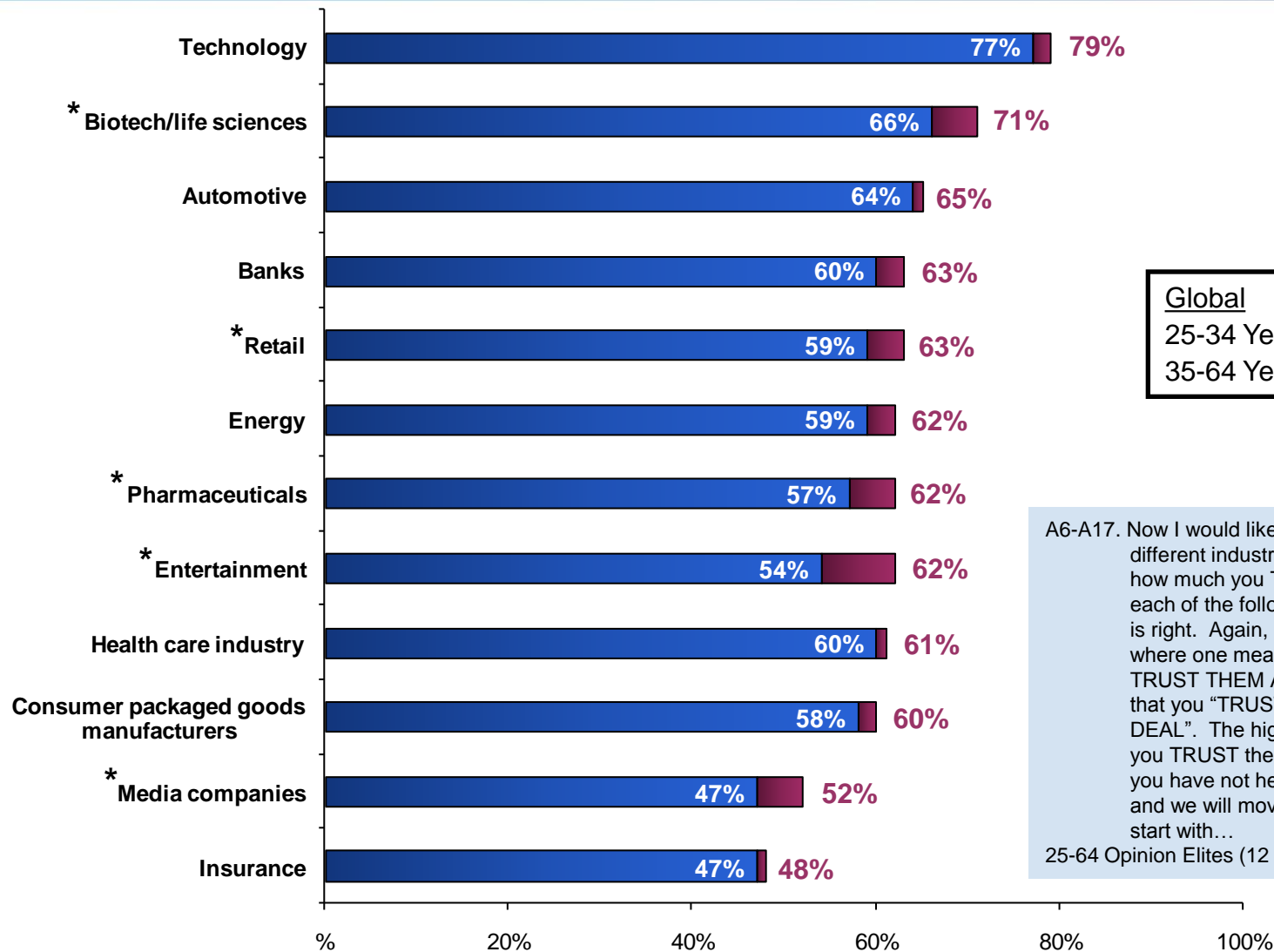
* Statistically higher than comparable age group at the 95% confidence level.

A1-A5. [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.

25-64 Opinion Elites (12 Countries)



Younger Elites Globally Are Significantly More Trusting of Entertainment, Media, Pharma, Biotech and Retail



Global

25-34 Year Elites

35-64 Year Elites

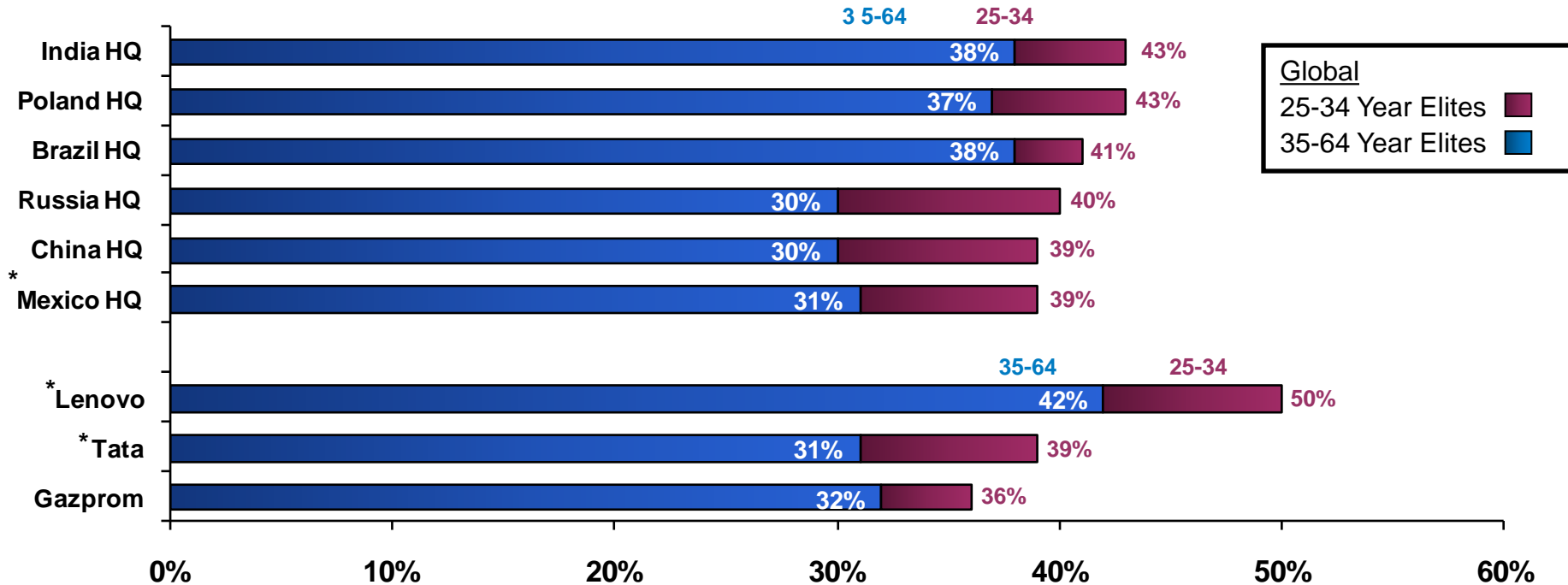
A6-A17. Now I would like to focus on your trust in different industry sectors. Please tell me how much you TRUST businesses in each of the following industries to do what is right. Again, please use a 9-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". The higher the number the more you TRUST them to do what is right. If you have not heard of the industry, tell me and we will move to the next one. Let's start with...

