CONNECTED CRISIS

2021 Study
France
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about the study

Edelman DXI conducted primary research among business executives, in order to understand their views on the shifting landscape when it comes to crisis management.

Purpose of the research
Understanding executives’ level of preparedness to crises, and the tools and platforms they use in response to crisis

Audience
100 x crisis management / business continuity executives per market – all individuals have a decision-making role for their organisation when it comes to crisis management. We ensure a mix of industries within the sample.

Markets
The study was conducted across 9 markets. The results presented here are specific to France. Canada, China, France, Germany, Saudi Arabia, Singapore, South Africa, UK, USA

Fieldwork
• The fieldwork for this 15-minute online survey was conducted between 7th July 2021 and 16th July 2021.
• A mix of company sizes have been surveyed – based on number of employees, as well as annual turnover – and industries on a global level.
• Statistical significance has been tested on 95% confidence level.
A WORLD OF CRISIS
PANDEMIC EFFECTS RIPPLE ACROSS BUSINESSES

SOCIAL MOVEMENTS LEAD TO A RECKONING FOR BUSINESS

CLIMATE CHANGE DRIVING BUSINESS EVOLUTION

CYBER ATTACKS EVOLVING AND INCREASING
Executives have faced, on average, three different types of crises over the past 3 years, from cybersecurity and cybercrime issues through to digital attacks and product failures.
NEW CRISIS DYNAMICS ARE DISRUPTING BUSINESSES

The pervasive impact of digital channels has changed the way issues are formed, spread and sustained.

**ACTIVISM IS EVERYWHERE**
6 in 10 executives (62%) say that recent social, diversity and inclusion activism is making crisis more difficult to manage.
74% global average

**SYSTEMIC ISSUES RIPPLE THROUGH ECOSYSTEMS**
6 in 10 (60%) executives say that crisis situations increasingly put their whole business at risk.
68% global average

**WEAPONIZATION OF CRISIS**
2 in 3 executives (67%) say misinformation and disinformation issues pose an increasing threat to companies.
75% global average

**RISE OF THE “MEGA CRISIS”**
2 in 3 (67%) executives say the digital-first landscape (i.e. use of social media and digital channels) is making issues and crises more difficult to manage.
75% global average

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Edelman 2021 Edelman Connected Crisis Study. Q19. To what extent do you agree or disagree with the following statements? ‘Recent social, diversity and inclusion activism is making crisis more difficult to manage’. Top 3. Base size: All respondents – 100 in France. // Q21. Thinking about misinformation and disinformation risks specifically, to what extent do you agree or disagree with the following statements? ‘Misinformation and disinformation issues pose an increasing threat to companies’. Top 3. Base size: All respondents – 100 in France.
72% OF EXECUTIVES BELIEVE THAT, IN A WORLD WHERE EVERYTHING IS CONNECTED, IT HAS NEVER BEEN MORE IMPORTANT TO BUILD CORPORATE AND BRAND RESILIENCE

80% GLOBAL AVERAGE

Edelman 2021 Edelman Connected Crisis Study. Q19. To what extent do you agree or disagree with the following statements? In a world where everything is connected, it has never been more important to build corporate and brand resilience. Top 3. Base size: All respondents = 100 in France.
CRISIS ARE MULTIFACETED, AND DIVERSE

Financial, legal and regulatory issues are most common in France

Includes consumer, employee and shareholder activism

Executives in France are less likely to say they will face misinformation or viral social media conversation issues.

<table>
<thead>
<tr>
<th>Crisis Type</th>
<th>Percentage (France)</th>
<th>Percentage (Global)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial, legal &amp; regulatory issues</td>
<td>31%</td>
<td>33%</td>
</tr>
<tr>
<td>Cybersecurity and cybercrime</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td>Labour issues and leadership changes</td>
<td>28%</td>
<td>35%</td>
</tr>
<tr>
<td>Product and supply chain issues</td>
<td>24%</td>
<td>35%</td>
</tr>
<tr>
<td>Activism against the company</td>
<td>23%</td>
<td>29%</td>
</tr>
<tr>
<td>Misconduct</td>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td>Online / Social media /Digital attacks</td>
<td>21%</td>
<td>21%</td>
</tr>
<tr>
<td>Technology failures</td>
<td>20%</td>
<td>30%</td>
</tr>
<tr>
<td>Geopolitical and humanitarian issues</td>
<td>19%</td>
<td>22%</td>
</tr>
<tr>
<td>Diversity and inclusion</td>
<td>14%</td>
<td>12%</td>
</tr>
<tr>
<td>Misinformation / disinformation issues</td>
<td>6%</td>
<td>16%</td>
</tr>
<tr>
<td>Viral social media conversation</td>
<td>6%</td>
<td>15%</td>
</tr>
<tr>
<td>Environmental issues</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>Terrorism</td>
<td>5%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Financial, legal and regulatory issues are most common in France. Executives in France are less likely to say they will face misinformation or viral social media conversation issues.

