

Special Report:
Trust in Cryptocurrency



Edelman Trust
Barometer 2020



20th ANNUAL EDELMAN TRUST BAROMETER

Methodology



Online survey in 28 markets

34,000+ respondents total

All fieldwork was conducted between
October 19 and November 18, 2019

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 736, varies by market).

Gen Z MOE: 28-market = +/- 1.5% (N=4,310)

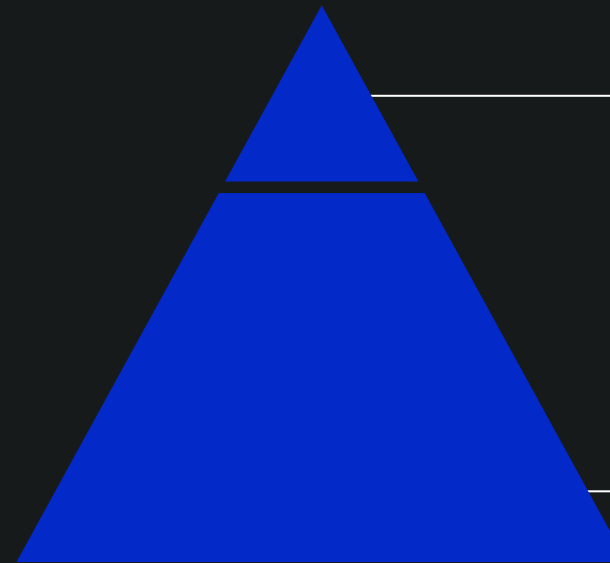
Market-specific = +/- 5.3 to 10.5% (N=min 88, varies by market).

General Online Population

1,150
respondents
per market

Ages
18+

All slides show general
online population data
unless otherwise noted



2020 Gen Z oversample

250 respondents age 18-24 per market

Informed Public

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

Represents **17%** of total global population

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 public policy and business news

Mass Population

All population not
including informed public

Represents **83%** of total
global population

TRUST ESSENTIAL FOR FUTURE SUCCESS

20 years of Edelman
research on trust



- 2M+ respondents
- 400+ companies
- 80k employee reviews
- Interviews with 50+ business leaders
- 23M measures of trust
- Review of 150+ academic articles and 80+ models of trust
- Trust and stock price analysis for 80 companies

**Trust
matters
to...**

Consumers

Trusted companies
have **stronger
consumer buyers
and advocates**

Employees

Trust **drives
workplace
recommendations**

Regulators

Trusted companies
have **greater
license to operate**

Investors

Trusted companies
are more likely
to **receive
institutional
investment**

Resilience against risk

Trusted companies
are **more resilient
in the face
of crisis**

The market

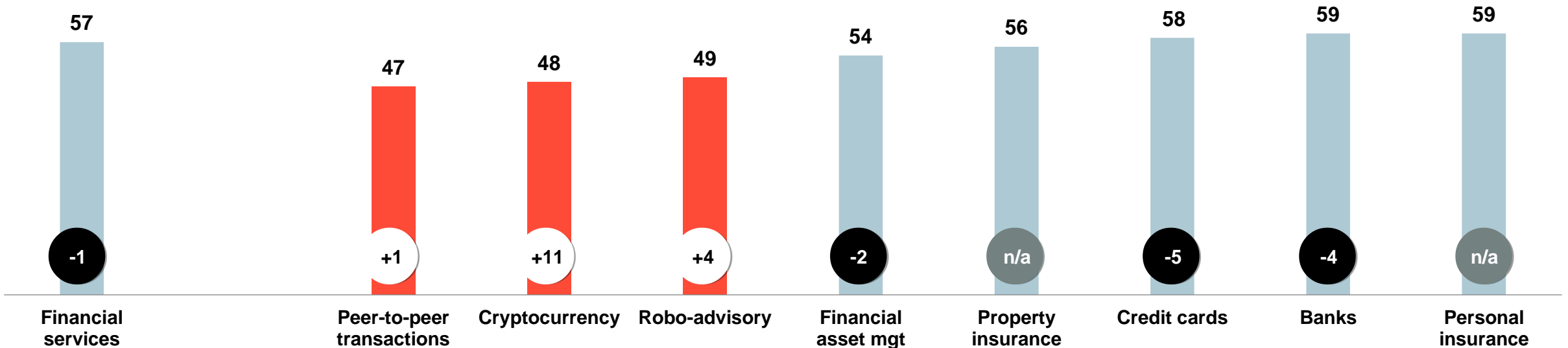
Trusted companies'
stock **outperform
their respective
sectors**