25-64 Opinion Elites (12 Countries)

* Statistically higher than comparable age group at the 95% confidence level.

Younger Elites Are Less Xenophobic Towards Companies from Developing Countries

Trust in Developing HQ Countries by Age Group



All Data Points - Statistically higher than comparable age group at the 95% confidence level.

A18-A35. 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.

25-64 Opinion Elites (12 Countries)

Younger elites in USA, CAN, CHN, JAP, KOR, IND, MEX, BRA are more trusting than older peers of developing countries



Use and Credibility of Information Sources:

Top-Down “Vertical” Sources Lead;
Peer-to-Peer “Horizontal” Media Making Inroads



(18 Country Data 35-64)

Media Usage: Mainstream Media Still the Most Frequently Used for Business Information

Regular Usage	North America %	Latin America %	EU %	Asia %
Television news coverage	71	68	68	76
Articles in newspapers	68	70	74	76
Articles in business magazines	56	71	56	58
Conversations with your friends and peers	50	47	53	53
News coverage on the radio	46	53	56	38
A company's own Web site	43	59	46	51
Stock or industry analyst reports	42	43	34	48
Communications issued by companies such as press releases, annual reports, and newsletters	35	43	37	47
Corporate or product advertising	33	55	33	55
Blogs	11	16	10	23
Wikipedia	19	26	26	25
Social Networking Sites	8	21	11	21

Most Used Source of Information Globally



Articles in newspapers

11 of 18 Countries



Television news coverage

5 of 18 Countries



Articles in business magazines

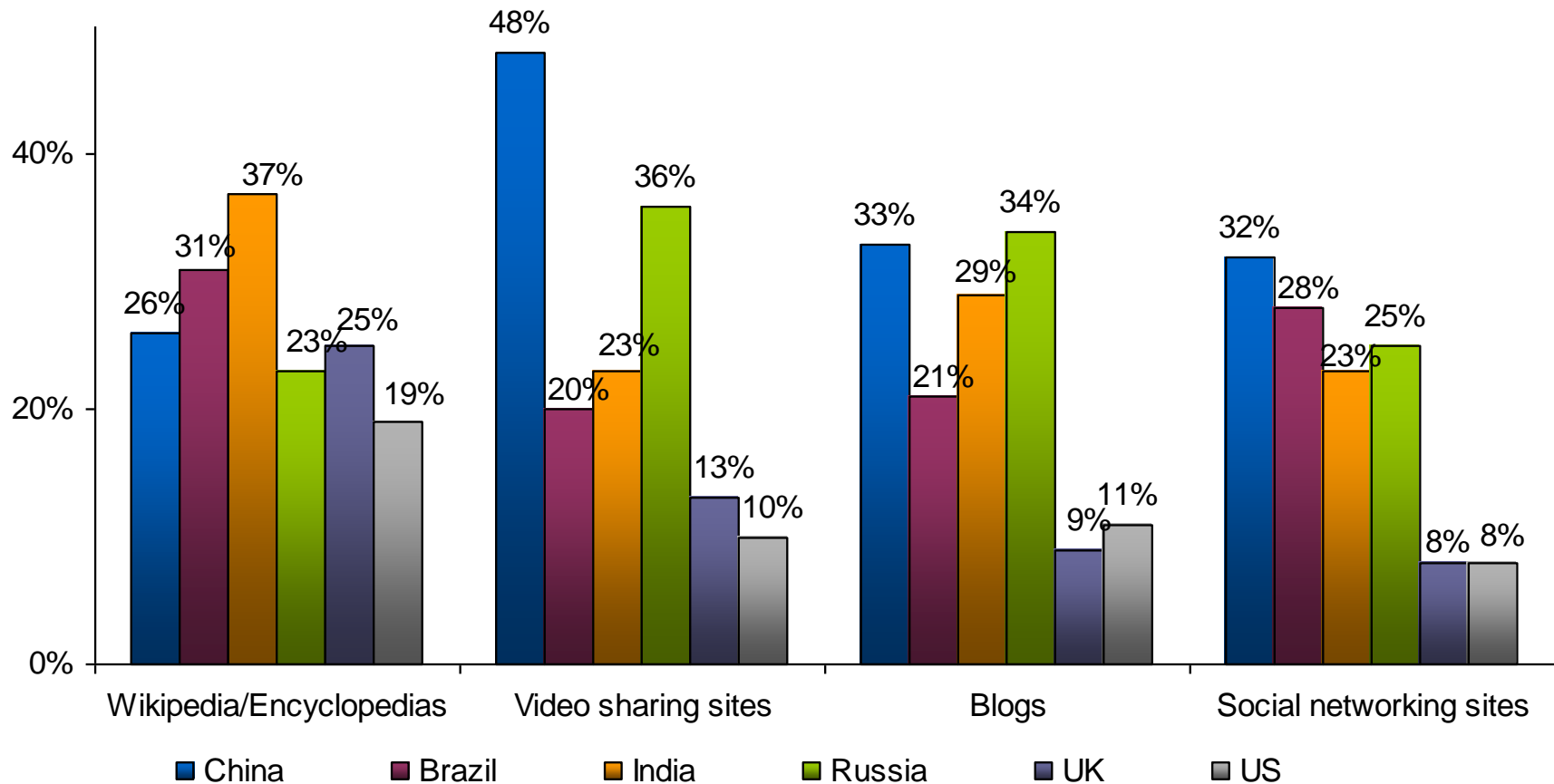
2 of 18 Countries

C1. From which of the following sources do you get information about companies on a regular basis?
35-64 Opinion Elites (18 Countries)



Use of Social Media For Company Information Generally Highest In BRIC* Countries

Regularly Used Media Sources for Information on Companies



C1. From which of the following sources do you get information about companies on a regular basis?
35-64 Opinion Elites (18 Countries)

*BRIC = Brazil, Russia, India, China



Three Global News Sources - CNN, BBC, Google Are Referenced in Nearly Every Country

Top 10 specified media sources across all channels	Global	US	Canada	UK	Germany	France	Russia	China	Japan	India	Brazil	Top 10 specified media sources across all channels
	CNN(25%)	CNN (54%)	CBC	BBC (83%)	Der Spiegel	Le Monde	RTR	CCTV	NHK	NDTV	Folha de São Paulo	
	BBC (17%)	MSNBC	CNN (44%)	CNN (25%)	FAZ	LCI	CNN (25%)	CNN (24%)	Nikkei Net	CNBC	Rede Globo	
	Google (9%)	Fox News	BBC (20%)	SKY News	NTV	Les Echos	NTV	BBC (21%)	CNN (23%)	Aaj Tak	CNN (23%)	
	CCTV	CNBC	Toronto Star	Financial Times	ARD	Le Nouvel Observateur	BBC (23%)	Google (14%)	Fuji News	CNN (21%)	O Globo	
	CNBC	WSJ	National Post	Google (10%)	CNN (17%)	Le Figaro	Argumenty i Fakty	Guangzhou Channel/TV	Google (15%)	BBC (18%)	Veja	
	CBC	NYT	CNBC	Time Magazine	Die Welt	RTL	Izvestia	www.SINA.com	ASAHI	Times of India	Gazeta Mercantil	
	MSNBC	ABC	Google (9%)	The Sunday Times	RTL	CNN (11%)	Itogi	ABC	NTV	Economic Times	TV Globo	
	Fox News	BBC (10%)	CCTV	Bloomberg	Financial Times	La Tribune	Google (9%)	Xin Min Wan Bao/Weekly	BBC (7%)	Google (13%)	BBC (12%)	
	Bloomberg	Bloomberg	CBS Market Watch	The Telegraph	Google (9%)	BBC (7%)	Forbes	CNews	NIKKEI	India Today	Valor Economico	
	RTE	Google (7%)	MSNBC	The Guardian	BBC (9%)	Google (6%)	Business Week	Yangcheng Wan Bao	Japan Today	Business Today	Bloomberg	

OE8a. Thinking about these sources as well as other newspapers, business magazines, TV news, Web sites and radio stations that you have access to, which specific news sources do you rely on the MOST for information about companies? Please select up to three.
35-64 Opinion Elites (18 Countries) ---- Outside of the US, CNN refers to CNN International.