Edelman 2021 Edelman Connected Crisis Study. Q2. Which of the following types of crises has your company faced in the past 3 years? Base size: All respondents – 100 in France. Figures in blue are significantly higher / lower than the average and figures in purple are significantly lower than the average (95% confidence interval).
LIKELIHOOD OF FACING A CRISIS IS INCREASING

% who have said their company has faced this issue in the past, and is likely to face each of the following issues in the next 3 years
- has faced this issue in the past 3 years
- is likely to face this issue in the next 3 years

Activism against the company (including employee, shareholder and customer)
- 23% has faced this issue in the past 3 years
- 87% is likely to face this issue in the next 3 years

Digital issues (including cybercrime and cybersecurity, viral social media conversation, online / social media or digital attacks)
- 53% has faced this issue in the past 3 years
- 79% is likely to face this issue in the next 3 years

Diversity & inclusion related issues
- 14% has faced this issue in the past 3 years
- 71% is likely to face this issue in the next 3 years

Product & supply chain issues (including product failure, quality or integrity issues or supply chain issues and disruption)
- 24% has faced this issue in the past 3 years
- 58% is likely to face this issue in the next 3 years

Environmental issues (including natural disasters)
- 5% has faced this issue in the past 3 years
- 40% is likely to face this issue in the next 3 years

Activism and digital issues are the most anticipated issues.

Edelman 2021 Edelman Connected Crisis Study. Q2. Which of the following types of crises has your company faced in the past 3 years? Base size: All respondents – 100 in France. // Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size: All respondents – 100 in France.
FREQUENT AND DISRUPTIVE IS THE NEW NORM.

% who say their company is likely to face the following issue over the next 3 years...

Frequent and disruptive is the new norm.

Anticipation for activism issues is higher than average across employees, consumers and shareholders alike in France.

Employee activism against the company
82% (62% global average)

Consumer activism against the company
75% (63% global average)

Shareholder activism against the company
75% (62% global average)

Diversity and inclusion issues
71% (51% global average)

Online / social media / digital attacks
57% (54% global average)

Cybersecurity and cybercrime
52% (62% global average)

Viral social media issues
50% (59% global average)

Misinformation / disinformation issues
50% (57% global average)

Technology failures
40% (52% global average)

Misinformation / disinformation issues
57% global average

Frequent and disruptive is the new norm.

