Spring Update: Trust and the Covid-19 Pandemic

Financial Services

Edelman Trust Barometer 2020
2020 Edelman Trust Barometer

Spring Update: Trust and the Covid-19 Pandemic

Methodology

Online survey in 11 markets:
Canada, China, France, Germany, India, Japan, Mexico, Saudi Arabia, S. Korea, U.K. and U.S.

13,200+ respondents total

All fieldwork was conducted between April 15 and April 23, 2020

January 2020 Trust Barometer fieldwork was conducted between October 19 and November 18, 2019

General Online Population

1,200 respondents per market | Ages 18+ | All slides show general online population data unless otherwise noted

Informed Public
100 respondents in each market
Represents 19% 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 81% of total global population

11-market global data margin of error: General population +/- 0.9% (N=13,200), informed public +/- 3.0% (N=1,100), mass population +/- 1.0% (N=10,741+).

Market-specific data margin of error: General population +/- 2.8% (N=1,200), informed public +/- 9.8% (N=100), mass population +/- 2.9% to 3.7% (N=min 691, varies by market).
TRUST AT ALL-TIME HIGHS
# A RECORD RISE IN TRUST; TRUST INDEX AT ALL-TIME HIGH

**Trust Index**

11-market global average increases 6 pts., with increases in 10 of 11 markets

Distrusting markets decline from 5 to 2

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**2020 Edelman Trust Barometer Spring Update.** The Trust Index is the average percent trust in NGOs, business, government and media. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General population, 11-mkt avg.

**Change in the Trust Index, Jan 2012 – May 2020**

- **2012** 45 n/a
- **2013** 50 +5
- **2014** 48 -2
- **2015** 47 -1
- **2016** 51 +4
- **2017** 49 -2
- **2018** 49 0
- **2019** 53 +4
- **Jan 2020** 55 +2
- **May 2020** 61 +6

## January 2020 Trust Barometer

<table>
<thead>
<tr>
<th>Region</th>
<th>Trust Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global 11</td>
<td>55</td>
</tr>
<tr>
<td>China</td>
<td>82</td>
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<tr>
<td>India</td>
<td>79</td>
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<tr>
<td>Mexico</td>
<td>62</td>
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<td>Saudi Arabia</td>
<td>61</td>
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<td>Canada</td>
<td>53</td>
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<td>S. Korea</td>
<td>50</td>
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<tr>
<td>U.S.</td>
<td>47</td>
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<tr>
<td>Germany</td>
<td>46</td>
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<tr>
<td>France</td>
<td>45</td>
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<tr>
<td>Japan</td>
<td>42</td>
</tr>
<tr>
<td>U.K.</td>
<td>42</td>
</tr>
</tbody>
</table>

## May 2020 Spring Update

<table>
<thead>
<tr>
<th>Region</th>
<th>Trust Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global 11</td>
<td>61</td>
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<tr>
<td>China</td>
<td>90</td>
</tr>
<tr>
<td>India</td>
<td>80</td>
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<tr>
<td>Saudi Arabia</td>
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<td>Mexico</td>
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<td>Canada</td>
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<td>Germany</td>
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<td>U.S.</td>
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<td>U.K.</td>
<td>52</td>
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<td>France</td>
<td>49</td>
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<tr>
<td>Japan</td>
<td>40</td>
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</tbody>
</table>

Change, Jan 2020 to May 2020

<table>
<thead>
<tr>
<th>Region</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global 11</td>
<td>+6</td>
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<tr>
<td>China</td>
<td>+8</td>
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<tr>
<td>India</td>
<td>+1</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>+7</td>
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<tr>
<td>Mexico</td>
<td>+3</td>
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<tr>
<td>Canada</td>
<td>+10</td>
</tr>
<tr>
<td>S. Korea</td>
<td>+8</td>
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<tr>
<td>Germany</td>
<td>+10</td>
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<tr>
<td>U.S.</td>
<td>+6</td>
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<tr>
<td>U.K.</td>
<td>+10</td>
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<tr>
<td>France</td>
<td>+4</td>
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<tr>
<td>Japan</td>
<td>-2</td>
</tr>
</tbody>
</table>
GREATEST TRUST GAINS TO DATE FOR SECTORS ON THE FRONT LINE