Credibility of Sources: Media

Especially Business Magazines Most Credible



Canada

- 1) **Business magazines**
- 1) Analyst reports
- 3) Friends/peers



Sweden

- 1) Radio
- 1) Analyst reports
- 2) **Business magazines**



Russia

- 1) **Business magazines**
- 1) Analyst reports
- 3) Friend/peers



USA

- 1) **Business magazines**
- 2) Analyst reports
- 3) Radio news coverage



Ireland

- 1) **Business magazines**
- 2) Analyst reports
- 2) Radio news coverage



Poland

- 1) Analyst reports
- 2) Business Magazines
- 2) Company communications



Japan

- 1) Newspapers
- 2) Analyst reports
- 3) TV news coverage



Mexico

- 1) Analyst reports
- 2) Free content encyclopedia
- 3) **Business magazines**



UK

- 1) Analyst reports
- 2) Radio news coverage
- 3) **Business magazines**



Netherlands

- 1) TV news coverage
- 2) Radio new coverage
- 3) Analyst reports



China

- 1) TV news coverage
- 2) Friend/peers
- 3) Radio news coverage



Brazil

- 1) **Business magazines**
- 2) Friend/peers
- 3) Newspapers



France

- 1) Analyst reports
- 2) **Business magazines**
- 3=) Conversations with friend/peers
- 3=) TV talk shows



Germany

- 1) **Business magazines**
- 2) TV news coverage
- 3) Analyst reports
- 3) Radio news coverage



India

- 1) **Business magazines**
- 1) Analyst reports
- 3) TV news coverage



South Korea

- 1) **Business magazines**
- 2) Newspapers
- 3) Analyst reports



Spain

- 1) **Business magazines**
- 1) Analyst reports
- 3) Newspapers



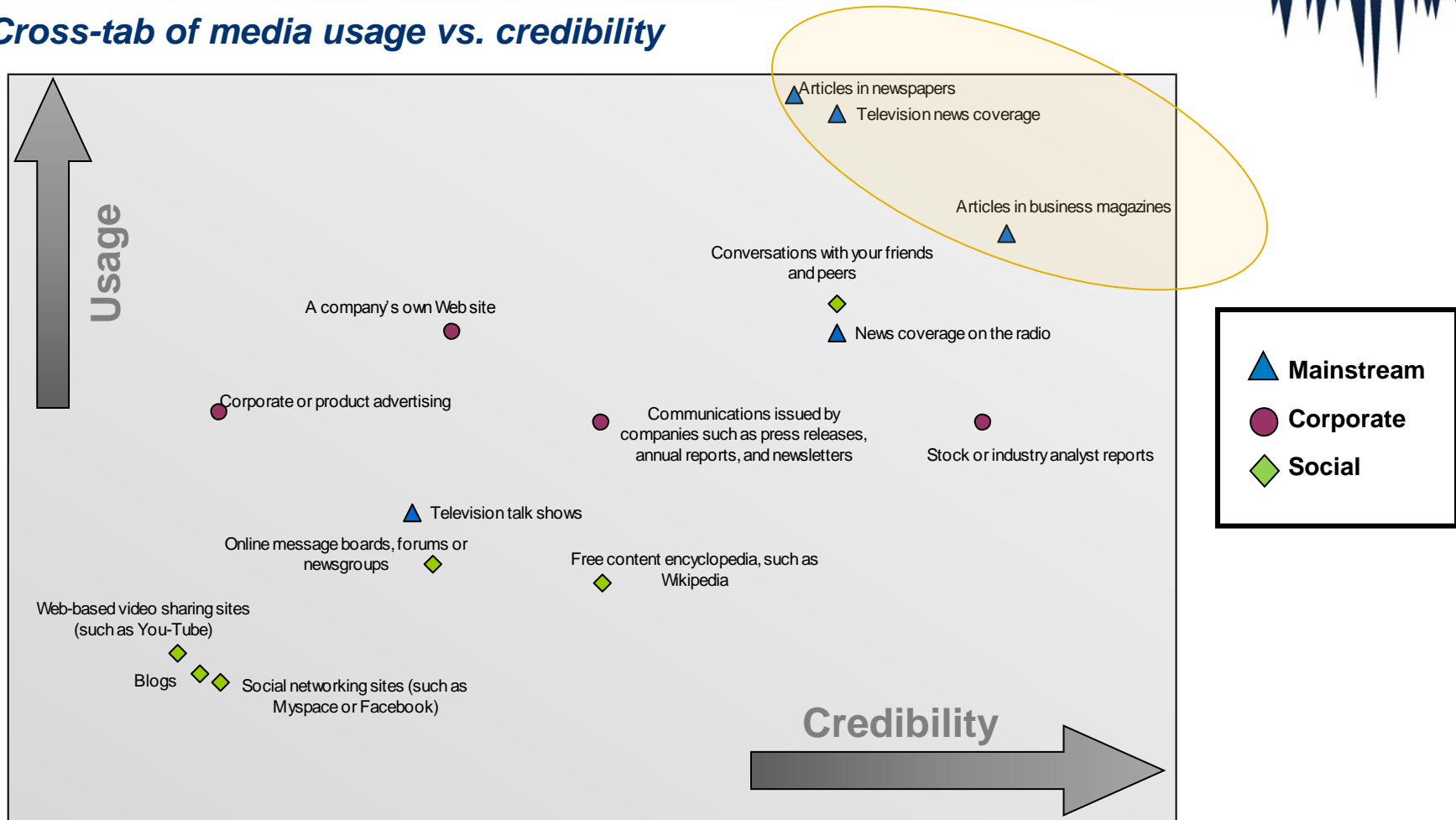
Italy

- 1) **Business magazines**
- 2) Analyst reports
- 2) Friends/peers

C2-C16. In general, how credible do you feel each of the following sources is for information about a company? If you have not heard of the source, just say so. Is information about a company that you get from (INSERT FIRST) extremely credible, very credible, somewhat credible, or not credible at all? (18 Countries)