Media coverage

Trusted companies
are **more immune
to the media cycle**

FIN TECH INNOVATIONS STILL DISTRUSTED— BUT TRUST RISING

Percent trust



2020 Edelman Trust Barometer. TRU_SUB_FIN. Now thinking about specific sectors within the financial services industry, please indicate how much you trust businesses in each of the following sectors to do what is right. 9-point scale; top 4 box, trust. Question shown to one-fifth of the sample. TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. 9-point scale; top 4 box, trust. Industries shown to half of the sample. SEC_TEC. Now thinking about the specific subsectors below, please indicate how much you trust businesses in each of the following to do what is right. 9-point scale; top 4 box, trust. General population, 26-mkt avg.

GREATEST TRUST INEQUALITY FOR FIN TECH INNOVATIONS DESIGNED TO BROADEN ACCESS



Percent trust



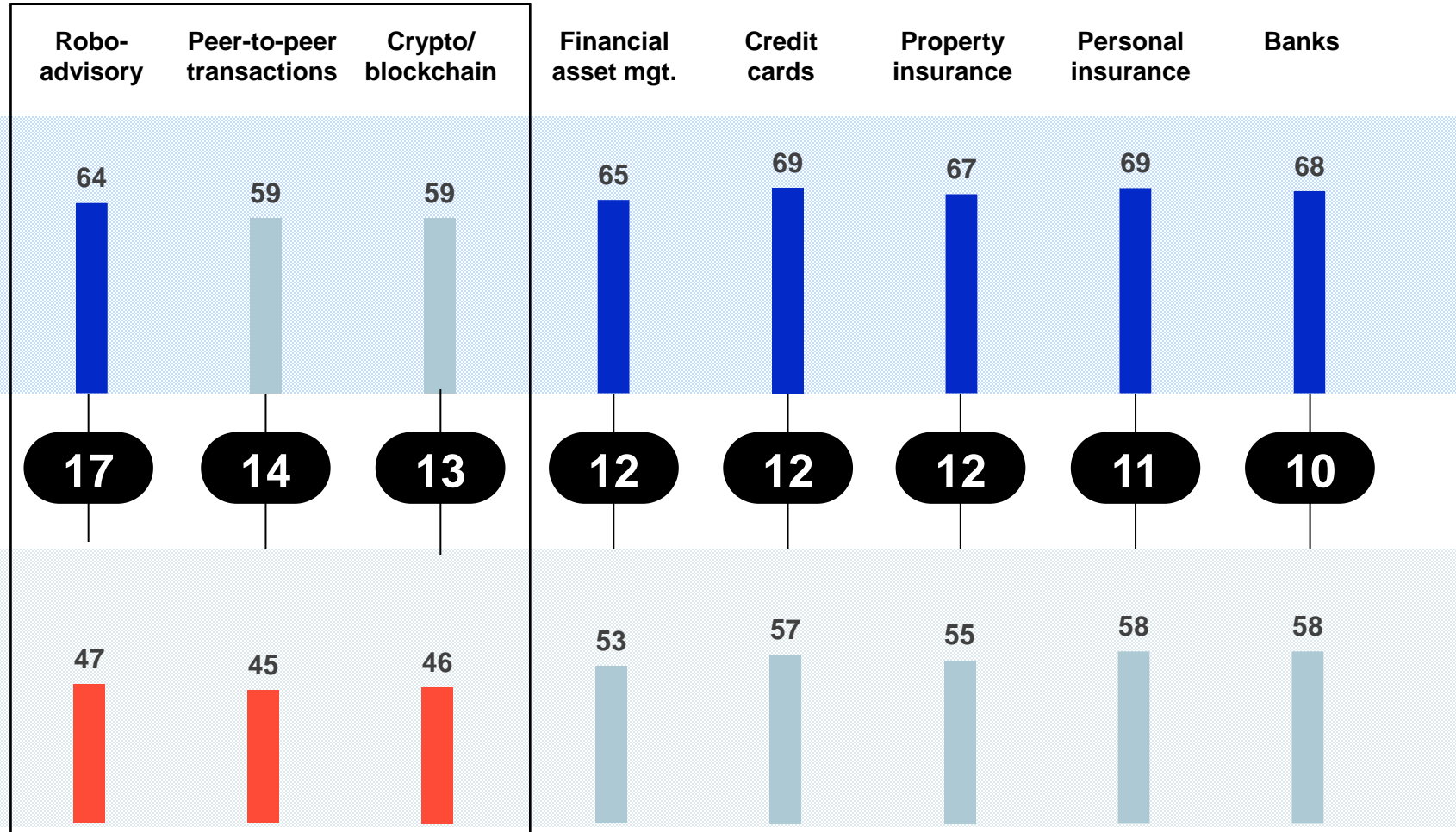
Informed public
Six of eight sub-sectors trusted