Percent trust in each sector

<table>
<thead>
<tr>
<th>Jan 2020 rank</th>
<th>7th</th>
<th>5th</th>
<th>1st</th>
<th>3rd</th>
<th>8th</th>
<th>9th</th>
<th>4th</th>
<th>2nd</th>
<th>n/a</th>
<th>10th</th>
<th>6th</th>
<th>n/a</th>
<th>n/a</th>
</tr>
</thead>
<tbody>
<tr>
<td>76</td>
<td>76</td>
<td>74</td>
<td>73</td>
<td>72</td>
<td>71</td>
<td>71</td>
<td>71</td>
<td>n/a</td>
<td>n/a</td>
<td>67</td>
<td>67</td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>▲6</td>
<td>▲3</td>
<td>▼2</td>
<td>▼1</td>
<td>▲3</td>
<td>▲3</td>
<td>▼3</td>
<td>▼6</td>
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<td>n/a</td>
<td>▲1</td>
<td>▼4</td>
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<td>n/a</td>
</tr>
<tr>
<td>▲9</td>
<td>▲8</td>
<td>▼1</td>
<td>▼4</td>
<td>▼6</td>
<td>▼8</td>
<td>▼1</td>
<td>▼5</td>
<td>n/a</td>
<td>n/a</td>
<td>▲6</td>
<td>▼3</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Change in rank order

▲6 ▼2 ▲3 ▼1 ▲3 ▼3 ▼6 n/a ▲1 ▼4 ▲6 ▼3 n/a

2020 Edelman Trust Barometer Spring Update. 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. General population, 11-mkt avg. Some 2019 data was only asked of one-fifth of the sample.
INCREASED TRUST IN FINANCIAL SERVICES IN 10 OF 11 MARKETS

Percent trust in financial services

Change, Jan 2020 to May 2020

Global 11

TRUST

65

+6 pts

Change, Jan 2020 to May 2020

65

92

+11

China

Global 11

83

+3

India

68

+12

Mexico

61

+1

Canada

61

+5

S. Korea

56

+9

U.S.

55

+15

U.K.

47

-4

Germany

45

+4

Japan

2020 Edelman Trust Barometer Spring Update. 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. General population, 11-mkt avg.
TRUST GAINS FOR BANKS IN NEARLY ALL MARKETS

Percent trust in banks

Change, Jan 2020 to May 2020

Global 11

TRUST

67

+5 pts

67

Change, Jan 2020 to May 2020

+9

+11

+2

+5

+10

-3

+6

China

India

Saudi Arabia

Mexico

Canada

U.S.

S. Korea

U.K.

Germany

Japan

France

93

88

78

74

67

65

64

58

56

52

46

General population, 11-mkt avg. 2019 data was only asked of one-fifth of the sample.
LIFE INSURANCE TRUSTED IN 4 OF 11 MARKETS

Percent trust in life insurance

Global 11

90  82  70  66  57  56  53  48  48  46  44

China  India  Saudi Arabia  Mexico  U.S.  Canada  S. Korea  Japan  U.K.  Germany  France

Distrust  Neutral  Trust

2020 Edelman Trust Barometer Spring Update. 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. General population, 11-mkt avg.
TRUST IN FINANCIAL SERVICES REACHES ALL-TIME HIGH

Percent trust in the financial services sector

2020 Edelman Trust Barometer Spring Update. 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. General population, 10-mkt avg. Some 2019 data was only asked of one-fifth of the sample.
SUSTAINABLE RISE OR TRUST BUBBLE?
LARGE TRUST GAINS OFTEN QUICKLY LOST

Double-digit gains in trust, and change one year later

280 measured changes in trust, across 7 years of data for 4 institutions and 10 markets measured

17 double-digit trust gains from 2012 to 2020 (6% incidence rate)

13 of 17 followed by a trust loss one year later (76%)
SOCIETAL FEARS FURTHER STRAIN THE SYSTEM
NEITHER GOVERNMENT NOR BUSINESS KEEPING ME SAFE
Percent who rate national government and business as doing well or very well

Government Performance
Ensuring medical supplies and good treatment are available even in the poorest areas

Business Performance
Implementing safety measures to protect workers and customers

