

[illegible]

Financial Services Edition



2018 Edelman Trust Barometer

Methodology

Online Survey in 28 Markets

18 years of data

33,000+ respondents total

All fieldwork was conducted between
October 28 and November 20, 2017

28-market global data margin of error: General population +/- 0.6% (N=32,200), informed public +/- 1.2% (N=6,200), mass population +/- 0.6% (26,000+), half-sample global general online population +/- 0.8 (N=16,100).

Market-specific data margin of error: General population +/- 2.9 (N=1,150), informed public +/- 6.9% (N = min 200, varies by market), China and U.S. +/- 4.4% (N=500), mass population +/- 3.0 to 3.6 (N =min 740, varies by market).

General Online Population

7 years in 25+ markets

Ages 18+

1,150 respondents per market

All slides show general online
population data unless otherwise noted

Informed Public

10 years in 20+ markets

Represents 15% of total global
population

500 respondents in U.S. and China;
200 in all other markets

Must meet 4 criteria:

Ages 25-64

College educated

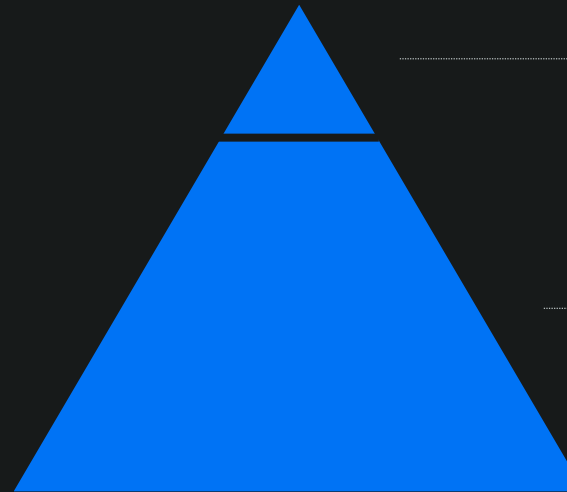
In top 25% of household income per
age group in each market

Report significant media consumption
and engagement in business news

Mass Population

All population not including informed public

Represents 85% of total global population



Trust in Retrospect

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” Emerges
as Credible
Spokesperson

2007

Business More
Trusted Than
Government
and Media

2008

Young
Influencers
Have More Trust
in Business

2009

Business Must
Partner with
Government to
Regain Trust

2010

Trust is Now an
Essential Line
of Business

2011

Rise of
Authority
Figures

2012

Fall of
Government

2013

Crisis of
Leadership

2014

Business
to Lead
the Debate
for Change

2015

Trust is
Essential to
Innovation

2016

Growing
Inequality
of Trust

2017

Trust in Crisis

2018

**The Battle
for Truth**

State of Trust Evolving

Required Actions

Create societal impact through purposeful action

Express your values honestly and ethically

Ignite your most powerful advocate,
your employees

Engage cross channel to meet stakeholders
where they are

Footer

Old Model

Elites have access
to more/better information

Elites' interests interconnected with
those of mass

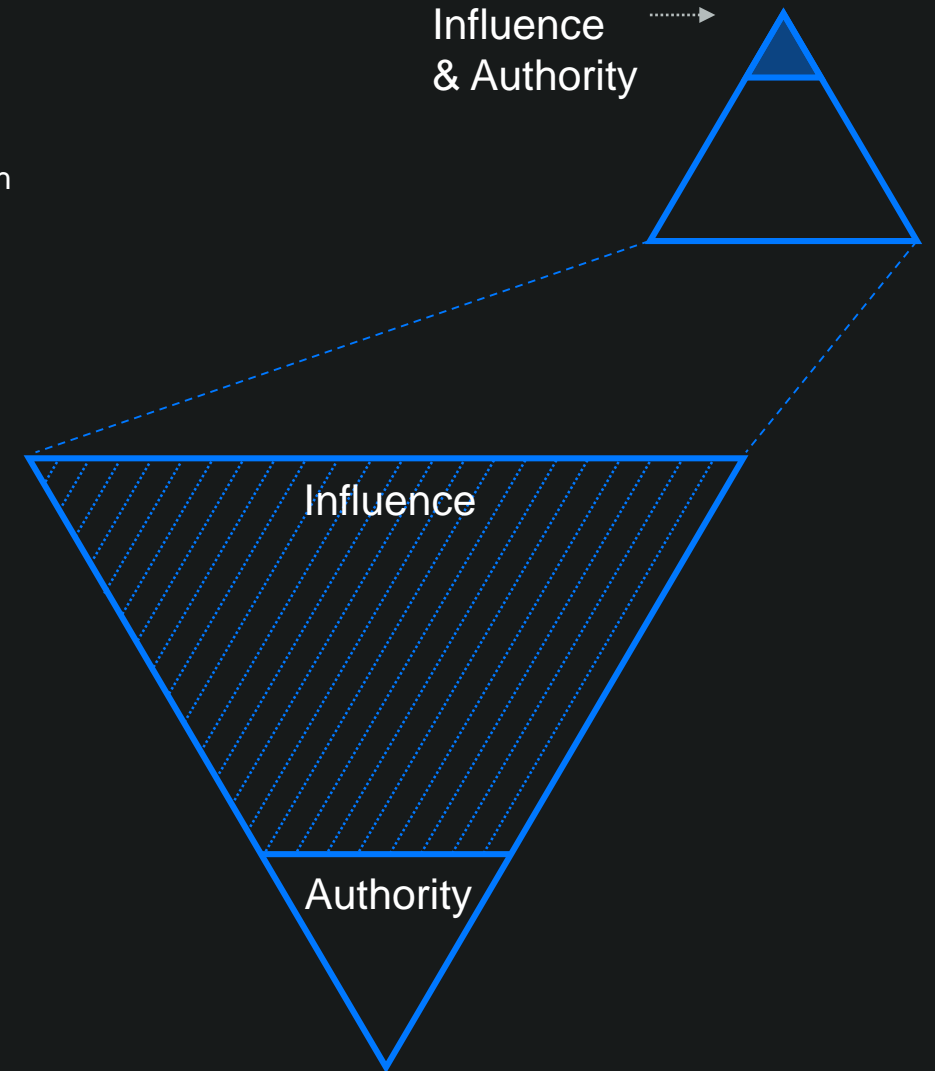
Becoming an "elite" open to all

New Model

Peer-to-peer influence more
powerful than top-down

Increasing distrust among
mass population

Mass movements based on
dissatisfaction and urgency



Trust Index

A World of Distrust

Average trust in institutions,
general population, 2017 vs. 2018

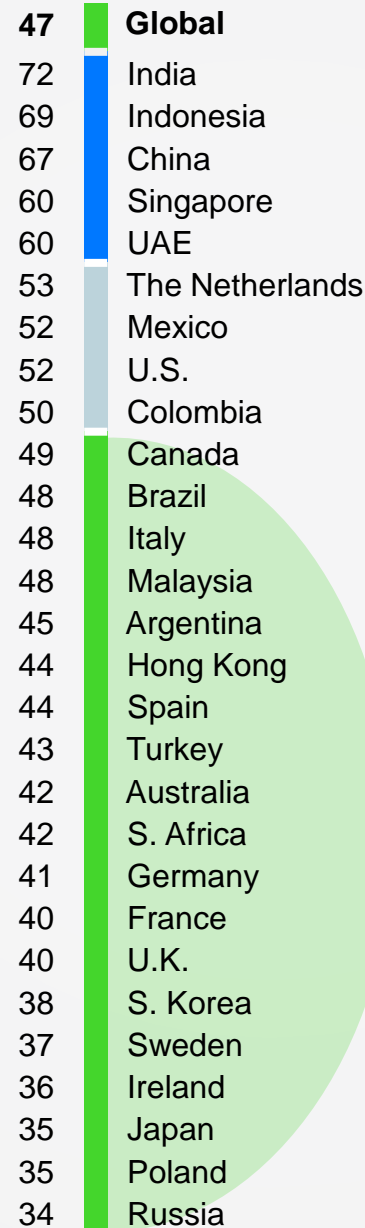
Global Trust Index remains at distruster level

20 of 28 markets are distrusters, up 1 from 2017

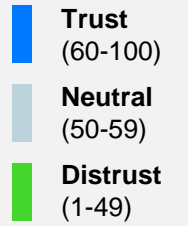
Source: 2018 Edelman Trust Barometer.

The Trust Index is an average of a country's trust in the institutions of government, business, media and NGOs. General population, 28-market global total.