10

Trust gap, Informed public vs. Mass population



Mass population
No sub-sectors trusted



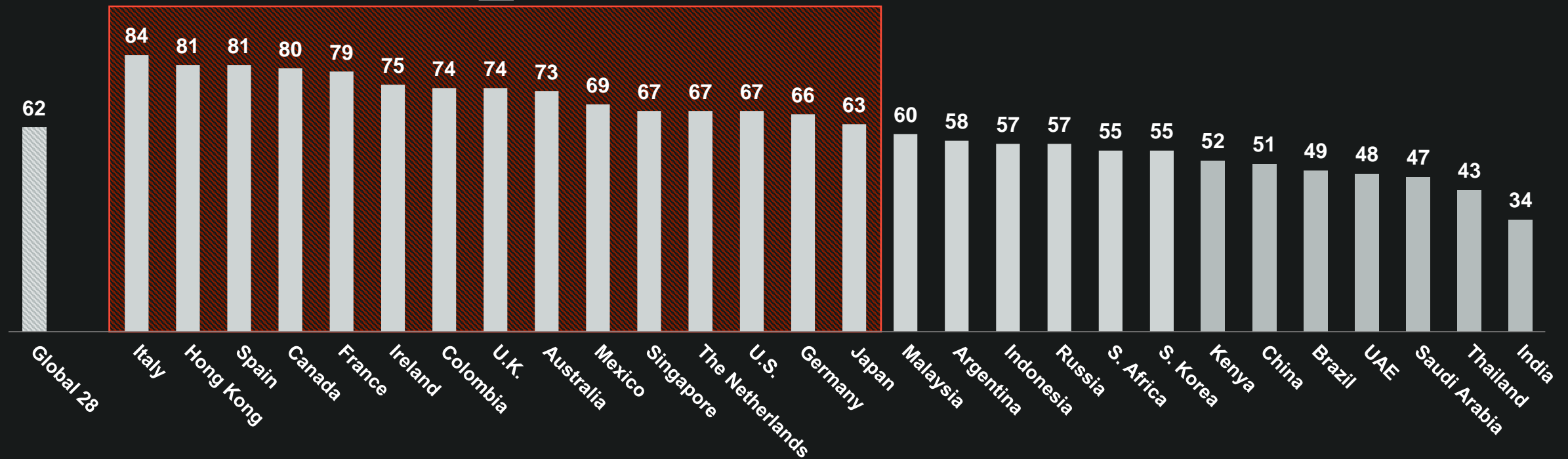
2020 Edelman Trust Barometer. TRU_SUB_FIN. Now thinking about specific sectors within the financial services industry, please indicate how much you trust businesses in each of the following sectors to do what is right. 9-point scale; top 4 box, trust. Question shown to one-fifth of the sample. TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. 9-point scale; top 4 box, trust. Industries shown to half of the sample. SEC_TEC. Now thinking about the specific subsectors below, please indicate how much you trust businesses in each of the following to do what is right. 9-point scale; top 4 box, trust. Informed public and mass population, 28-mkt avg.