Edelman 2021 Edelman Connected Crisis Study. Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size = All respondents – 100 in France. Figures in light blue are significantly higher / figures in grey are slightly lower than the global average (95% confidence).
<table>
<thead>
<tr>
<th>Crisis Event</th>
<th>% Very Well Prepared</th>
<th>% Well Prepared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal / regulatory issues</td>
<td>48%</td>
<td>22%</td>
</tr>
<tr>
<td>Leadership changes</td>
<td>47%</td>
<td>22%</td>
</tr>
<tr>
<td>Financial / liquidity issues</td>
<td>47%</td>
<td>31%</td>
</tr>
<tr>
<td>Product failure, quality or integrity issues</td>
<td>43%</td>
<td>26%</td>
</tr>
<tr>
<td>Technology failures</td>
<td>43%</td>
<td>22%</td>
</tr>
<tr>
<td>Supply chain issues or disruption</td>
<td>43%</td>
<td>22%</td>
</tr>
<tr>
<td>Labour issues</td>
<td>42%</td>
<td>28%</td>
</tr>
<tr>
<td>Diversity and inclusion issues</td>
<td>41%</td>
<td>24%</td>
</tr>
<tr>
<td>Consumer activism (against our company)</td>
<td>40%</td>
<td>21%</td>
</tr>
<tr>
<td>Shareholder activism (against our company)</td>
<td>39%</td>
<td>21%</td>
</tr>
<tr>
<td>Global health pandemic</td>
<td>38%</td>
<td>19%</td>
</tr>
<tr>
<td>Cybersecurity and cybercrime</td>
<td>38%</td>
<td>18%</td>
</tr>
<tr>
<td>Misinformation / disinformation issues</td>
<td>38%</td>
<td>19%</td>
</tr>
<tr>
<td>Workplace misconduct</td>
<td>37%</td>
<td>19%</td>
</tr>
<tr>
<td>Humanitarian issues</td>
<td>37%</td>
<td>19%</td>
</tr>
<tr>
<td>Online / social media / digital attacks</td>
<td>37%</td>
<td>15%</td>
</tr>
<tr>
<td>Geopolitical disruption</td>
<td>37%</td>
<td>20%</td>
</tr>
<tr>
<td>Viral social media conversation</td>
<td>37%</td>
<td>20%</td>
</tr>
<tr>
<td>Employee activism (against our company)</td>
<td>36%</td>
<td>20%</td>
</tr>
<tr>
<td>Ethical misconduct or corruption</td>
<td>35%</td>
<td>23%</td>
</tr>
<tr>
<td>Natural disasters</td>
<td>35%</td>
<td>18%</td>
</tr>
<tr>
<td>Terrorism</td>
<td>33%</td>
<td>16%</td>
</tr>
</tbody>
</table>

% who have said their company is well prepared / very well prepared to manage each of the following crises
- Very well prepared + Well prepared
- Very well prepared
- Well prepared

Companies are not prepared.

Less than 1 in 2 executives believe their company is well prepared to handle crises on a timely basis.

Activism against companies is one of the most anticipated issues moving forward, yet only 4 in 10 are prepared to handle these.

Edelman 2021 Edelman Connected Crisis Study. Q8. To what extent do you agree or disagree with the following statements about your company’s preparedness to crisis? Top 2. Base size: All respondents – 100 in France. // Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years. Top 3. Base size: All respondents – 100 in France. // Q7. And now, thinking about the potential issues that could affect your company, how well prepared do you feel your company is to handle them should they arise. Top 2. Base size: All respondents – 100 in France
PREPARING FOR ACTIVISM
Activism is on the rise

% who say their company is likely to face the following issue over the next 3 years...

- **Employee activism against the company**: 82% (62% global average)
- **Consumer activism against the company**: 75% (63% global average)
- **Shareholder activism against the company**: 75% (62% global average)

Edelman 2021 Edelman Connected Crisis Study. Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. All respondents = 100 in France.
EXECUTIVES RECOGNIZE THE IMPACT ACTIVISM CAN HAVE

Activism impacts both reputation and operations.

- 62% agree activism may have a high impact on business reputation and operations (53% global average)
- 56% “I am concerned employee / consumer activism can have a ripple effect across my company” (69% global average)
- But only 4 in 10 executives say they are well prepared to handle activism-led crises

Edelman 2021 Edelman Connected Crisis Study. Q22. Thinking about consumer activism now, to what extent do you agree or disagree with the following statements? By consumer activism, we mean the actions taken by customers and consumers to speak out for or against brands on controversial issues that impact society. Top 3. Base size: All respondents – 100 in France. // Q5. How much impact on your business reputation do you think the following issues might have on your company over the next 3 years should they arise? High impact: Top 3. Base size: All respondents – 100 in France. // Q6. How much impact on your business operations do you think the following issues might have on your company over the next 3 years if there were to arise? High impact - Top 3. Base size: All respondents – 100 in France.
EXPECTATIONS OF BUSINESS TO ADDRESS SOCIETAL ISSUES

This pressure arises both internally and externally, presenting an additional challenge in response to crisis.