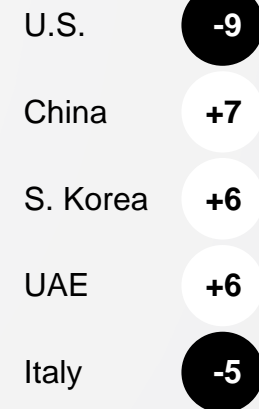
▲ 2017 General Population



▲ 2018 General Population



Biggest changes in



Trust decline in the U.S. is
the steepest ever measured

Trust Index

U.S. Informed Public Now Least Trusting

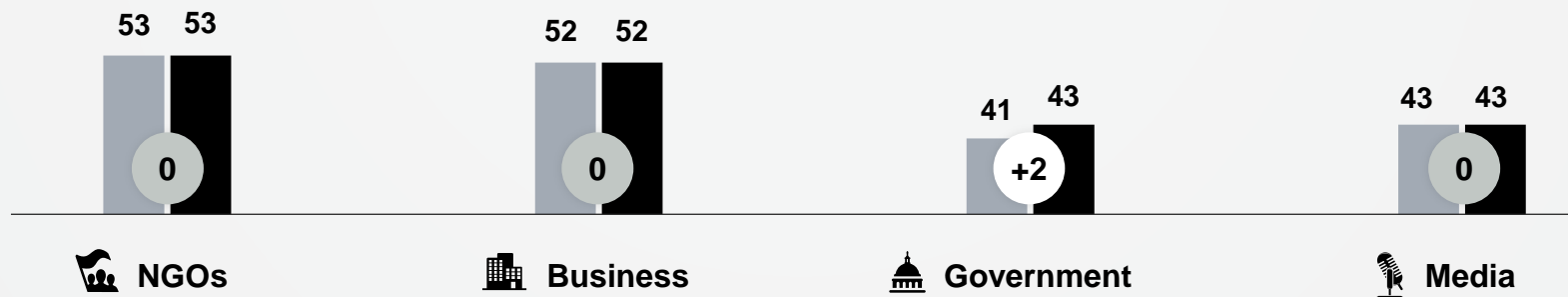
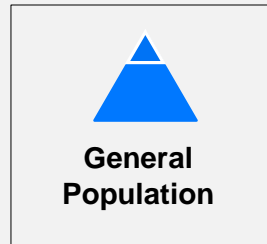
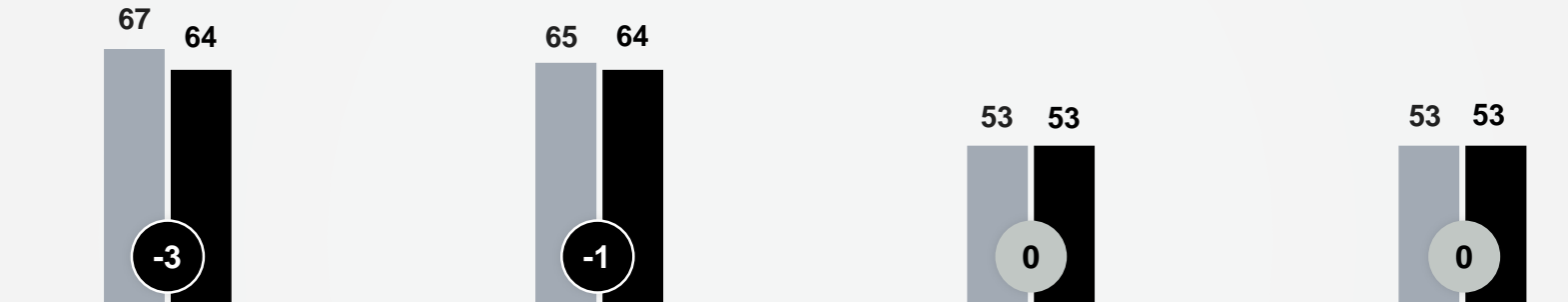
Average trust in institutions, informed public, 2017 vs. 2018

Source: 2018 Edelman Trust Barometer.
The Trust Index is an average of a country's trust in the institutions of government, business, media and NGOs. Informed public, 28-market global total.



No Recovery in Trust

Percent trust in each institution, and change from 2017 to 2018



Source: 2018 Edelman Trust Barometer. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using 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, Trust) Informed public and general population, 28-market global total.

Societal Snapshot on Trust

1st Wave

Fear of job loss
due to globalization
and automation

2nd Wave

The great recession;
undermining the
middle class

3rd Wave

The effects of massive
global migration

Entering the 4th Wave of the Trust Decline



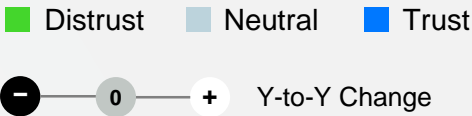
“

Gresham's Law, based on the 18th-century observation that debased currency drives out the good, is now evident in the realm of information.



Media One of Least Trusted Institutions

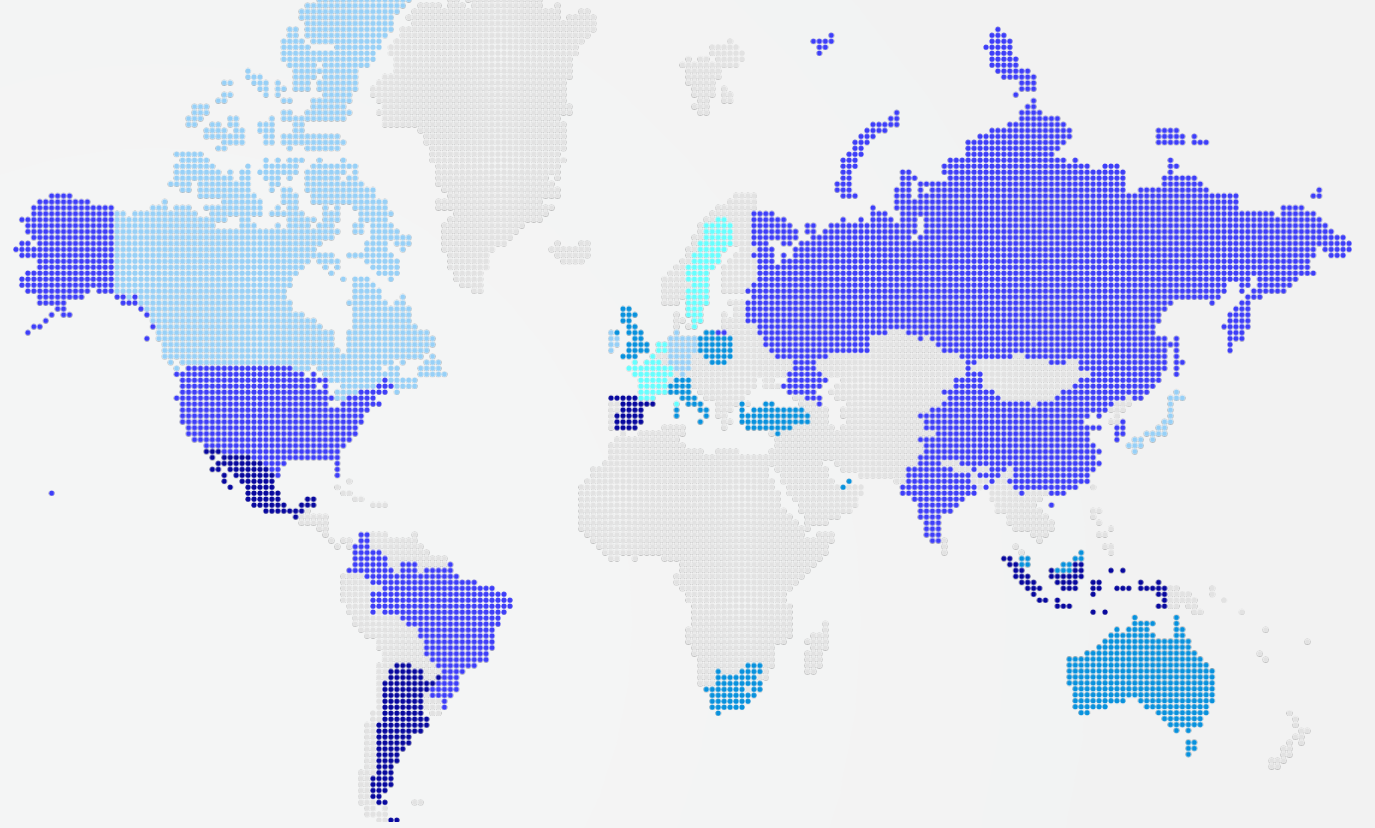
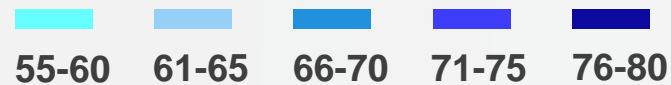
Percent trust in media, and change from 2017 to 2018



Source: 2018 Edelman Trust Barometer. TRU_INS. [MEDIA IN GENERAL] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using 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, Trust) General population, 28-market global total.