MORE THAN 6 IN 10 BELIEVE CRYPTOCURRENCY NEEDS MORE REGULATION

Percent who say

Cryptocurrency/
blockchain **is not
regulated enough**

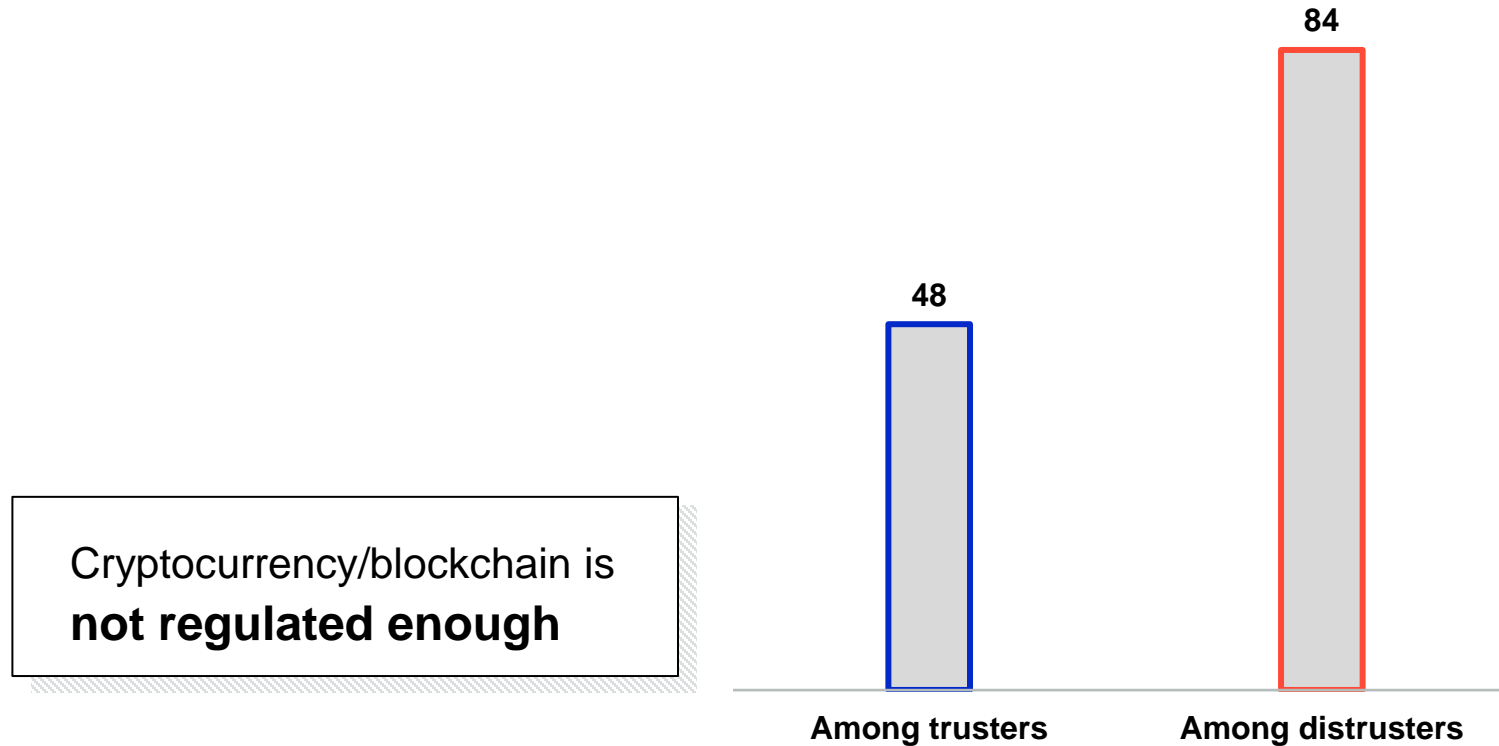
15 markets above global average in the belief that there is not enough regulation



2020 Edelman Trust Barometer. ET_CB_REG. When it comes to regulation of these new cryptocurrency and blockchain technologies, do you think they are regulated too much, not enough or the right amount? Question asked of two-fifths of the sample. General population, 28-mkt avg.

CALL FOR REGULATION HIGHER WHEN THEY DISTRUST

Percent who agree that cryptocurrency/blockchain is not regulated enough, comparing those who trust and distrust cryptocurrency/blockchain