The Most Used Sources Are Generally the Most Credible

Cross-tab of media usage vs. credibility



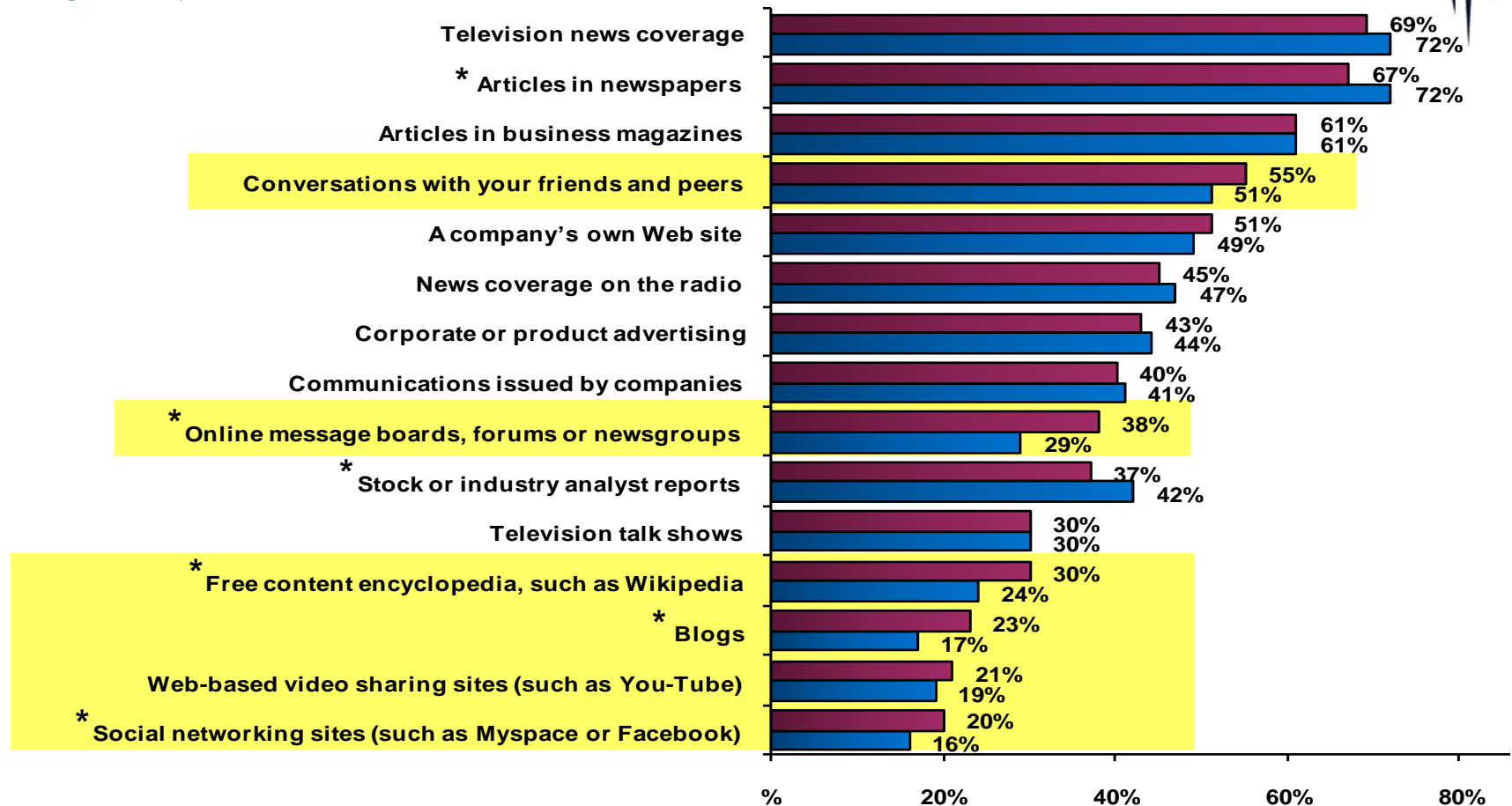
C2-C16. In general, how credible do you feel each of the following sources is for information about a company? If you have not heard of the source, just say so. Is information about a company that you get from (INSERT FIRST) extremely credible, very credible, somewhat credible, or not credible at all?

C1. From which of the following sources do you get information about companies on a regular basis?



Younger Elites Rely More on Social Media for Business Information

Regularly Used Sources for Information on Companies



* Statistically higher than comparable age group at the 95% confidence level.

■ 25-34 Opinion Elites

■ 35-64 Opinion Elites

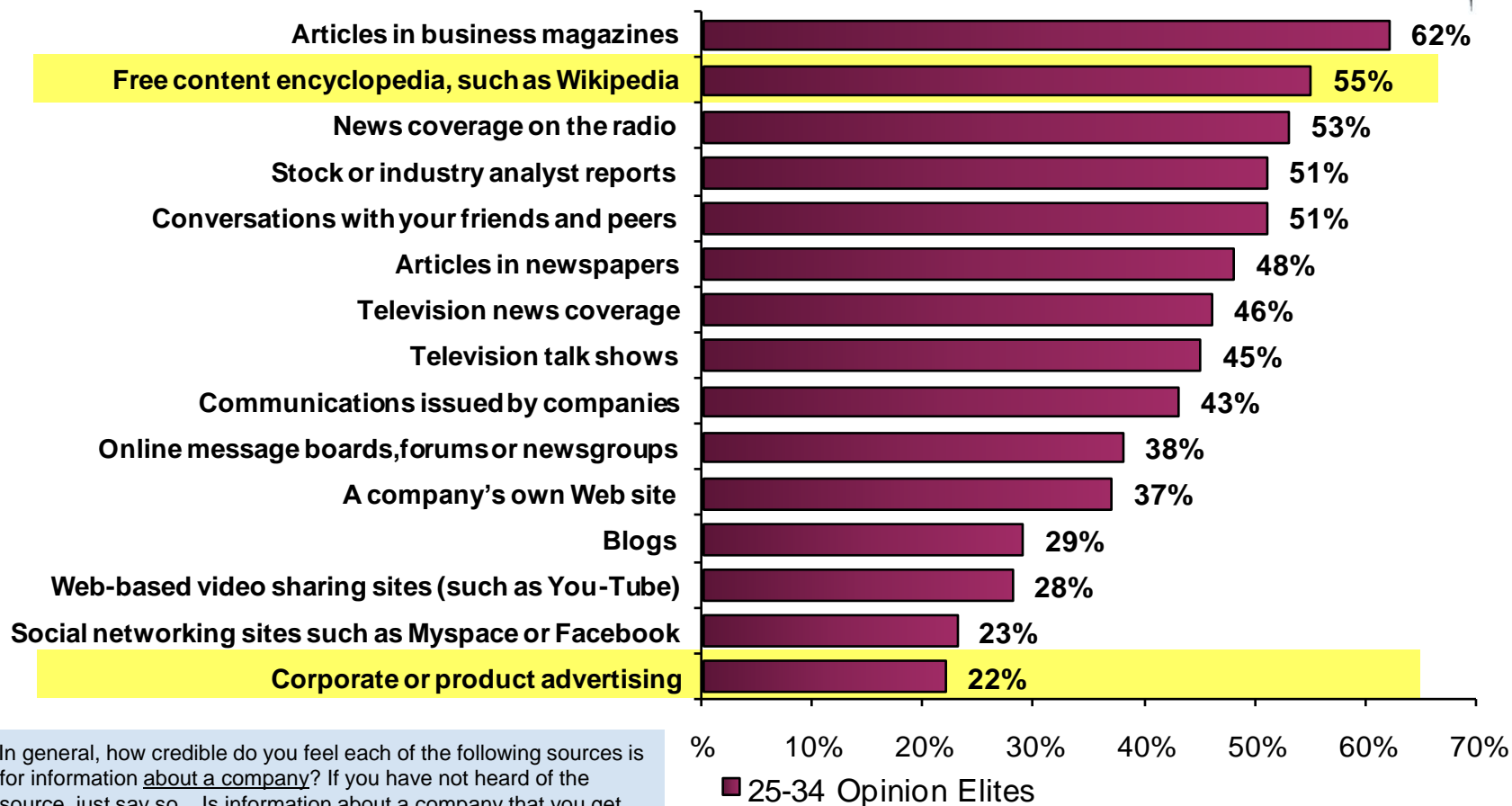
C1. From which of the following sources do you get information about companies on a regular basis?