World Worried About Fake News as a Weapon

Percent who worry about false information or fake news being used as a weapon



Nearly

7 in 10

worry about false information or fake news being used as a weapon



Germany passes a law that fines social media companies for failing to delete fake news



Canadian Conservative leader's campaign manager roots out enemies using fake news



Fake news disrupts elections in South Africa



Singapore announces plans to introduce laws designed to fight fake news



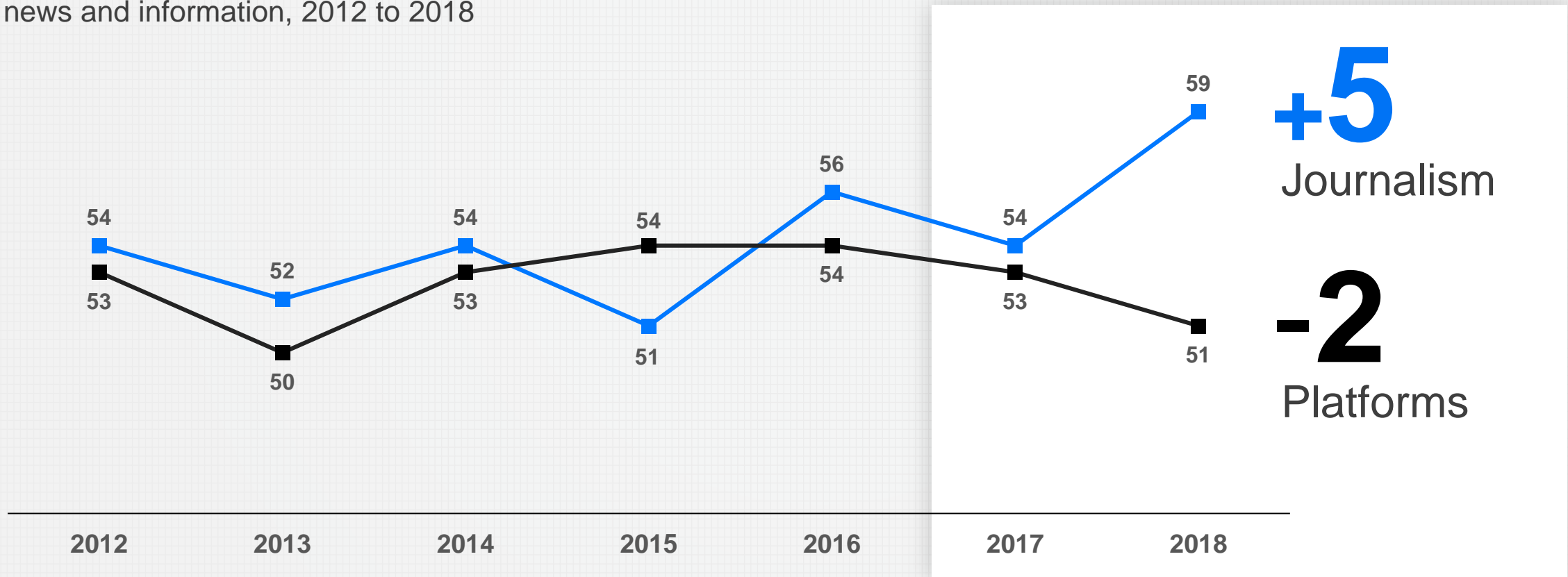
Pope criticizes spread of fake news

Source: 2018 Edelman Trust Barometer. ATT_MED_AGR. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement using a nine-point scale where one means "strongly disagree" and nine means "strongly agree". (Top 4 Box, Agree), question asked of half of the sample. General population, 28-market global total.

While Trust in Platforms Declines, Trust in Journalism Rebounds

Percent trust in each source for general news and information, 2012 to 2018

- Average trust in traditional and online-only media
- Average trust in search engines and social media platforms



Source: 2018 Edelman Trust Barometer. COM_MCL. When looking for general news and information, how much would you trust each type of source for general news and information? Please use a nine-point scale where one means that you “do not trust it at all” and nine means that you “trust it a great deal.” (Top 4 Box, Trust), question asked of half of the sample. General population, 25-market global total.

Journalism is an average of traditional media and online-only media. Platforms is an average of search engines and social media.

Half Disengaged With the News

Consumption

How frequently do you consume news produced by major news organizations, either at the original source, shared by others or pushed to you in a feed?

Amplification

How often do you share or forward news items, or post opinions or other content?

Source: 2018 Edelman Trust Barometer. News Engagement Scale, built from MED_SEG_OFT. How often do you engage in the following activities related to news and information? Indicate your answer using the 7-point scale below. General population, 28-market global total. For details on how the News Engagement Scale was built, please refer to the Technical Appendix.

50%

The Disengaged

Consume news
less than weekly

25%

Consumers

Consume news
about weekly
or more

25%

Amplifiers

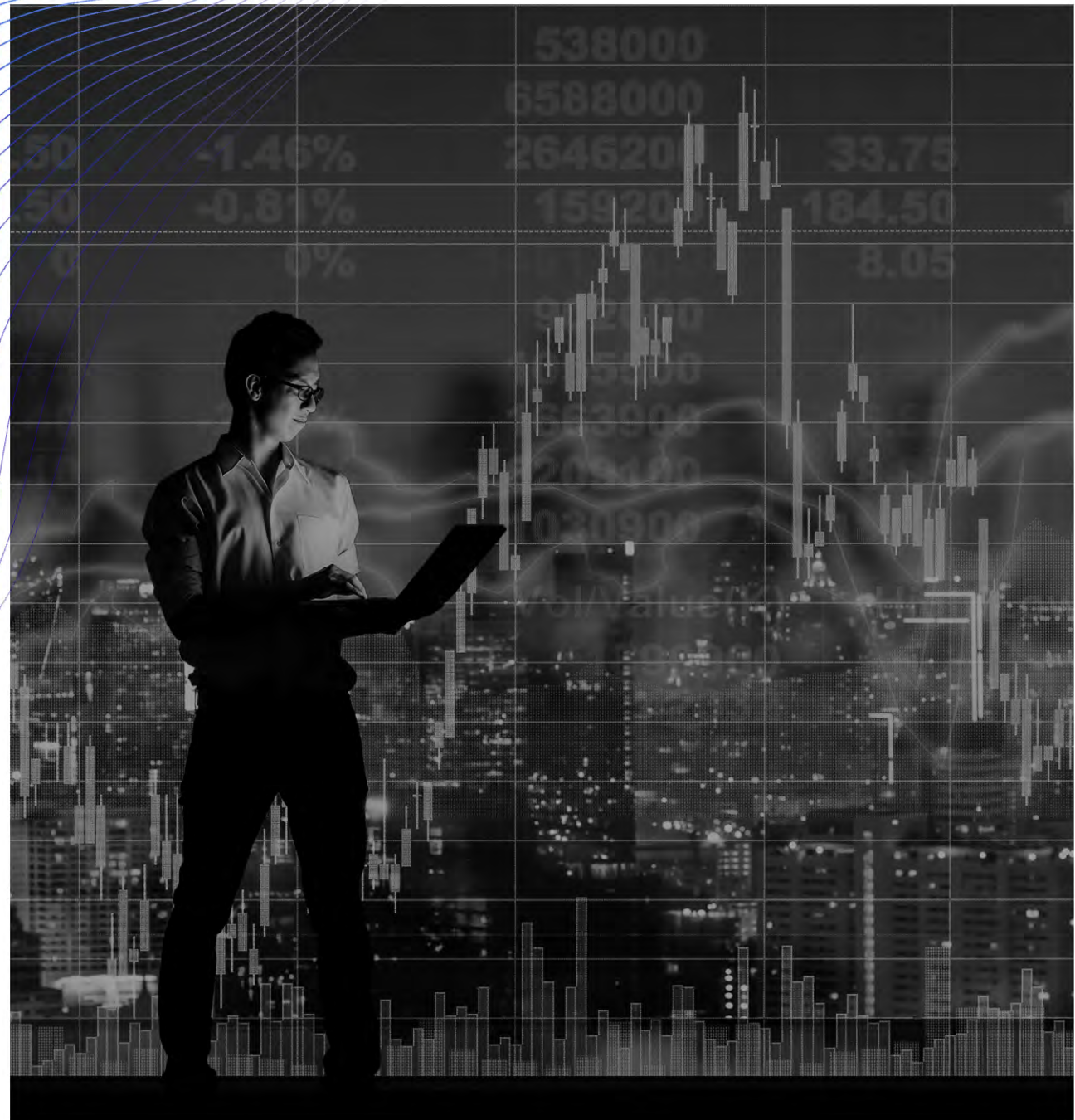
Consume news about
weekly or more AND
share or post content
several times a month
or more