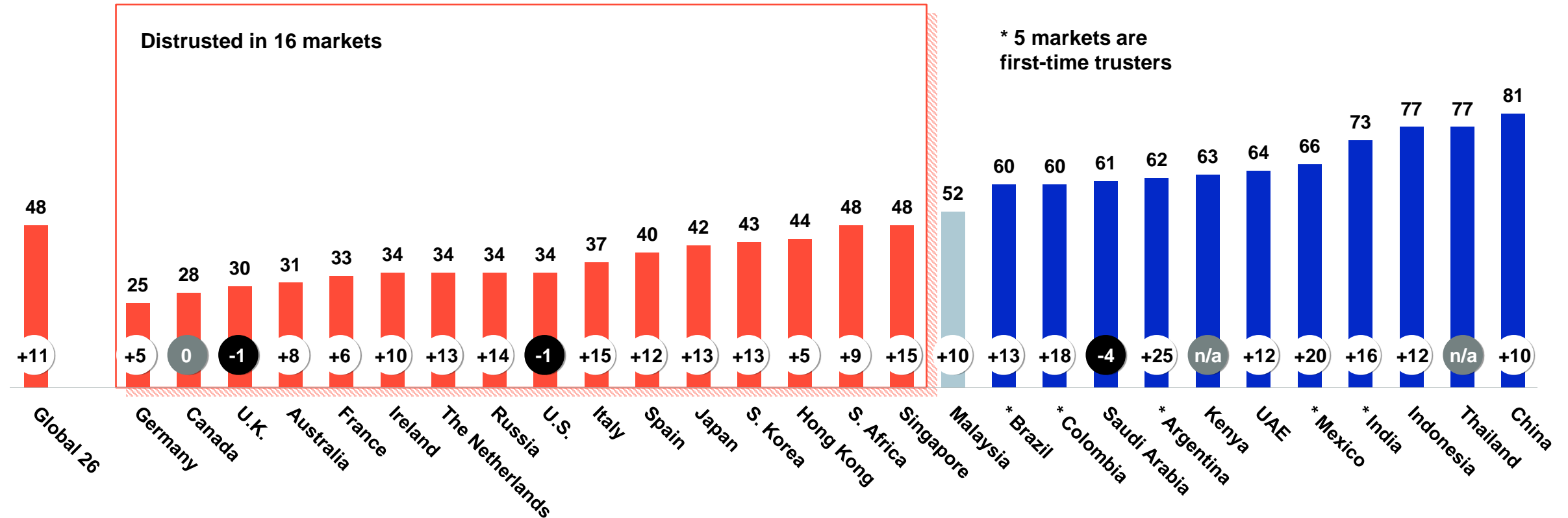
⊥

BUILDING TRUST IN CRYPTOCURRENCY

⊥

TRUST IN CRYPTOCURRENCY AND BLOCKCHAIN INCREASES IN 22 OF 26 MARKETS

Percent trust in cryptocurrency and blockchain



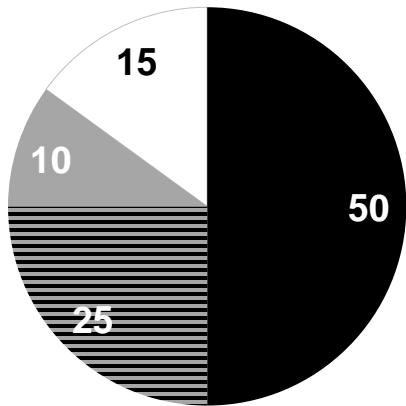
2020 Edelman Trust Barometer. SEC_TEC. Now thinking about the specific subsectors below, please indicate how much you trust businesses in each of the following to do what is right. 9-point scale; top 4 box, trust. General population, 26-mkt avg.

LOWEST BELIEF IN POSITIVE IMPACT FOR CRYPTO

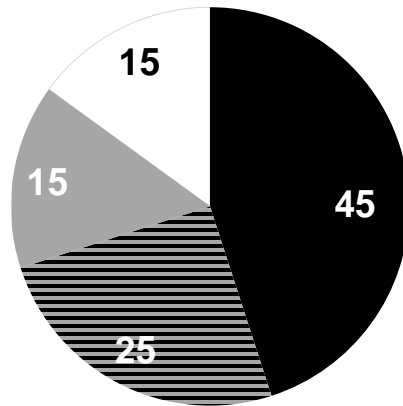
Percent who feel emerging technologies will have a positive or negative impact