25-64 Opinion Elites (12 Countries)



Wikipedia Considered the Second Most Credible Source by Young Americans; Advertising Less Credible

US - Credibility of Sources for Information on Companies



C2-C16. In general, how credible do you feel each of the following sources is for information about a company? If you have not heard of the source, just say so. Is information about a company that you get from (INSERT FIRST) extremely credible, very credible, somewhat credible, or not credible at all?

25-64 Opinion Elites (12 Countries)

Spokespeople: Person Like Yourself and Experts Continue as Most Credible Spokespeople



(18 Country Data 35-64)

Companies should use a mix of spokespeople

Credible Spokespeople - “Person Like Yourself” and “Experts”

Credibility	North America %	Latin America %	EU %	Asia %
A person like yourself	60	83	59	51
Academic	54	72	52	54
Financial or industry analyst	56	75	55	52
Doctor or healthcare specialist	54	80	53	51
Non-profit organization or NGO representative	50	65	50	45
Regular employee of a company	43	57	37	33
CEO of a company	23	56	30	45
Government official or regulator	21	28	32	42
Entertainer/ athlete	12	35	11	17
Blogger	11	27	13	16

+ 20

#1 Credible Spokesperson



Person like yourself

USA, CAN, DEU, ESP, NLD, SWE, BRA



Experts (Analysts, Academics)

UK, FRA, ITL, ESP, IRL, RUS, POL, CHN, JAP, KOR, IND, MEX



Most Credible Spokesperson



Second Most Credible Spokesperson

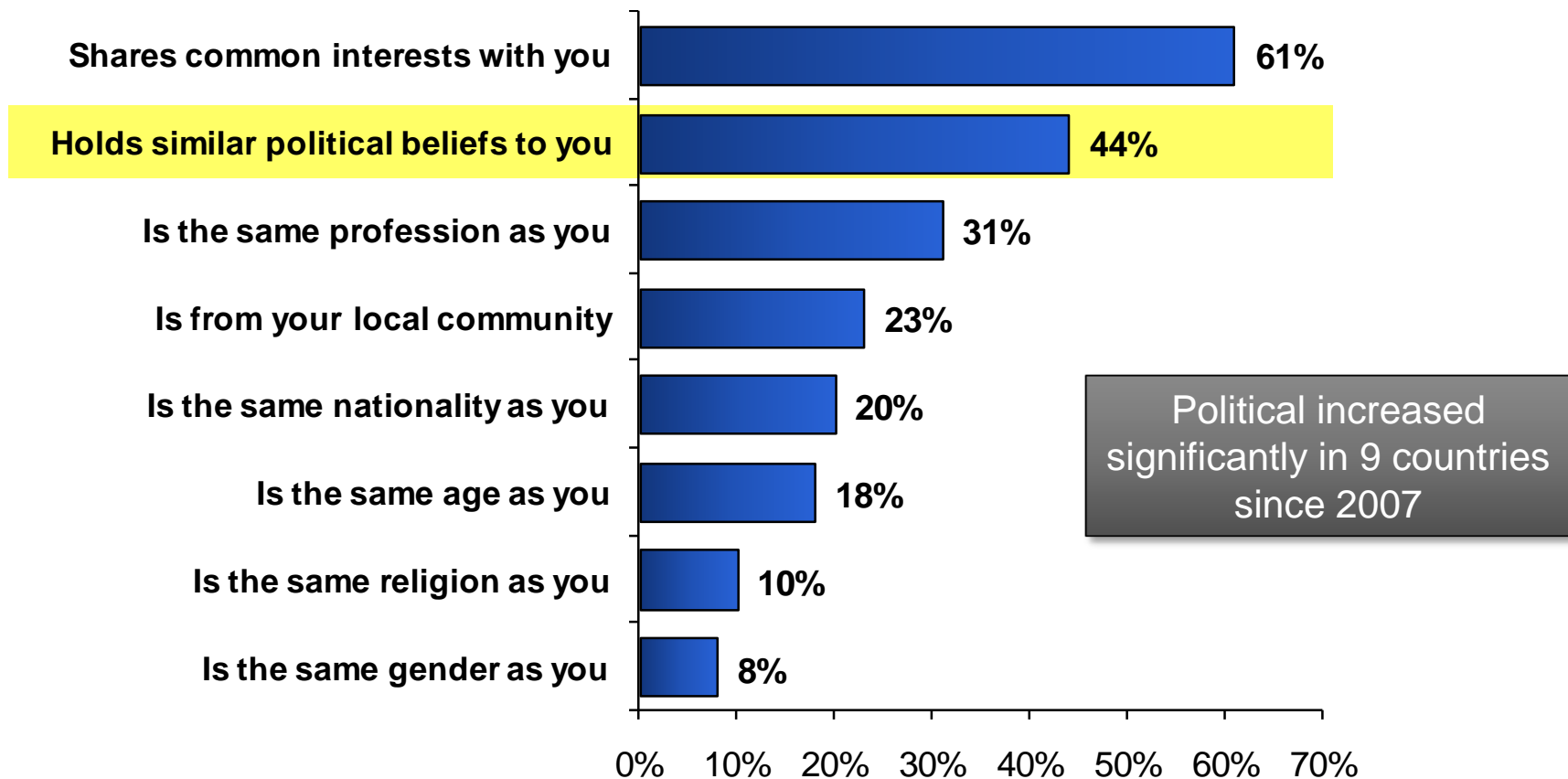
C18-C27. In general, when forming an opinion of a company, if you heard information about a company from [INSERT PERSON], how credible would the information be? If you have not heard of this kind of person, just say so. Would the person be extremely credible, very credible, somewhat credible, or not credible at all?

35-64 Opinion Elites (18 Countries)



“A Person Like Me” Defined More By Common Interests Than By Shared Demographics or Religion



Ranking of Characteristics Likely to Increase Trust of Someone Sharing Information About a Company



C29. All other things being equal, which THREE of the following characteristics are most likely to increase your trust in someone sharing information about a company? Are you MOST likely to trust the person if he/she ...
35-64 Opinion Elites (18 Countries)

China vs. India – A Distant Mirror



Trust in Institutions		China	India
	Business	54%	74%
	Government	79%	49%
Credibility of Information Sources			
	Newspapers	45%	59%
	Business magazines	38%	69%
Credibility of Spokespeople			
	Financial Analyst	47%	75%
	CEO	44%	66%
	Academics	52%	65%



Why Trust Matters: Elites Will Act Positively Based On Trust Or Negatively Based on Distrust In Companies