A Shift in Trusted Voices



“

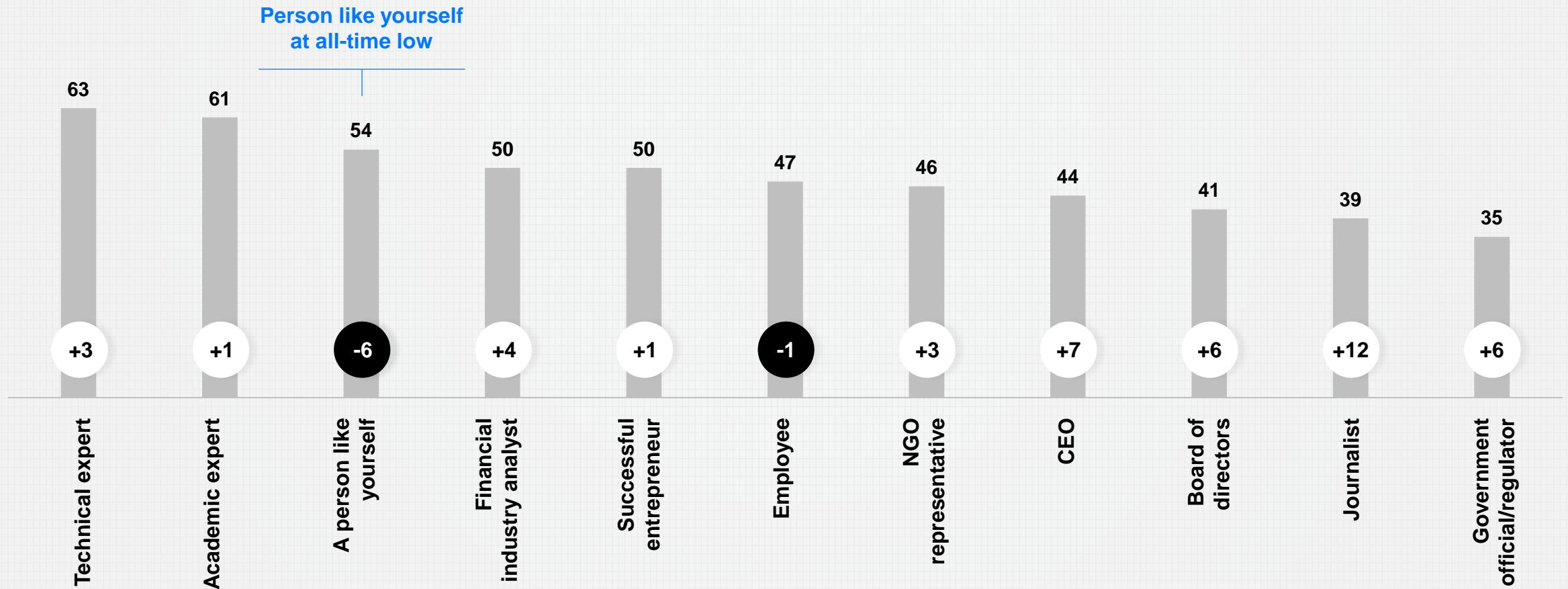
There is renewed confidence in experts, notably technical experts, financial analysts and academics.



Voices of Authority Regain Credibility

Percent who rate each spokesperson as very/extremely credible, and change from 2017 to 2018

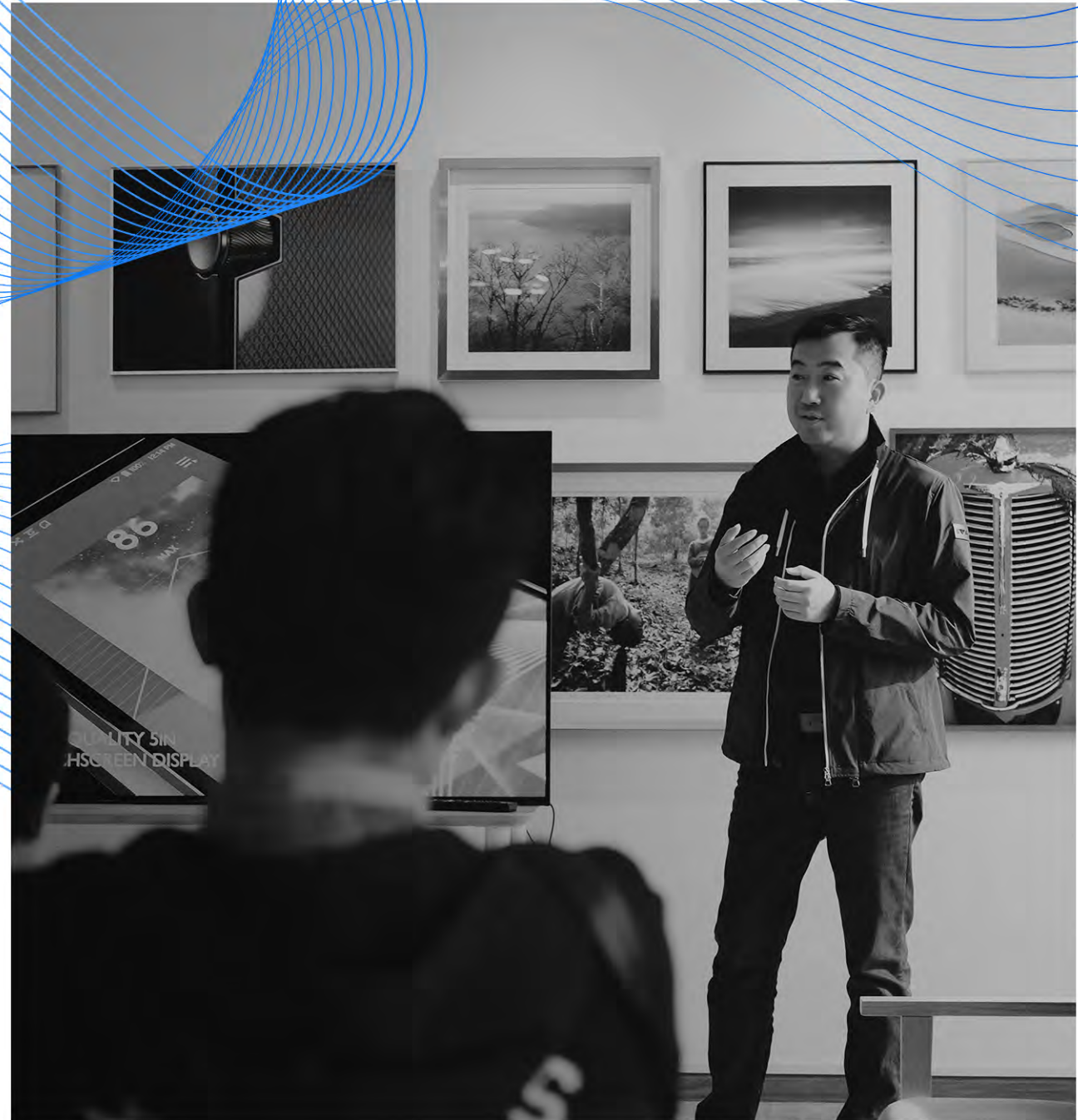
— 0 + Y-to-Y Change



Source: 2018 Edelman Trust Barometer. CRE_PPL. Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/Extremely Credible), question asked of half of the sample. General population, 28-market global total.

“

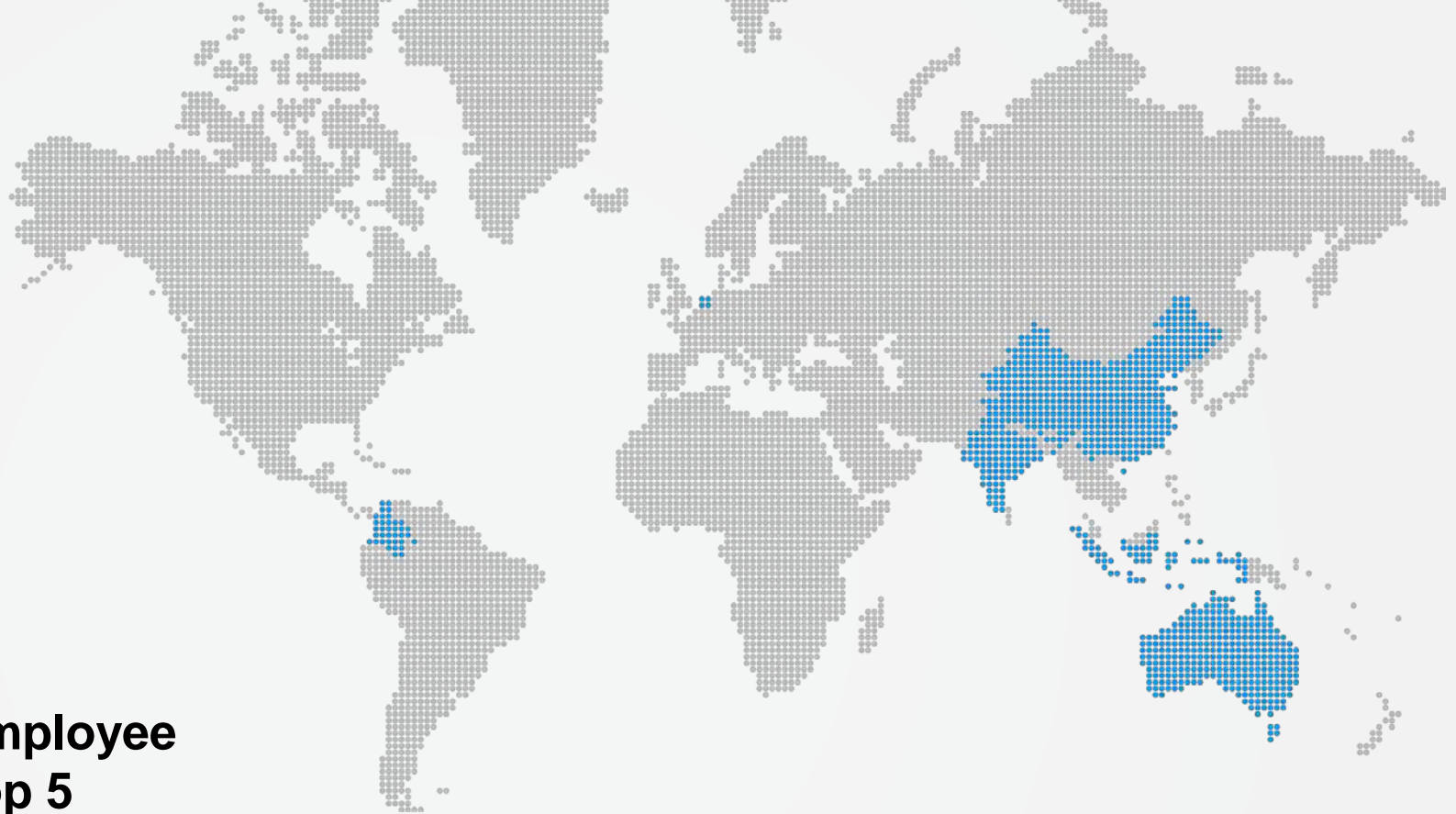
Nearly 7 in 10 respondents say that building trust is the No. 1 job for CEOs, ahead of high-quality products and services.