Global 10

42%

Global 11

49%

2020 Edelman Trust Barometer Spring Update. NEW_PER_NATGOV. When it comes to how it has performed thus far during the COVID-19 pandemic, how well do you believe the national government of your country is currently doing each of the following? 5-point scale; top 2 box, doing well. General population, 10-mkt avg (excluding China). NEW_PER_BUS. When it comes to how it has performed thus far during the COVID-19 pandemic, how well do you believe business in general is currently doing each of the following? 5-point scale; top 2 box, doing well. General population, 11-mkt avg. *Data on left excludes China from the results because we did not ask questions to respondents that were sensitive in nature.
FEAR OF JOB LOSS WORSENS
Percent of employees and job seekers who agree

**January 2020 Edelman Trust Barometer**
- I worry about **losing my job** due to automation, globalization, workforce restructuring or an economic downturn

80%

**May 2020 Spring Update**
- I am very concerned about **job loss due to the pandemic** and not being able to find a new job for a very long time

56%

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2020 Edelman Trust Barometer. POP_EMO. Some people say they worry about many things while others say they have few concerns. We are interested in what you worry about. Specifically, how much do you worry about each of the following? 9-point scale; top 4 box, worried. Job loss net = codes 1,2,3,4,5,23,24. General population, 11-mkt avg, among those who are employed (Q43/1).

2020 Edelman Trust Barometer Spring Update. CV1_POP. Please indicate your level of agreement with the statements below using a nine-point scale where one means "strongly disagree" and nine means "strongly agree". 9-point scale; top 4 box, agree. General population, 11-mkt avg, among those who are employed, furloughed/laid off due to the pandemic or unemployed for other reasons (Q206/1,2,8,9,10).
Percent who agree

I am very concerned about losing, or having lost my job, due to the pandemic and not being able to find a new one for a very long time

56%

All employees

Among those employed in each of the following sectors..
FINANCIAL SERVICES EMPLOYEES MOST CONCERNED ABOUT JOB LOSS DUE TO AUTOMATION

Percent who agree

I worry that the **pandemic will accelerate the rate at which companies move to replace human workers with AI and robots**

56%

Among those employed in each of the following sectors:

- **Financial services**: 69%
- **Technology**: 68%
- **Manufacturing**: 64%
- **Telecoms**: 63%
- **Education**: 53%
- **Prof. services**: 52%
- **Retail**: 52%
- **Healthcare**: 49%
- **Food and beverage**: 46%

2020 Edelman Trust Barometer Spring Update. CV1_POP. Please indicate your level of agreement with the statements below using a nine-point scale where one means “strongly disagree” and nine means “strongly agree”. 9-point scale; top 4 box, agree. General population, 11-mkt avg, among employees (Q43/1) and sector employees (Q43/1 AND Q420/1-19).
MOMENT OF RECKONING FOR BUSINESS
CEOs failing to demonstrate expected public leadership

65%

CEOs should take the lead on addressing the pandemic rather than waiting for government to impose restrictions and demands on their businesses.

Percent who say each are doing an outstanding job meeting the demands placed on them by the pandemic.

<table>
<thead>
<tr>
<th>Category</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academics/scientists</td>
<td>53</td>
</tr>
<tr>
<td>National government leader</td>
<td>47</td>
</tr>
<tr>
<td>Global health authorities</td>
<td>46</td>
</tr>
<tr>
<td>Local government leader</td>
<td>45</td>
</tr>
<tr>
<td>Heads of NGOs</td>
<td>31</td>
</tr>
<tr>
<td>Journalists</td>
<td>31</td>
</tr>
<tr>
<td>CEOs</td>
<td>29</td>
</tr>
</tbody>
</table>

CEO_AGR: Thinking about CEOs, how strongly do you agree or disagree with the following statement? 9-point scale; top 4 box, agree.

CRISIS_LEAD: The current pandemic places many demands on our leaders. Which of the leaders listed below do you believe are doing an outstanding job meeting the demands being placed upon them by this crisis? Pick all that apply. General population, 11-mkt avg. "All of the above" responses were added to each item.
BUSINESS NOT SEEN AS MEETING THE CHALLENGE WITH EXPECTED LEVEL OF COMPETENCE

Percent who say business is performing well or very well on each

Ensuring the **products and services that people need most are readily available and easily accessible**

Protecting essential **employees** whose jobs require them to work outside of their home thereby increasing their risk of exposure to the virus

Preparing for the eventual **recovery** and figuring how to return things to normal as quickly as possible