Positive
 Equally positive and negative
 Negative
 No impact / don't know

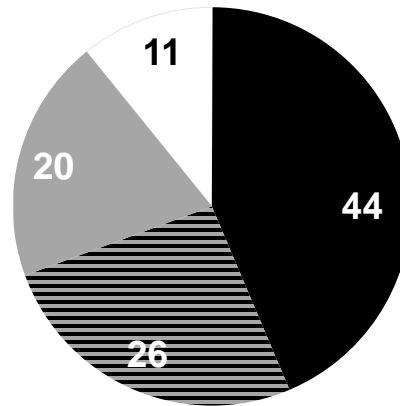
Personalized medicines/
gene mapping



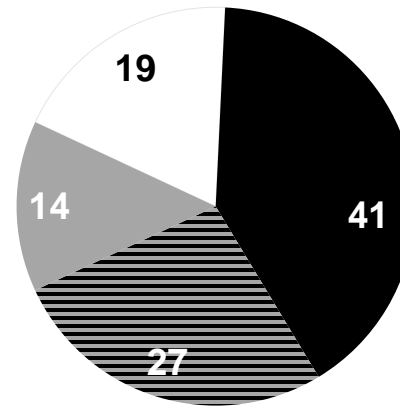
Driverless cars



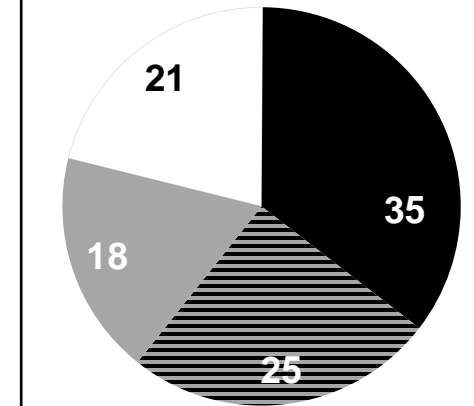
Artificial intelligence/
robotics



Cell-cultured meat/
gene editing



Cryptocurrency/
blockchain

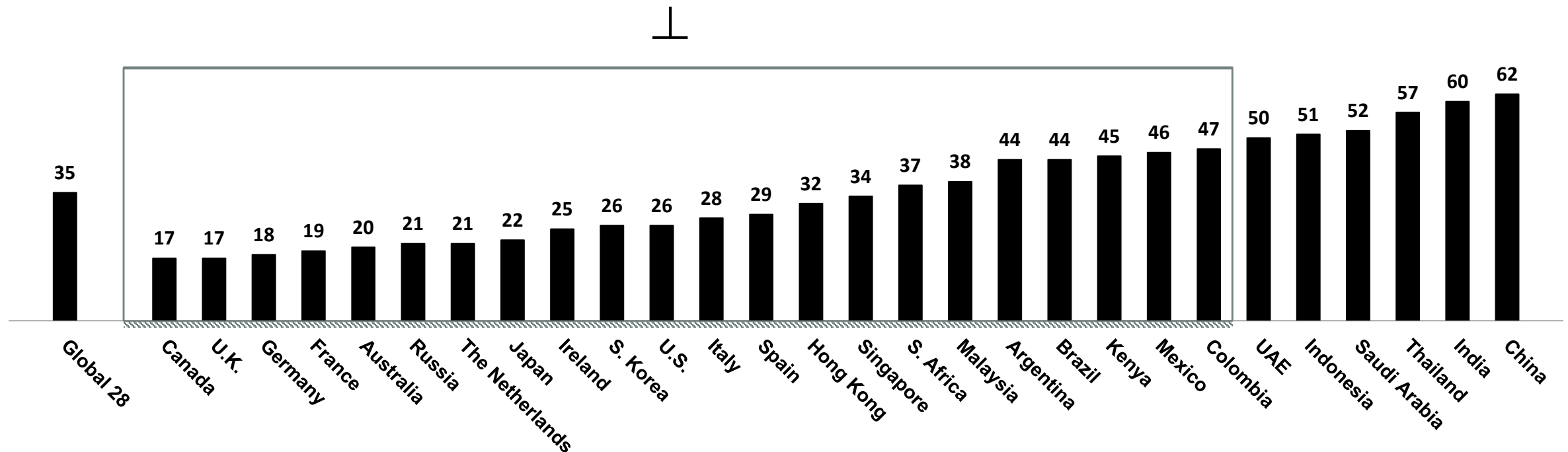


2020 Edelman Trust Barometer. ET_XX_IMP. For each of the following areas please indicate what you think the impact of [insert technology] will be using the following scale. 5-point scale; codes 4 and 5, positive; code 3, equally positive and negative; codes 1 and 2, negative; codes 88 and 99, no impact/don't know. Question asked to two-fifths of the sample. General population, 28-mkt avg. Scores are averages of all 5 attributes.

MAJORITY NOT CONVINCED OF POSITIVE IMPACT OF CRYPTO

Percent who say the impact of cryptocurrency/blockchain will be positive

18 markets in which majority unconvinced that the impact of crypto will be positive



2020 Edelman Trust Barometer. ET_CB_IMP. For each of the following areas please indicate what you think the impact of cryptocurrency will be using the following scale. 5-point scale; codes 3 and 4, positive. Question asked to two-fifths of the sample. General population, 28-mkt avg. Scores are averages of all 5 attributes.