Employers as the Safehouse

Employers have the runway to lead on change

Only two countries—Japan and South Korea—have trust levels below 60 percent



Globally



Employee Top 5



Indonesia

90%



India

86%



Colombia

83%



China

82%



The Netherlands

81%

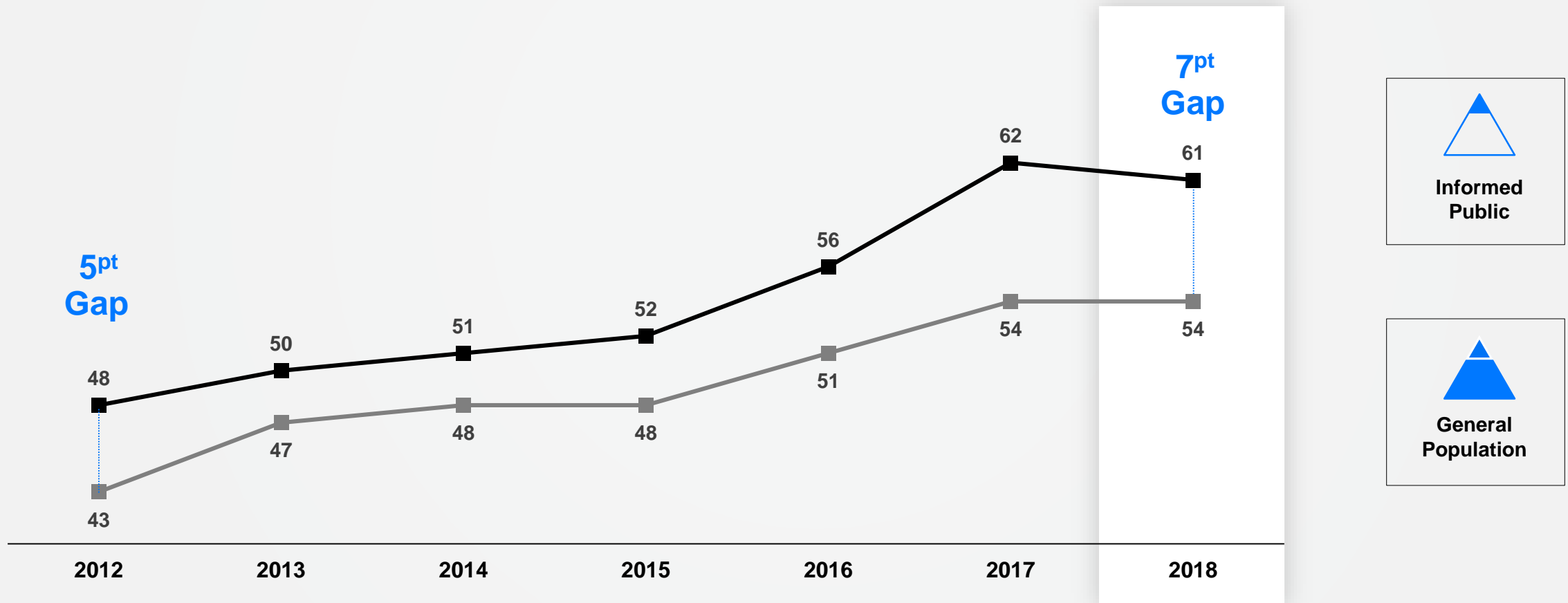
Source: 2018 Edelman Trust Barometer. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you “do not trust them at all” and nine means that you “trust them a great deal.” (Top 4 Box, Trust). General population, 28-market global total, Indonesia, India, Colombia, China, The Netherlands, Australia.

A Stalled Trust Recovery for Financial Services



Five Year Rise in Financial Services Trust Stalls

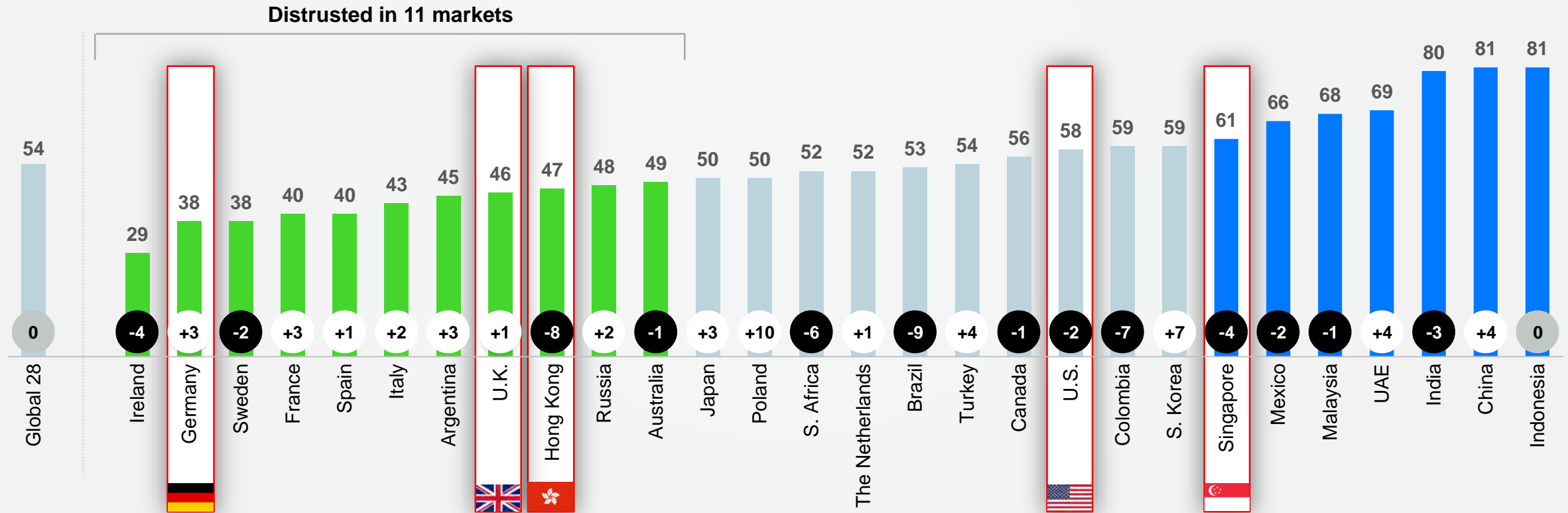
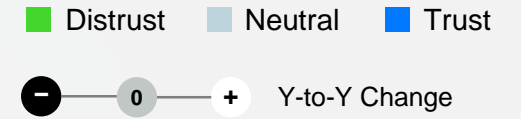
Percent trust in the financial services sector, general population and informed public, and change from 2012 to 2018



Source: 2018 Edelman Trust Barometer. TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. Again, please use the same 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, Trust), industries shown to half of the sample. General population and informed public, 25-market global total.