<table>
<thead>
<tr>
<th></th>
<th>Doing this well or very well</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensuring</td>
<td>47%</td>
</tr>
<tr>
<td>Protecting</td>
<td>44%</td>
</tr>
<tr>
<td>Preparing</td>
<td>42%</td>
</tr>
</tbody>
</table>

2020 Edelman Trust Barometer Spring Update. NEW_PER_BUS. When it comes to how it has performed thus far during the COVID-19 pandemic, how well do you believe business in general is currently doing each of the following? 5-point scale; top 2 box, doing well. General population, 11-mkt avg.
<table>
<thead>
<tr>
<th><strong>Putting people before profits</strong></th>
<th><strong>Protecting their employee’s financial wellbeing and safeguarding their jobs</strong></th>
<th><strong>Helping their smaller suppliers and business customers stay in business by extending them credit or giving them more time to pay</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>38%</td>
<td>39%</td>
<td>38%</td>
</tr>
</tbody>
</table>

Percent who say business is performing well or very well on each point.
HIGHEST LEVELS OF EMPLOYER TRUST AMONG FINANCIAL SERVICES EMPLOYEES

Percent trust in my employer among sectors employees

Among those employed in each of the following sectors:

- **Global 11**: 76
  - Change, Jan 2020 to May 2020: 0 pts
  - Financial services: 84
  - Technology: 82
  - Manufacturing: 79
  - Healthcare: 78
  - Profi. services: 78
  - Education: 76
  - Telecomms: 76
  - Food and beverage: 75
  - Retail: 68

2020 Edelman Trust Barometer Spring Update. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General population, 11-mkt avg, among employees (Q43/1) and sector employees (Q43/1 AND Q420/1-19).
FINANCIAL SERVICES CEOS FAILING TO MEET PANDEMIC DEMANDS

Percent of employees who say

My CEO did an outstanding job meeting the demands placed on them by the pandemic

31%

All employees

Among those employed in each of the following sectors:

- Technology: 39%
- Prof. services: 38%
- Financial services: 36%
- Retail: 33%
- Manufacturing: 31%
- Telecomms: 30%
- Education: 29%
- Food and beverage: 29%
- Healthcare: 29%

2020 Edelman Trust Barometer Spring Update. CRISIS_LEAD. The current pandemic places many demands on our leaders. Which of the leaders listed below do you believe are doing an outstanding job meeting the demands being placed upon them by this crisis? Pick all that apply. Attribute asked of those that are an employee (Q43/1). General population, 11-mkt avg, among employees (Q43/1) and sector employees (Q43/1 AND Q420/1-19).
TOWARDS A NEW NORMAL
FINANCIAL SERVICES
EMPLOYEES WANT TO JOIN THE FIGHT

Which best describes how you want your employer to respond to the pandemic?

Every employer should become involved in some way in helping those who are suffering or risking their lives because of the pandemic.

Employers should ensure their organization survives even if it means not helping those who are suffering or risking their lives because of the pandemic.

All employees
65%

Education
70% 30%

Financial services
67% 33%

Food and beverage
67% 33%

Healthcare
65% 35%

Retail
65% 35%

Technology
65% 35%

Profl. services
63% 37%

Telecomms
63% 37%

Manufacturing
56% 44%

2020 Edelman Trust Barometer Spring Update. EMP_CHOICE.
You are about to see a series of two choices. For each pair, we want you to select the one that best describes how you believe employers should act in response to the pandemic. General population, 11-mkt avg, among employees (Q43/1) and sector employees (Q43/1 AND Q420/1-19).
TO INCREASE TRUST, BUSINESS MUST JOIN THE FIGHT AGAINST THE PANDEMIC

Percent who indicate that the below actions will maintain or increase their trust in business

<table>
<thead>
<tr>
<th>Action</th>
<th>Maintain</th>
<th>Increase</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donate needed equipment to hospitals, healthcare facilities, and educators</td>
<td>28</td>
<td>39</td>
<td>67</td>
</tr>
<tr>
<td>Collaborate with competitors for faster development of more effective responses to the pandemic</td>
<td>32</td>
<td>33</td>
<td>65</td>
</tr>
<tr>
<td>Switching production from what they currently make to things like masks, respirators, disinfectant and other things in short supply due to the pandemic</td>
<td>29</td>
<td>33</td>
<td>62</td>
</tr>
<tr>
<td>Redefine the company’s purpose and goals around the mission of fighting this pandemic</td>
<td>31</td>
<td>26</td>
<td>57</td>
</tr>
</tbody>
</table>