64%
“My company is facing external pressure to be more vocal about key societal issues”
68% global average

66%
“My company is facing internal pressure to be more vocal about key societal issues”
68% global average

Edelman 2021 Edelman Connected Crisis Study. Q20. Thinking about employee activism, to what extent do you agree or disagree with the following statements? By employee activism, we mean the actions taken by workers to speak out for or against their employers on controversial issues that impact society. Top 3. Base size: All respondents = 100 in France. // Q22. Thinking about consumer activism now, to what extent do you agree or disagree with the following statements? By consumer activism, we mean the actions taken by customers and consumers to speak out for or against brands on controversial issues that impact society. Top 3. Base size: All respondents = 100 in France.
INTERNAL PRESSURE IS ON THE RISE

Employees are prepared to support or criticize their employer.

67%
“My company has seen a rise in employee activism over the past 3 years”
68% global average

65%
“Employee activism poses a growing threat to the reputation of my company”
67% global average

70%
Advocates
“Employees within my company have spoken up to take a stance on societal issues, supporting our company’s approach”
71% global average

64%
Detractors
“Employees within my company have spoken up to take a stance on societal issues, criticizing our company’s approach”
68% global average

Percent who say employees in their company have spoken in favour, or against, their efforts

Edelman 2021 Edelman Connected Crisis Study. Q20. Thinking about employee activism, to what extent do you agree or disagree with the following statements? By employee activism, we mean the actions taken by workers to speak out for or against their employers on controversial issues that impact society. Top 3. Base size: All respondents – 100 in France.
RESPONSE TO STAKEHOLDER EXPECTATIONS STILL NEEDS TO IMPROVE

1 in 2 executives do not feel their company is well equipped to respond to consumer, customer or employee expectations.

- **Social initiatives** (e.g., diversity and inclusion)
  - 40% agree
  - 51% disagree

- **Environmental initiatives** (e.g., climate change)
  - 47% agree
  - 42% disagree

- **Purpose initiatives** (i.e., doing good for society)
  - 44% agree
  - 41% disagree

Edelman 2021 Edelman Connected Crisis Study. Q22. Thinking about consumer activism now, to what extent do you agree or disagree with the following statements? By consumer activism, we mean the actions taken by customers and consumers to speak out for or against brands on controversial issues that impact society. Top 2. Base size: All respondents – 100 in France. // Q20. Thinking about employee activism, to what extent do you agree or disagree with the following statements? By employee activism, we mean the actions taken by workers to speak out for or against their employers on controversial issues that impact society. Top 2. Base size: All respondents – 100 in France.
ADAPTING TO THE DIGITAL LANDSCAPE
THE DIGITAL-FIRST LANDSCAPE POSES KEY CHALLENGES IN MANAGING CRISSES

67% “The digital-first landscape (i.e., use of social media and digital channels) is making issues and crises more difficult to manage”

75% global average

67% of executives say that the speed of social media activity has changed the way they can manage crises

79% global average

65% of executives say that the speed of social media activity worries them in their response to crisis

74% global average

Only 1 in 3 executives agree that their company is well prepared for the need to respond quickly across communications channels in its crisis preparedness plans (search, media buying, media relations, employee channels, etc.)
EXECUTIVES EXPECT TO FACE DIGITALLY-ROOTED ISSUES

But only 1 in 5 executives consider that their company can anticipate and handle them.

79% said their company is likely to face digital issues in the next 3 years

18% “Thinking about digital crisis management, my company’s ability to anticipate and identify risks today is very good”

19% “Thinking about digital crisis management, my company’s ability to handle crises when they arise today is very good”

Edelman 2021 Edelman Connected Crisis Study. Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size: All respondents – 100 in France. // Q18. Overall, how you would you rate your company’s ability to do the below? Top 2. Base size: All respondents – 100 in France.
AND WHILE THE MAJORITY REALIZE THE NEED TO INTEGRATE DIGITAL RESPONSE TACTICS, FEW ARE EQUIPPED TO DO SO

68% of executives say that communicating through press releases and scripted responses is no longer enough in responding to crisis

77% global average

But at best

1 in 5 are always prepared to use other channels in their response

Assets used in response to a crisis
- Recognizes this as a useful channel or asset
- Always prepared to use these channels or assets when facing a crisis

<table>
<thead>
<tr>
<th>Channel</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use social media assets</td>
<td>23%</td>
</tr>
<tr>
<td>Cascade CEO/leadership communications externally</td>
<td>21%</td>
</tr>
<tr>
<td>Search engine optimization (SEO)</td>
<td>20%</td>
</tr>
<tr>
<td>Community management procedures</td>
<td>20%</td>
</tr>
<tr>
<td>Cascade CEO/leadership communications internally</td>
<td>18%</td>
</tr>
<tr>
<td>Enable website crisis features</td>
<td>17%</td>
</tr>
<tr>
<td>Search engine marketing (SEM)</td>
<td>15%</td>
</tr>
<tr>
<td>Use dark sites</td>
<td>14%</td>
</tr>
</tbody>
</table>
All sources of data are under-utilized in Saudi Arabia, despite executives recognising their value.