Trust in Financial Services Declines in 13 of 28 Markets

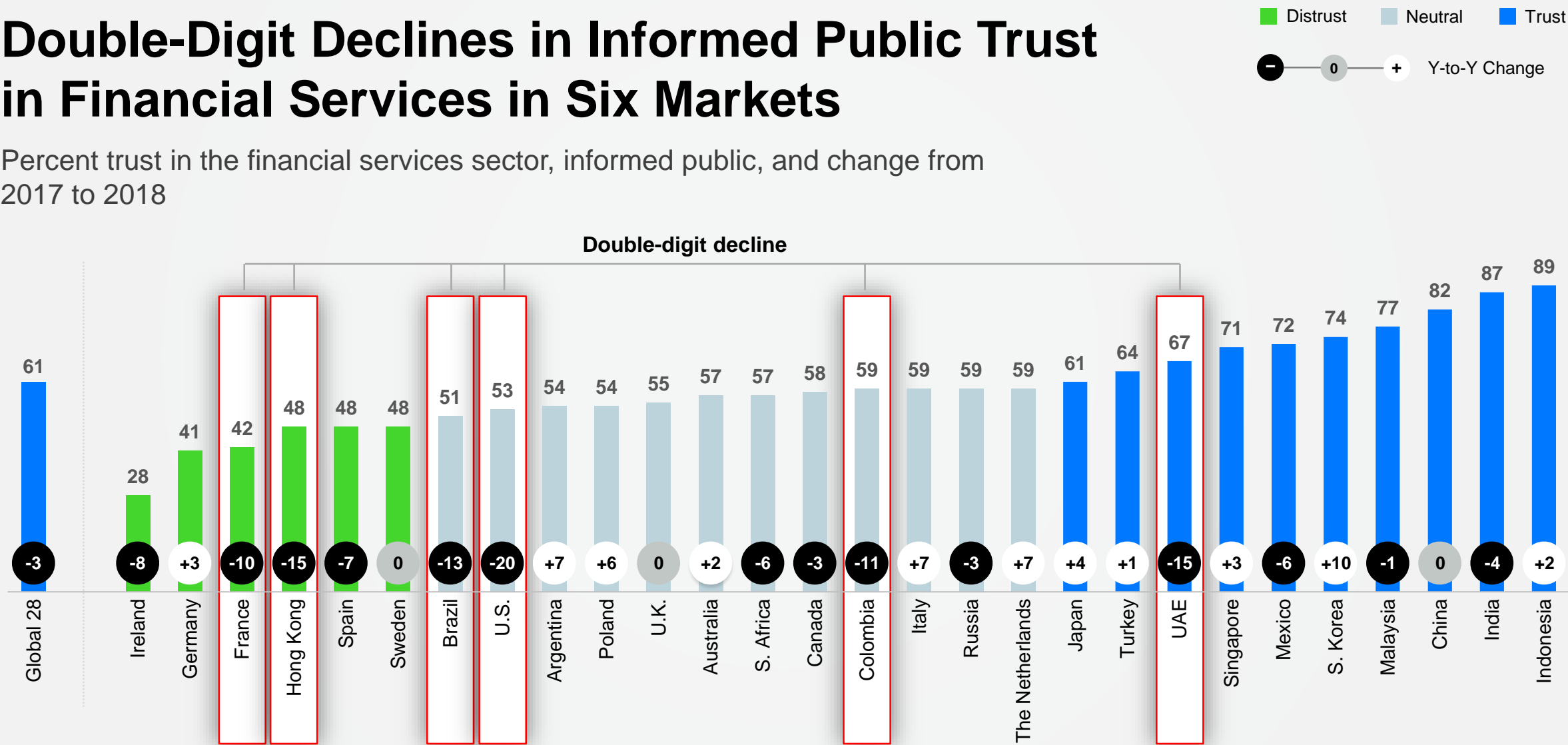
Percent trust in the financial services sector, and change from 2017 to 2018



Source: 2018 Edelman Trust Barometer. TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. Again, please use the same 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, Trust), industries shown to half of the sample. General population, 28-market global total.

Double-Digit Declines in Informed Public Trust in Financial Services in Six Markets

Percent trust in the financial services sector, informed public, and change from 2017 to 2018



Source: 2018 Edelman Trust Barometer. TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. Again, please use the same 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, Trust), industries shown to half of the sample. Informed public, 28-market global total.

“

**Where Informed
Population Trust goes,
General Population
Trust follows.**



Where are the Trust Builders?



The Bar has Been Raised for Trust in Financial Services



Where Trust Delivers in Financial Services

Thinking back over the last 12 months, which of the following actions have you taken on behalf of a financial services company that you trust?

41%

Chose to use their
products & services



31%

 Recommended them to others

16%

Reviewed them or shared a
positive opinion of them online

15%

Paid a premium to use their services

14%

Bought or recommended their stock

12%

Defended them when I heard someone criticize them

Source: 2018 Edelman Trust Barometer. DRV_FIN_ACT. Thinking back over the last 12 months, which of the following actions have you taken on behalf of a financial services company that you trust? Question asked of one-fifth of the sample. General population, 28-market global total.

How Financial Services Companies Must Perform

Top 5 factors increasing trust in financial services companies

#1

Easily Understood Terms & Conditions



#2

Reliable Fraud Protection

#3

Easily Found Product/Service Info

#4

Business Convenience





















#5

Access to Real People

Source: 2018 Edelman Trust Barometer. DRV_FIN_INC. Which of the following would most increase your trust in a financial services company? Question asked of one-fifth of the sample. General population, 28-market global total.

How Financial Services Companies Must Perform, By Country

Top 3 Factors Increasing Trust in Financial Services Companies, By Country

					
	Germany	Hong Kong	Singapore	United Kingdom	United States
1 st					
2 nd					
3 rd					

Factors Increasing Trust



Easily Found Product/Service Info



Easily Understood Terms/Conditions



Reliable Fraud Protection

Source: 2018 Edelman Trust Barometer. DRV_FIN_INC. Which of the following would most increase your trust in a financial services company? Question asked of one-fifth of the sample. General population, Australia, Germany, Hong Kong, Singapore, U.K. and U.S.

Where Financial Services Companies Fall Short

Top 5 factors decreasing trust in financial services companies

#1

No Product/Cost Transparency



#2

Confusing Products/Services

#3

Unwanted Selling

#4

Not Responsive

#5

Difficulty Addressing Problems

Source: 2018 Edelman Trust Barometer. DRV_FIN_DEC. Which of the following would most decrease your trust in a financial services company? Question asked of one-fifth of the sample. General population, 28-market global total.

Where Financial Services Companies Fall Short, By Country

Top 3 Factors Decreasing Trust in Financial Services Companies, By Country



Germany



Hong Kong



Singapore



United Kingdom



United States

1st



2nd



3rd



Factors Decreasing Trust



No Product/Cost Transparency



Confusing Products/Services



Unwanted Selling



Real People Unavailable



Not Responsive



Difficulty Addressing Problems

Source: 2018 Edelman Trust Barometer. DRV_FIN_DEC. Which of the following would most decrease your trust in a financial services company? Question asked of one-fifth of the sample. General population, Australia, Germany, Hong Kong, Singapore, U.K. and U.S.

Navigating the New Digital Frontier

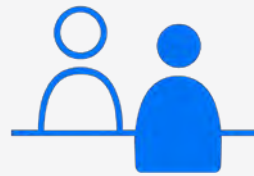
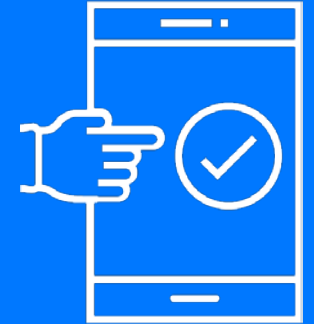


User Experience, Technology and Human Touch All Critical

How important is each of the following when you are choosing a financial services company?

83%

They Provide a Great User Experience



81%

They Make it Easy to Work with Real People



79%

They Use the Latest Technology

Source: 2018 Edelman Trust Barometer. DRV_FIN_IMP. How important is each of the following when you are choosing a financial services company? Use a 9-point scale where one means they are “not at all important” and nine means they are “extremely important”. (Top 4 Box, Important), question asked of one-fifth of the sample. General population, 28-market global total.

Technology is Crucial for Building Trust

Which of the following would most increase your trust in a financial services company?

36%



Reliable Fraud Protection

13%



Technology Solves My Problems

9%



Useful Mobile Applications

Source: 2018 Edelman Trust Barometer. DRV_FIN_INC. Which of the following would most increase your trust in a financial services company? Question asked of one-fifth of the sample. General population, 28-market global total.