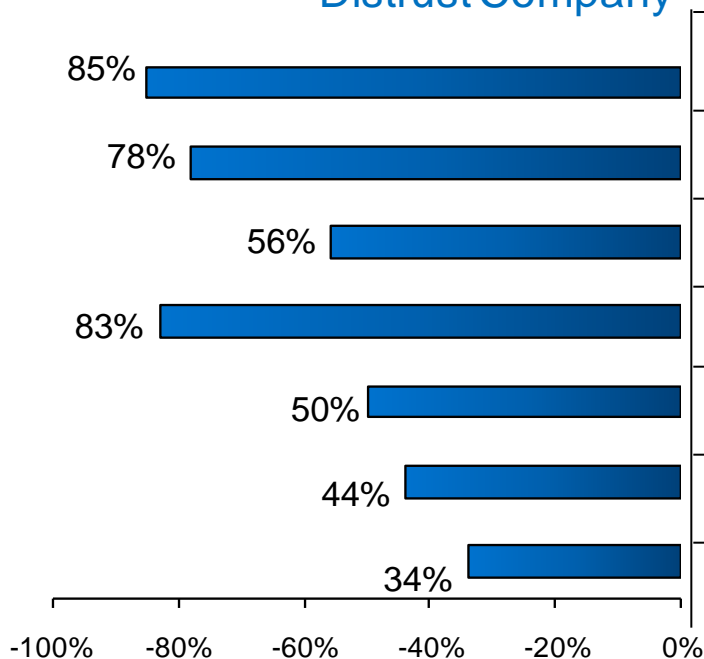
(18 Country Data 35-64)

Both Trust and Distrust Drive Actions - Positive or Negative



Negative

Distrust Company



Positive action employed as frequently as negative

Positive

Trust Company

Buy/Do not buy their products or services

Share your opinion with others

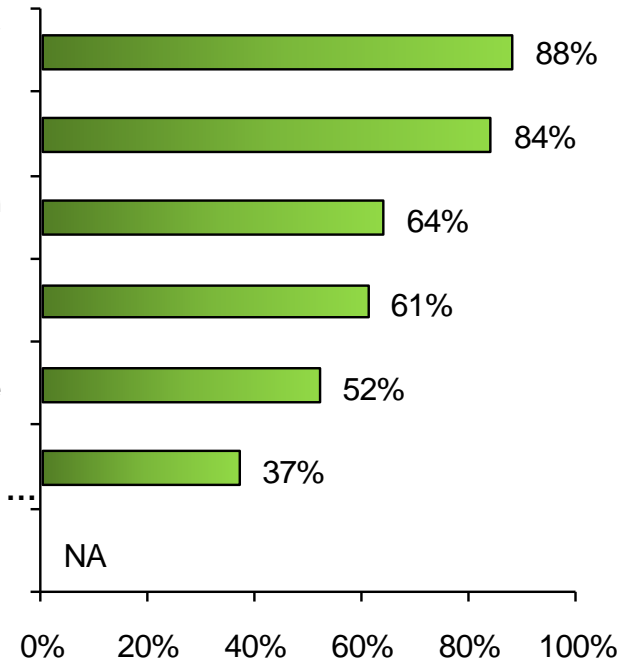
Support/Oppose plans to locate in your community

Choose/Refuse to invest in them

Share your experiences online

Write a letter or email to media, politician, or official third...

Actively demonstrate against them



D1/D6. When you think of companies that you (trust vs. do not trust), how likely are you to take each of the following actions in relation to those companies?
35-64 Opinion Elites (18 Countries)



Information is Shared Most With Friends and Families; Influence Extends to Professional Peers and Co-workers

With Whom Do You Frequently Share information About Companies?

	North America %	Latin America %	EU %	Asia %
Family	82	72	68	62
Friends	79	71	75	73
People in your professional network	57	77	62	66
Coworkers	57	37	63	69
People in the community where you live	43	45	33	32
People you know through schools or educational organizations	30	47	27	34
People you know through volunteer work	25	24	18	26
People you know through political groups or organizations	20	30	16	19
People you know through religious organizations	19	15	7	11
People in online forums, groups or networks	16	28	12	30

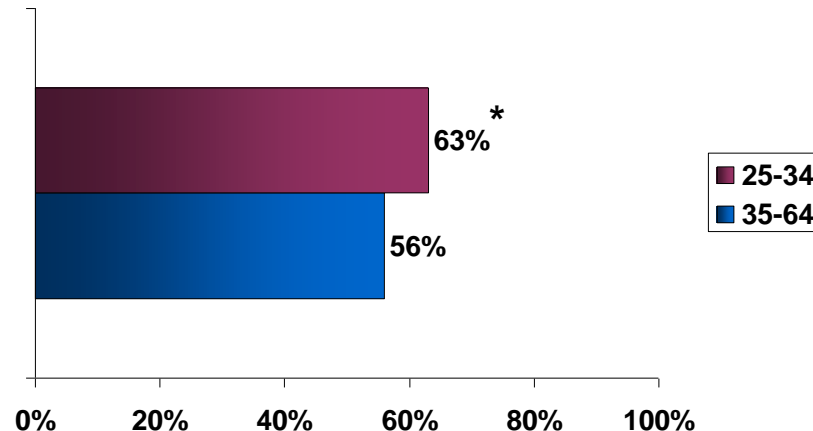
C30. With whom do you frequently share opinions about companies?
35-64 Opinion Elites (18 Countries)



Younger Opinion Elites Are More Likely To Talk Online About Companies They Do and Do Not Trust

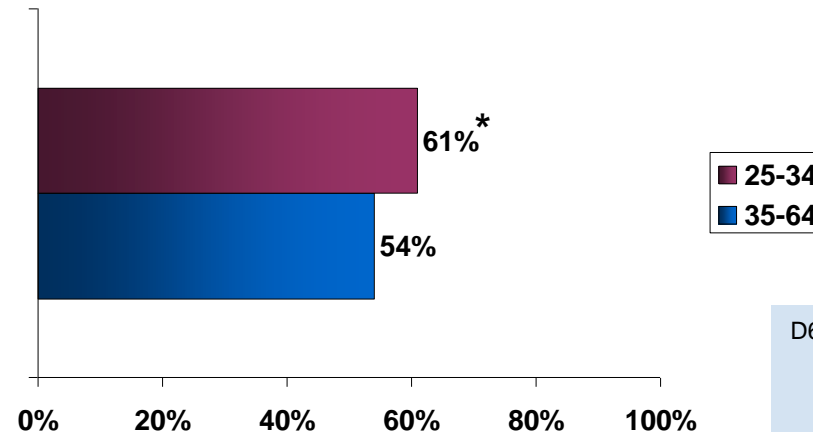
Trusted Companies

Share your opinion and experiences on the web



Distrusted Companies

Share your opinion and experiences on the web



D6. When you think of companies that you do not trust, how likely are you to take each of the following actions in relation to those companies? Would you say that you are very unlikely, somewhat unlikely, somewhat likely or very likely to do each of the following?

25-64 Opinion Elites

* Statistically higher than comparable age group at the 95% confidence level.