At best, only 1 in 3 executives are consistently prepared to use data sources other than monitoring.

Edelman 2021 Edelman Connected Crisis Study. Q12. Now, please think of your current crisis management procedures. To what extent would you say your company uses the following data or inputs in crisis response plans? ‘My company always uses this data in our crisis response plan’. Base size: All respondents – 100 in France. // Q13. And how useful are or would be each of the following in helping your company’s crisis management? NET Useful: Extremely useful & very useful. Base size: All respondents – 100 in France.
Integration remains a work in progress

44% say different organizational functions across the company are involved in designing crisis preparation plans (e.g., marketing, HR, employee communications, legal).

And few say their companies are effectively integrating across teams.

At best, only 1 in 10 executives say they are very effective in involving different organizational functions in the response to crises.
KEY TAKEAWAYS
The new crisis landscape
New crisis types and dynamics, fueled by cultural and technological shifts driven by digital platforms, are increasingly disrupting businesses.

A gap in preparedness
There are significant gaps between the importance placed by executives on many evolving aspects of crises, and the preparedness of companies to adapt.

Activism on the rise
Activism is on the rise, across consumers, shareholders and employees, and many executives do not feel equipped to respond.

Worried about digital and data
Executives expect to increasingly face challenges rooted in digital, but few believe that their company can navigate them.
THE PATH FORWARD

A new approach to crisis management is needed.

1. **Re-assess risk for today’s landscape**
   
   Organizations need to reassess their risk landscape if they are to prepare for new threats driven by the emergence and growth of new crisis types and dynamics.

2. **Enable action on social issues**
   
   Leaders must apply a consistent decision-making framework to determine when and how to take a stand on societal issues.

3. **Place Employees at the center**
   
   Executives must consider employees as a primary audience given the systemic impact of crises and as employee activism rises.

4. **Re-examine digital and data integration**
   
   Companies must ensure digital and data are deeply integrated from crisis planning onwards, and shift from a media-first to a stakeholder-first mindset.
EDELMAN IS UNIQUELY PREPARED TO HELP YOU NAVIGATE THE CONNECTED CRISIS LANDSCAPE.

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THE TRADITIONAL WAY OF MANAGING CRISIS IS OBSOLETE.

Traditional crisis communications can’t compete with today’s crisis landscape or keep pace with the dynamics of a digital world.

A new approach is needed. One that is data-fueled, rooted in trust, connected to culture and integrated across business functions.
CONNECTED CRISIS: CRISIS MANAGEMENT FOR A DIGITAL-FIRST WORLD

Edelman’s Connected Crisis approach is purpose-built to operate in today’s crisis landscape.

ROOTED IN TRUST

When companies fail to adapt to today’s crisis landscape, the effects of lost trust can be deep, long-lasting and holistic across the company’s operations.

CONNECTED TO CULTURE

Activism is on the rise, both internally and externally. Social and societal movements cannot be ignored, with executives feeling the pressure of increased expectations.

DATA-DRIVEN

Executives recognize the importance of data in crisis response, but it is still significantly under-utilized.

DIGITALLY-INTEGRATED

Three quarters of executives say that the digital-first landscape is making issues and crises more difficult to manage.

Edelman has studied the dynamics of Trust for over 21 years. We work with clients to build, protect and repair Trust – it is the very core of Edelman.

Edelman

We bring deep real-time connection to culture, understanding of its impact on the crisis landscape and the ability to drive and navigate news cycles at the speed of culture.

Edelman

Our data-driven approach, AI-powered tools and behavioral science expertise let us understand your issues, your audiences, their agendas and how to reach them in ways never before possible.

Edelman

Our 25-year history in the digital space gives us a rich understanding of how stakeholders consume and engage in digital and social media, and how to apply digital strategy to mitigate the impact of a crisis.