TECH VS. PEOPLE:

Human Touch Matters More in Most Markets

Markets who find working with real people, using the latest technology, or both important when choosing a financial services company

18 of 28

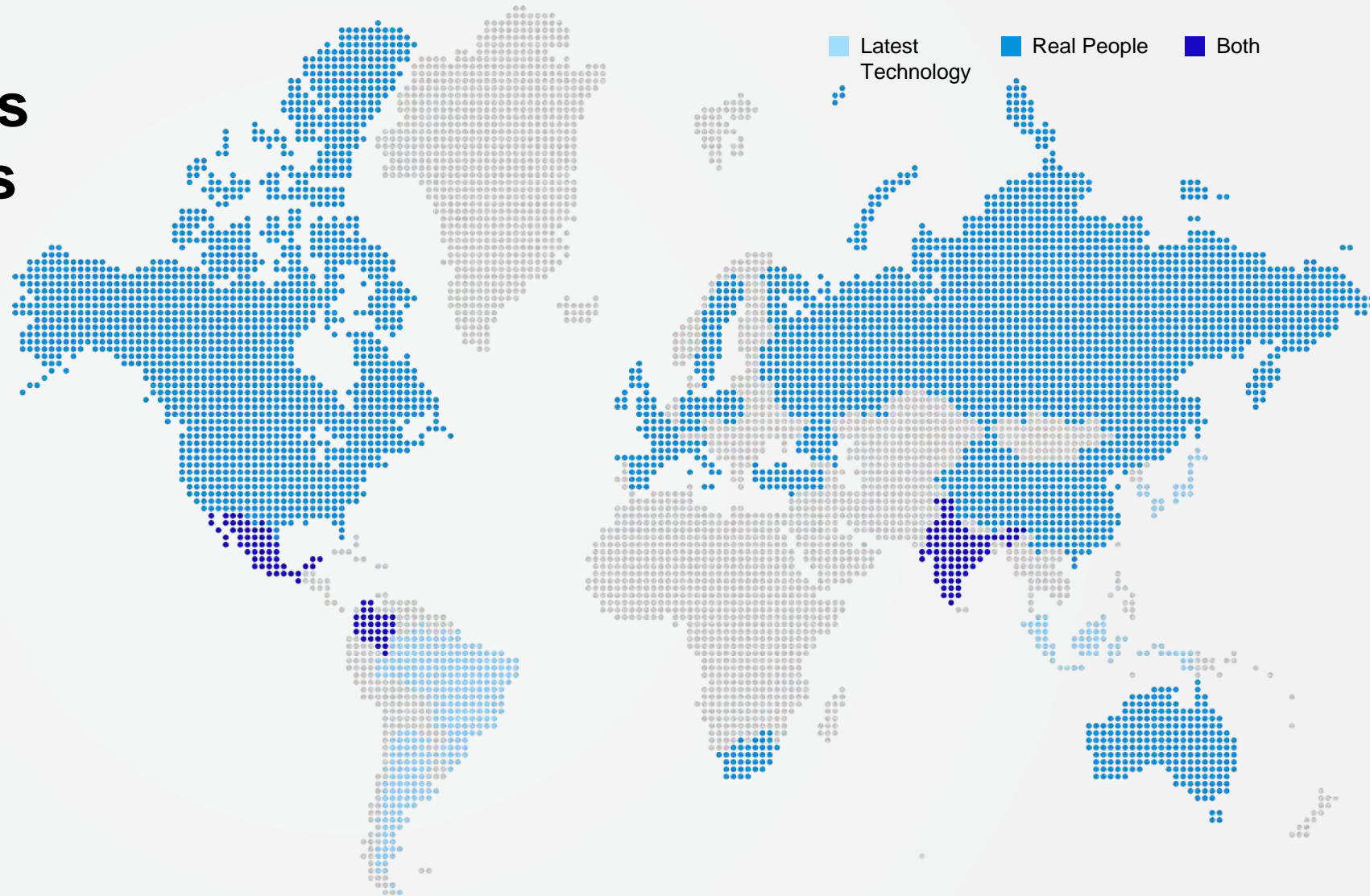
Markets find working with real people more important than using the latest technology

7 of 28

Markets find using the latest technology more important than working with real people

3

Markets were tied



Source: 2018 Edelman Trust Barometer. DRV_FIN_IMP. How important is each of the following when you are choosing a financial services company? Use a 9-point scale where one means they are “not at all important” and nine means they are “extremely important”. (Top 4 Box, Important), question asked of one-fifth of the sample. General population, 28-market global total.

Human Touch Outpacing Technology in Every Measure

For which types of financial services transactions is it most important to you that you can interact with a real person?

Top 3

Human Interaction Most Highly Coveted



31%

Getting investment advice

26%

Settling a disputed charge
on my credit card

20%

Selecting and purchasing
investment products

Bottom 3

Technology Delivery Table Stakes



14%

Selecting and purchasing an
insurance policy

11%

Depositing money
into my accounts

7%

Applying for a
credit card

Source: 2018 Edelman Trust Barometer. DRV_FIN_TRN. While automation and technology can create convenience, sometimes people want to work with a real person. For which types of financial services transactions is it most important to you that you can interact with a real person? Question asked of one-fifth of the sample. General population, 28-market global total.

When People Are Essential

Which source do you trust the most for financial information and advice?

42%

Credentialed investment advisor



40%

Friends and family

19%

Information on the websites or in the newsletters of the companies I use

18%

Employees of the companies I use

Source: 2018 Edelman Trust Barometer. DRV_FIN_SRC. Which source do you trust the most for financial information and advice? Question asked of one-fifth of the sample. General population, 28-market global total.

CREDENTIALLED INVESTMENT ADVISORS
VS. FRIENDS & FAMILY

Friends & Family #1 in Most Markets

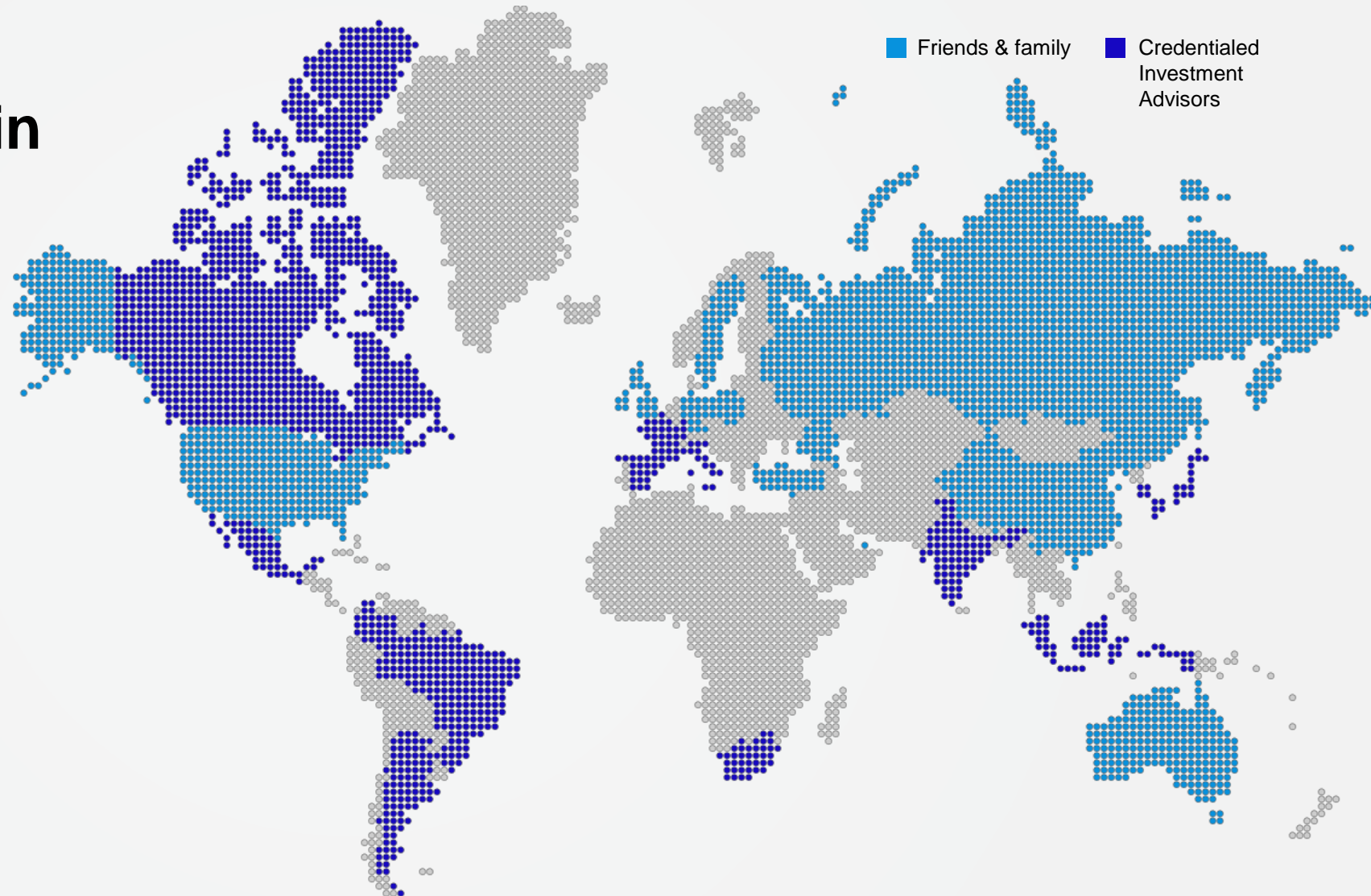
Markets who trust credentialed
investment advisors or friends &
family most for financial information

15 of 28

markets trust friends and family more than
credentialed investment advisors

13 of 28

markets trust credentialed investment
advisors more than friends and family



Source: 2018 Edelman Trust Barometer. DRV_FIN_SRC. Which source do you trust the most for financial information and advice? Question asked of one-fifth of the sample. General population, 28-market global total.