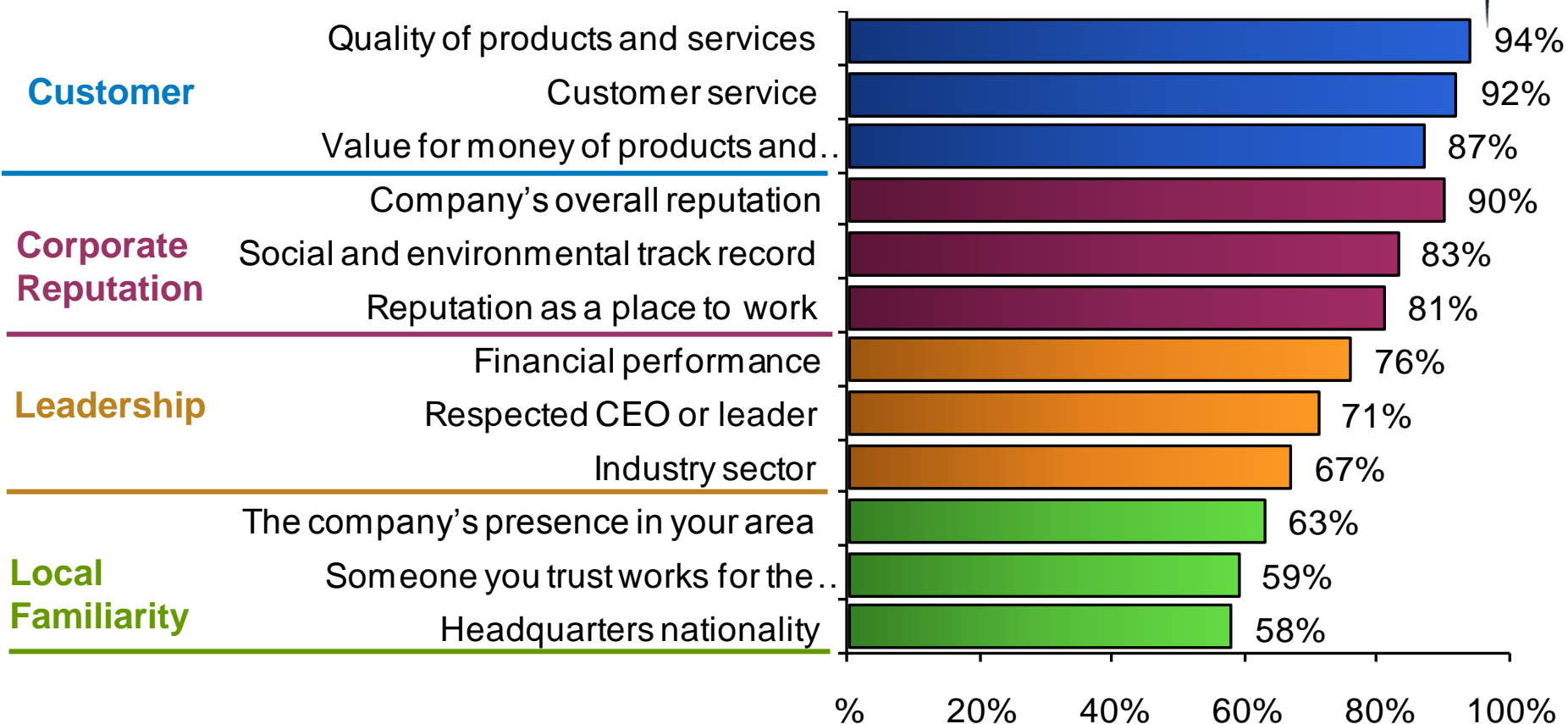
Four Drivers of Trust Globally

Customer, Corporate Reputation,
Leadership, Local Familiarity



(18 Country Data 35-64)

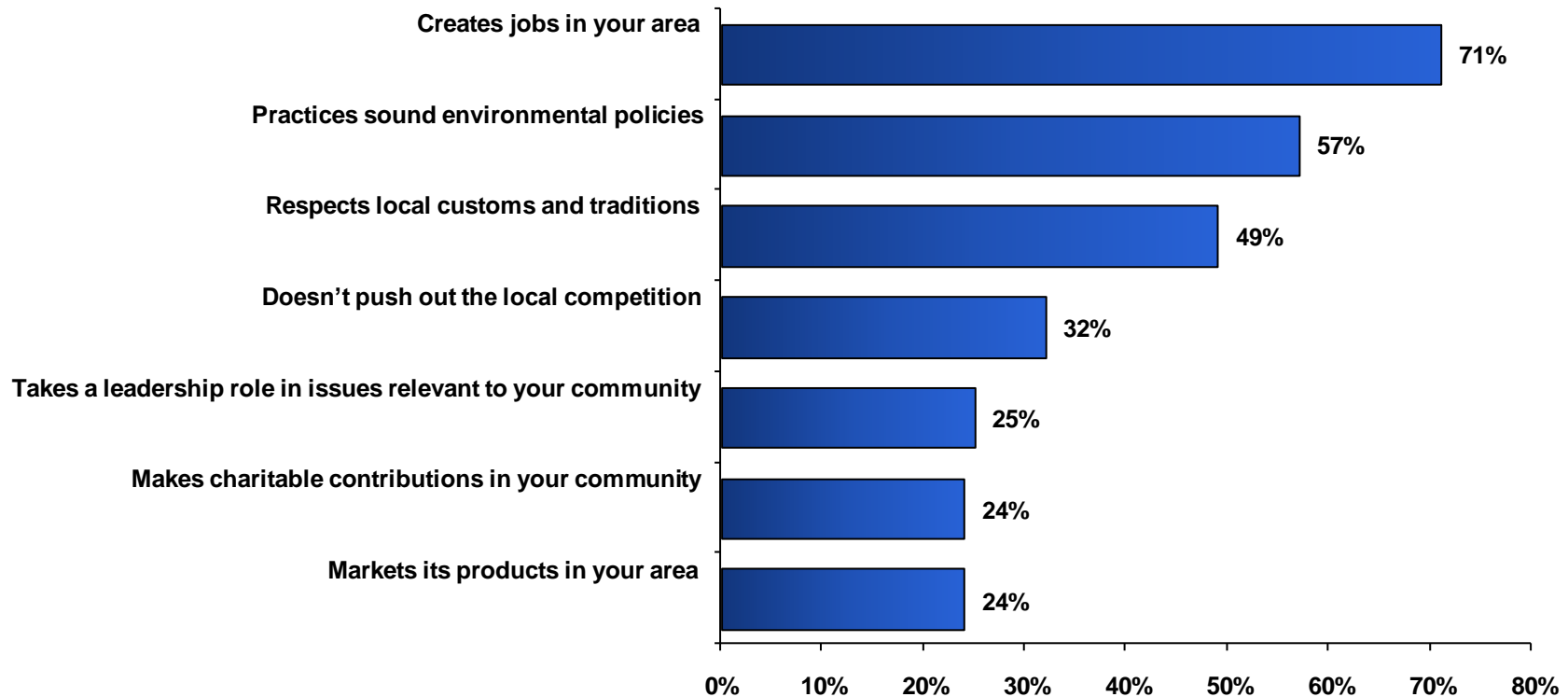
The Four Drivers of Business Trust Globally



B1. When you think of individual companies that you trust, how important are each of the following factors to building your trust in that company?
 Please use a nine-point scale where one means "it is not at all important" and nine means "it is extremely important."
 35-64 Opinion Elites (18 Countries)