3 IN 4 NOT FAMILIAR WITH CRYPTO

Percent who say they know nothing, a little bit, a moderate amount, or a lot about the emerging technologies

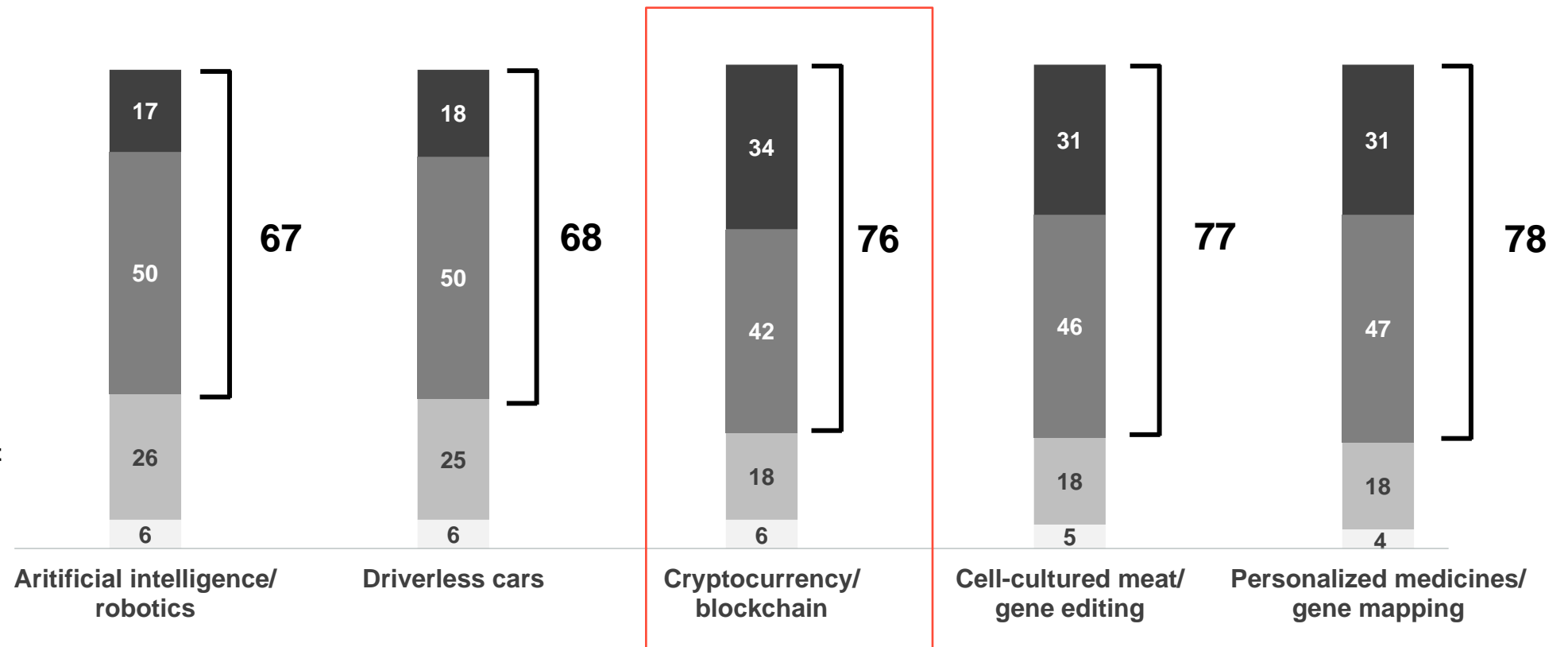
I know...