Urgent call for business to tap its core purpose and focus on solutions, not selling

2020 Edelman Trust Barometer Spring Update. BUS_TRST. If a company or business were to do each of the following, how would it impact your trust? 4-point scale; code 1, increase my trust; code 2, maintain my trust. General population, 11-mkt avg.
BUSINESS MUST PARTNER WITH GOVERNMENT FOR RESPONSIBLE RETURN TO WORK

Percent who say each should lead in making the return to work decision:

- Health authorities: 32%
- National government: 27%
- State/local government: 16%
- CEOs and senior managers: 11%
- Workers themselves: 7%

Which best describes how you want CEOs to respond to the pandemic?

**CEOs should be conservative** in getting back to normal operations, even if it means waiting to bring people back to work until the virus has been brought under control.

**CEOs should be aggressive** in getting back to normal operations even if it means bringing people back to work sooner than health officials recommend.

75% 25%
PRIORITIZE HEALTH AND SAFETY

Which do you agree with more?

The government’s highest priority should be saving as many lives as possible, even if it means the economy will sustain more damage and recover more slowly.

OR

It is becoming more important for the government to save jobs and restart the economy than to take every precaution possible to keep people safe from the virus.

Global 11

<table>
<thead>
<tr>
<th>Country</th>
<th>Agreeing with saving lives</th>
<th>Agreeing with restarting economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>76</td>
<td>24</td>
</tr>
<tr>
<td>Canada</td>
<td>73</td>
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<tr>
<td>U.K.</td>
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<td>France</td>
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<td>Germany</td>
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<td>U.S.</td>
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<td>India</td>
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<td>S. Korea</td>
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<tr>
<td>Saudi Arabia</td>
<td>63</td>
<td>37</td>
</tr>
<tr>
<td>China</td>
<td>56</td>
<td>44</td>
</tr>
</tbody>
</table>

2020 Edelman Trust Barometer Spring Update. GOV CHOICE. You are about to see a series of two choices. For each pair, we want you to choose the one that you agree with more. General population, 11-mkt avg.
GOVERNMENT MUST
BUILD A MORE RESILIENT SYSTEM FOR THE FUTURE

Percent who indicate that the below actions will maintain or increase their trust in government

![Bar chart showing the percent of people who would maintain or increase their trust in government if certain actions were taken.]

- **Ensure that medical supplies are made in this country** so that we will never need to rely on other countries in a crisis:
  - Maintain: 29%
  - Increase: 36%
  - Total: 65%

- **Increase spending on healthcare** and healthcare services:
  - Maintain: 30%
  - Increase: 33%
  - Total: 63%

- **Require health screenings for anyone to enter the country** even after the pandemic is over:
  - Maintain: 28%
  - Increase: 30%
  - Total: 58%

- **Restrict immigration and international travel** even after the pandemic is over:
  - Maintain: 25%
  - Increase: 23%
  - Total: 48%

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**2020 Edelman Trust Barometer Spring Update.** GOV_TRST. If the government were to do each of the following, how would it impact your trust? 4-point scale; code 1, increase my trust; code 2, maintain my trust. General population, 11-mkt avg.
SUSTAINABLE INCREASE IN TRUST OR TRUST BUBBLE?

January 2020 placement of institutions based on the 2020 Edelman Trust Barometer analysis of net ethical and competence scores for each dimension. For full details regarding how these scores were calculated and plotted, please see the Technical Appendix of the January 2020 Edelman Trust Barometer report. May 2020 performance based on analysis of the average net scores for NEW_PER_[INSTITUTION] in the 2020 Edelman Trust Barometer Spring Update. NEW_PER_[INSTITUTION]. When it comes to how it has performed thus far during the COVID-19 pandemic, how well do you believe [insert institution] is currently doing each of the following? General population, 11-mkt avg. *May 2020 data for “government” is based on a 10-mkt avg that excludes China. For a full explanation of the analysis done, please refer to the Technical Appendix.
A MOMENT OF RECKONING

1. Tangible action needed to preserve trust for the long term
2. Business and government must collaborate on solutions
3. Business must live up to its multi-stakeholder promise
4. CEOs must demonstrate public leadership
5. The return to work is the test for trust