Job Creation is the Most Important Driver of Local Reputation

Important Factors for Building Local Reputation

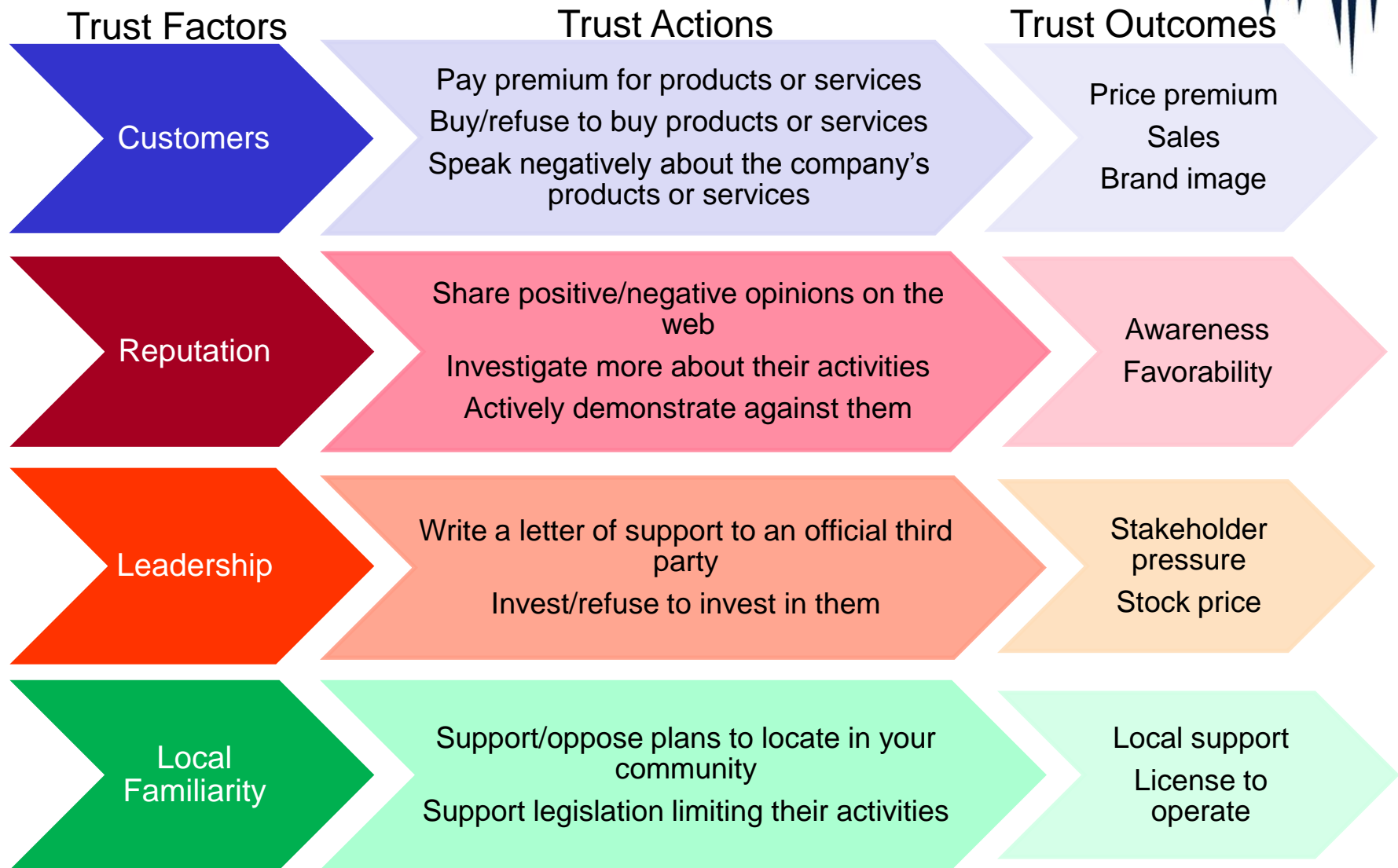


Every region rates job creation first.

B2. Which of the following actions do you believe are most important for a global company seeking to build its local reputation in your area?
Please select THREE of the following. The company...
35-64 Opinion Elites (18 Countries)



Trust Influences Company's Brand Equity, Stock Price and License to Operate







Activating Trust Communicating to Distinct TrustHolder Personalities



(12 Country Data 25-64)





Four Distinct Segments Differentiating How Opinion Elites Develop and Act on Trust

Activated Opinion Elites

	Social Networkers 	Social Activists 	Solo Actors 	Uninvolved 
Global % of Elites	39%	26%	11%	24%
Defining Actions	<ul style="list-style-type: none"> – Frequently share views on companies by word of mouth – Seeks company opinions from trusted sources – Want companies to listen 	<ul style="list-style-type: none"> Support or complain to media or officials – Actively demonstrate – Share experiences online – Oppose or support locally – Support regulatory controls – Investigate more about activities 	<ul style="list-style-type: none"> – Buy or refuse to buy brands – Invest or refuse to invest – Recommend or criticize company to others – Pay a premium for a trusted brand 	Not defined by actions/attitudes in relation to trusted or distrusted companies.



Reaching and Motivating Engaged TrustHolders

	Social Networkers 	Social Activists 	Solo Actors 	Uninvolved 
Global % of Elites	39%	26%	11%	24%
Trust in business	61%	57%	45%	48%
Triggers to Action	Marketing practices Financial performance Health influence Safety track record Environmental record Behavior as employer	Community impact Corporate philanthropy Labor relations Environmental record	Product/service quality Customer service Pricing	Not defined by actions/attitudes in relation to trusted or distrusted companies.
Sources of Information	Traditional media + Peer conversations, radio, advertising, company communications, talk shows	Traditional media + Online boards or forums, video, blogs, social networking sites	Traditional media + TV news, analyst reports, Wikipedia	Traditional media + Advertising
Who they influence	Friends/family; professional network + Community/school groups; online groups	Friends/family; professional network + Schools, online groups, political groups	Friends/family; professional network	Themselves

The Evolving Trust Landscape - Implications



Business has a historic opportunity for trust leadership

- Take on broader social challenges as part of the corporate remit
- Business is moving closer to the center of trust, as “making money” and “doing good” become compatible trust imperatives
- In conjunction with NGOs

Recognize Younger Elites as the “Info-ential Generation”

- Positively inclined towards business
- Listening to more voices
- Constantly reviewing the scene, demanding immediacy and transparency

Use both top down mainstream information sources, along with peer-to-peer communications to engage with opinion elites

- Media attitudes and behaviors remain local, not global – continue to respect differences across markets
- Reach younger elites are by communicating across multiple platforms, including more social media
- Change tone from pronouncing to inviting participation by ceding some control in return for credibility
- Use different types of spokespeople to share information about companies --- such as “person like yourself,” employees AND expert individuals (doctors, academics and industry analysts)

Engage influential TrustHolders in conversation to motivate positive actions, and minimize negative responses.

- Recognize that two-thirds of opinion elites represent your most influential and activated trust audiences – Social Networkers and Social Activists
- Companies can move to trust leadership by building reputation and encouraging conversation, rather than just playing defense on crisis management



About the Edelman Trust Barometer



The 2008 Edelman Trust Barometer is the firm's ninth trust and credibility survey.

The survey was produced by research firm StrategyOne. The survey was consisted of a thirty minute telephone survey conducted in October - November 2007. This year, the survey sampled for the first time 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.



About Edelman



About Edelman

Edelman is the world's largest independent public relations firm, with 3,000 employees in 51 offices worldwide. Edelman was named a top-10 firm in Advertising Age's "2007 Agency A-List," the first and only PR firm to receive this recognition. CEO Richard Edelman was cited as "2007 Agency Executive of the Year" by both Advertising Age and PRWeek. PRWeek named Edelman Large Agency of the Year in 2006 and awarded the firm its "Editor's Choice" distinction. For more information visit www.edelman.com.