■ Nothing

■ A little

■ A moderate amount

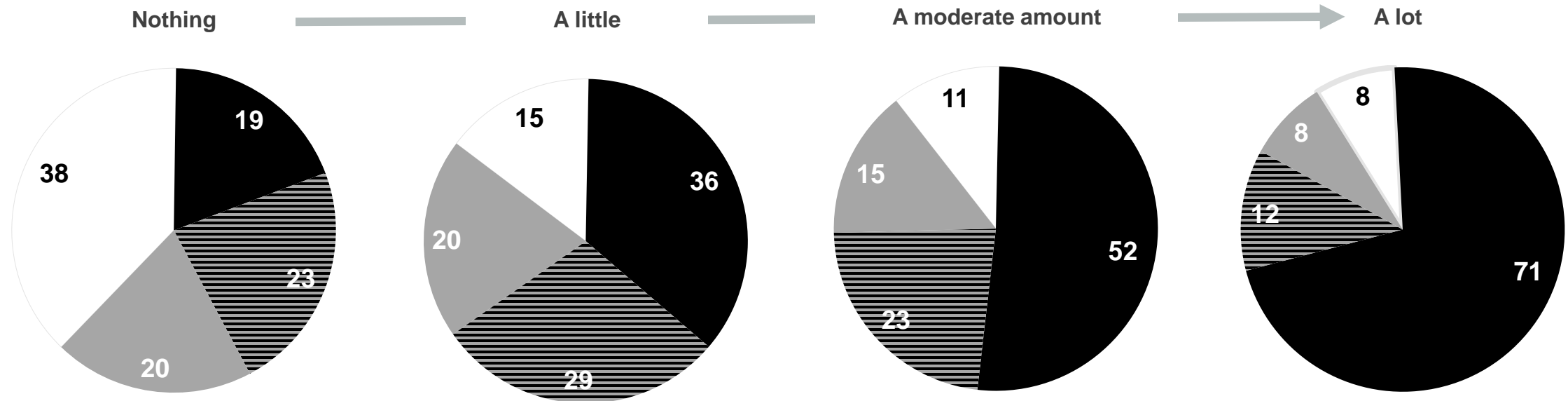
□ A lot



THE MORE THEY KNOW, THE MORE THEY SEE POTENTIAL FOR POSITIVE IMPACT

Percent who report what they think the impact of cryptocurrency/blockchain will be among levels of informed

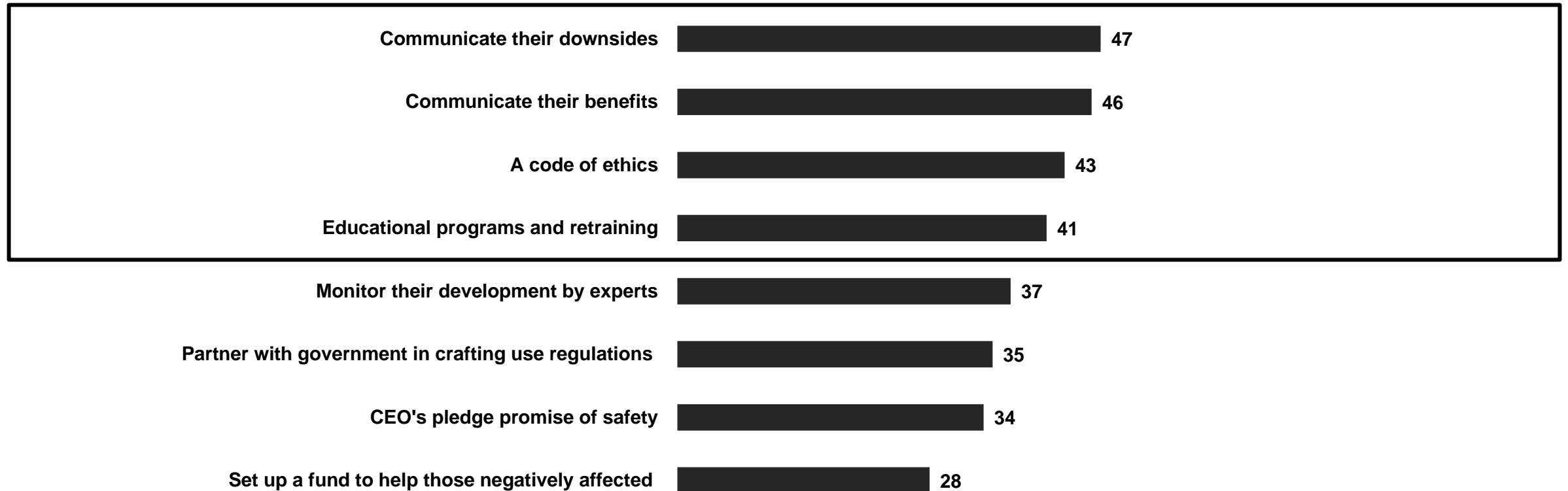
Positive
 Equally positive and negative
 Negative
 No impact / don't know



2020 Edelman Trust Barometer. ET_CB_INF. How well informed are you about cryptocurrency and blockchain technologies? ET_CB_IMP. For each of the following areas please indicate what you think the impact of cryptocurrency and blockchain technologies will be using the following scale. 5-point scale; codes 4 and 5, positive; code 3, equally positive and negative; codes 1 and 2, negative; codes 88 and 99, no impact/don't know. Question asked of two-fifths of the sample. Data is the average impact for all attributes by degree of knowledge. General population, 28-mkt avg.

IMPROVE TRUST IN CRYPTOCURRENCY/BLOCKCHAIN: COMMUNICATION, EDUCATION, AND A CODE OF ETHICS

Percent who say the following actions may act to increase trust in
cryptocurrency/blockchain



FOUR IMPERATIVES FOR BUILDING TRUST IN CRYPTOCURRENCY FOR THE FUTURE

1

Address
benefits *and*
risks of
innovation

2

Double-down
on education
and broad
awareness

3

Demonstrate
the utility *and*
positive
societal
impacts

4

Commit to an
industry code
of ethics to
build trust