WEBSITES/NEWSLETTERS VS. EMPLOYEES:

Websites/Newsletters More Imperative in Most Markets

Markets who trust company websites/newsletters, employees or both most for financial information

15 of 28

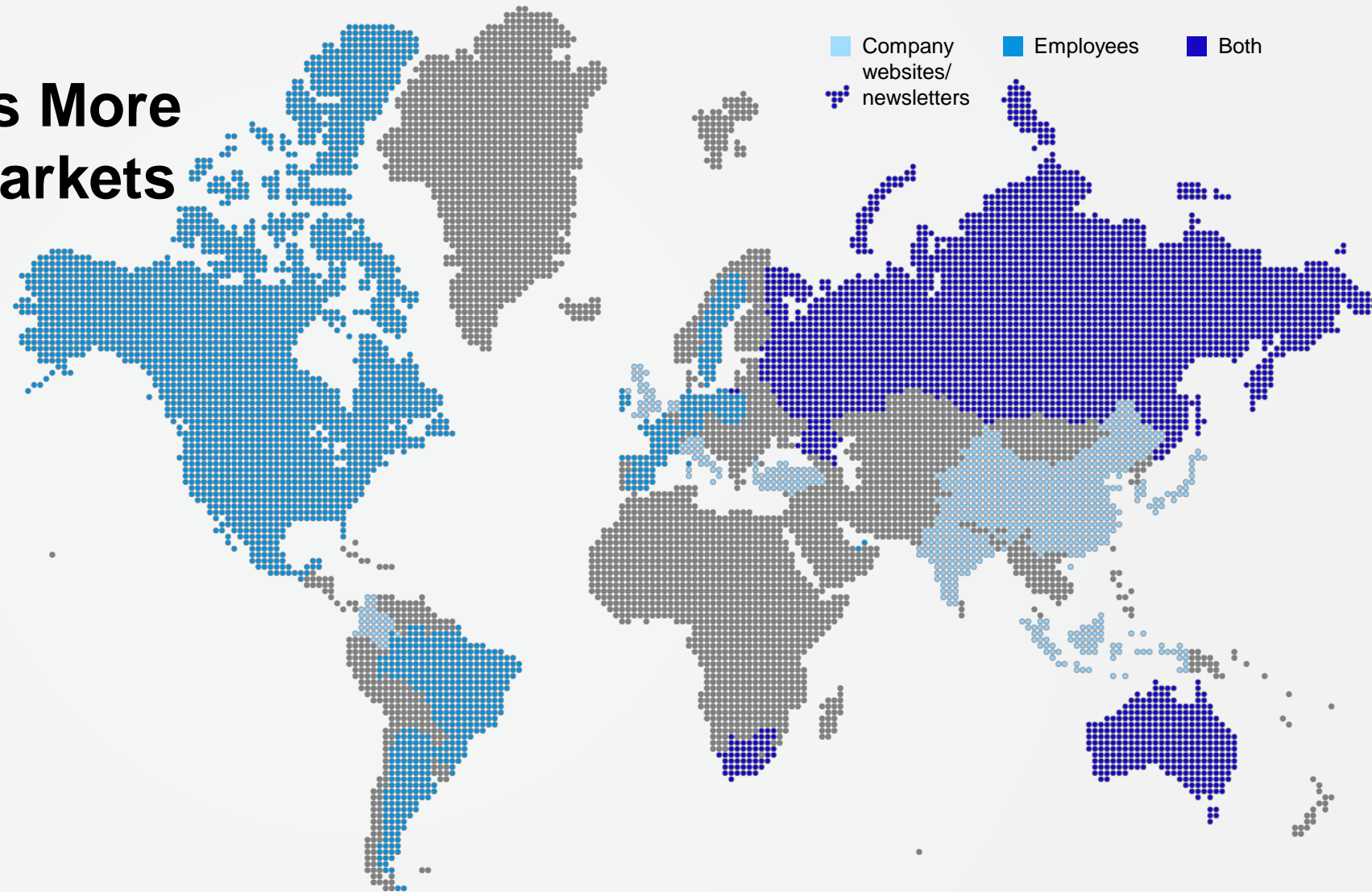
markets trust company websites and newsletters more than employees

10 of 28

markets trust employees more than company websites and newsletters

3

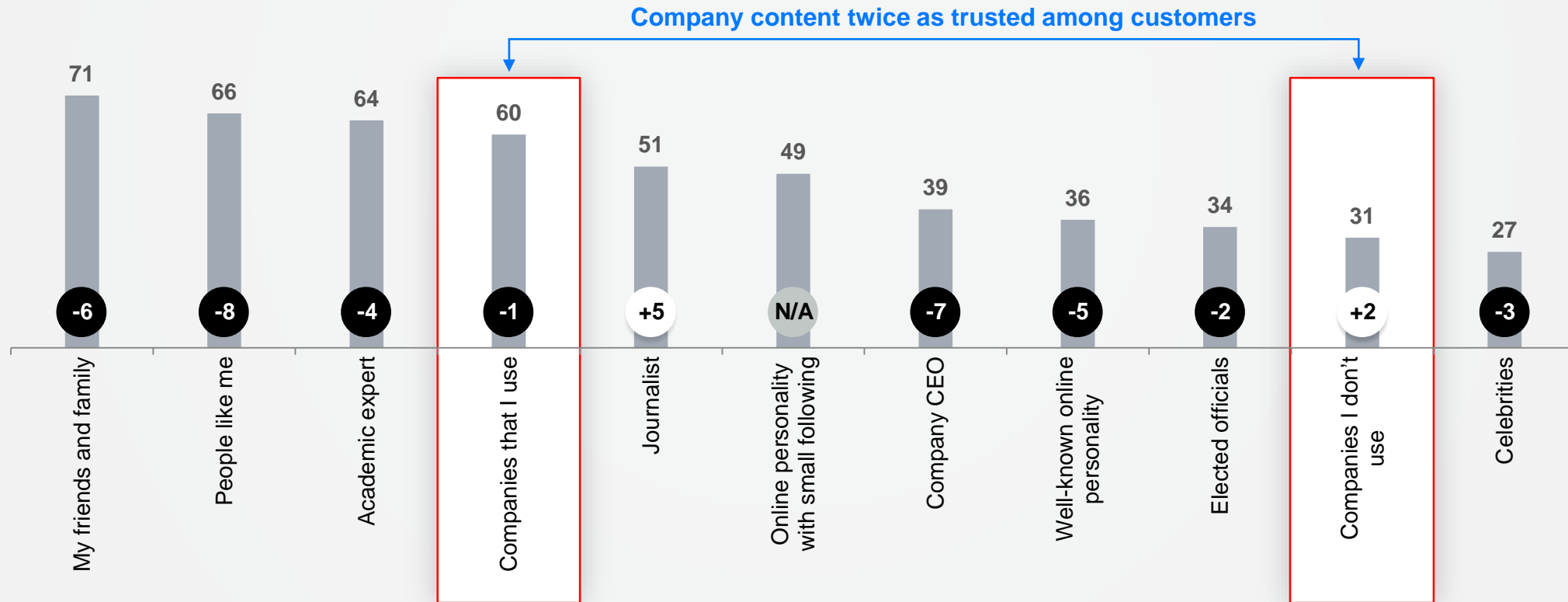
markets were tied



Source: 2018 Edelman Trust Barometer. DRV_FIN_SRC. Which source do you trust the most for financial information and advice? Question asked of one-fifth of the sample. General population, 28-market global total.

Company Content is Trusted (When You Have A Relationship)

Percent who trust information created by each author, 2017 vs. 2018



Source: 2018 Edelman Trust Barometer. COM_TAC. Thinking about the information you consume, how much do you trust the information from each of the following authors or content creators? (Top 4 Box, Trust), question asked of half of the sample. General Population, 28-market global total.

**Businesses and consumers are
willing to allow technology to take
them only so far**



“

**The Most Under-Leveraged Resource is
The Human Resource.**

THE HUMAN RESOURCE

Human Values



TAKING ACTION

Leading with values in times of turmoil

Human Interactions



Strike the right cadence with regular touchpoints

Human Development



Developing employees' true potential

Human Outcomes



Raise the bar to make impact on life and society

Thank You