

PROTECT
WOMEN'S
RIGHTS

CONNECTED CRISIS

2022 Study | *In search of stability amidst chaos*



Edelman

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2022 EDELMAN CONNECTED CRISIS STUDY

Edelman DXI conducted research among CMOs, CCOs, crisis professionals and the general population more widely in order to understand their expectations of businesses in times of crisis, and their views on the shifting landscape when it comes to crisis management.

6

Markets

Canada, China, Germany,
Japan, UK, USA

300+

**Chief marketing officers /
Chief communications
officers**

50 per market

300+

**Crisis communications
executives**

50 per market

7,000+

**General population
respondents**

1,000+ respondents per
market

Fieldwork

- The fieldwork was conducted between 15 August 2022 and 2 September 2022.
- Data collected for the general population is representative of age, gender and regions within each market. Gen Z defined as ages 18-26. Millennials defined as ages 27-41. Gen X defined at ages 42-55 at the time of the study.
- Statistical significance has been tested on 95% confidence level.



“

Managing crisis is no longer just the domain of corporate communicators. Today's landscape requires the whole business to commit to creating a culture of resilience.

Hugh Taggart
Global Crisis Chair
Edelman

”



TUMULTUOUS CRISIS LANDSCAPE MEANS BUSINESSES MUST ADAPT THEIR PLAYBOOKS

1

Crisis management is the fastest-growing area of responsibility for CCOs and CMOs.

Crises are an always-on part of today's business landscape. The nature of these crises continues to shift, occupying more stakeholders, and keeping businesses off-balance. Executives say they don't have the right skillsets in their teams to navigate this landscape.

2

Labor issues present the next wave of crisis.

Job losses, re-structuring, employee strikes and union activism are the next big concerns for businesses.

3

Companies continue to underestimate the expectation to engage on societal issues.

There is a clear gap between expectations of stakeholders and businesses to respond to external events. The complexity of decision making around these issues only compounds this tension and presents a growing risk for companies.

4

Behaviors and expectations of Gen Z are changing the crisis game.

Gen Z agility across digital platforms and their expectations around transparency, societal issues and how businesses approach crises are creating new risks for executives who don't adapt.

5

Businesses are missing the mark on how to protect Trust in times of crisis.

In times of crisis, business must act with ruthless honesty and demonstrate their willingness to act on their commitments. Those who don't will lose loyalty and custom.



CRISIS TODAY: CHANGING THE ROLE OF CMOS & CCOS

CRISIS MANAGEMENT IS THE FASTEST-GROWING AREA OF RESPONSIBILITY FOR CMOs/CCOs

1 in 2

CMOs / CCOs say that their responsibilities across crisis management have increased in importance over the past 5 years.

Crisis management is the fastest-growing area of responsibility for CCOs; and is one of the fastest-growing areas for CMOs, alongside investing in diversity and inclusion.

**Increased expectations on
hyper-transparency**

67%

of CMOs/CCOs believe recent demands by consumers for 'hyper-transparency' have impacted how businesses can respond to crises

**Pressure for
immediate action**

72%

of CMOs/CCOs say stakeholders increasingly expect immediate action on issues and crises

Businesses need to pair increased responsibility with increased resources.

60%

of CMOs/CCOs say they don't have the right skillset in their staff to manage the wide range of issues and crises businesses can face today

CRISIS IS AN *always-on* PART OF TODAY'S BUSINESS LANDSCAPE

% of CMOs/CCOs who say their company has faced the following types of issues or crises in the past 3 years

46%

Online and social media attacks

(Fake news, misinformation, disinformation, online and social media attacks, cybersecurity and cybercrime issues, viral social media conversation)

31%

Supply chain issues or disruption

(Supply chain issues or disruption, product failure or quality issues)

24%

Talent shortage (Talent shortage)

24%

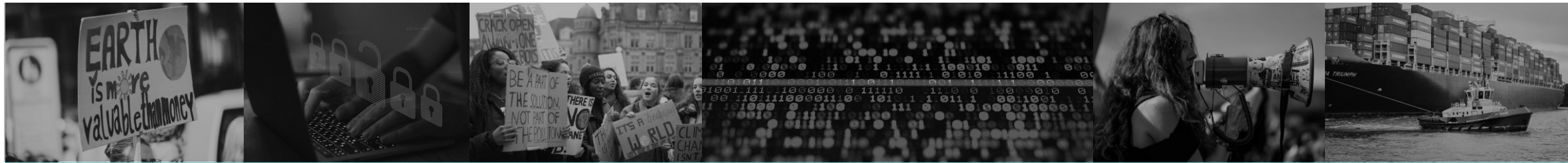
Issues related to diversity and inclusion (Issues related to diversity and inclusion, gender equality, pay equity)

21%

Issues related to climate and environmental sustainability (Issues related to climate and environmental sustainability, issues related to ESG targets)

18%

Activism (by shareholders, customers or other corporate) (Shareholder activism, corporate activism, consumer activism)



EXECUTIVES ARE WORRIED ABOUT WIDE-RANGING FUTURE ISSUES

Threats of cybersecurity, supply chain and labor issues are key areas of concern for executives.

% of CMOs/CCOs who are worried about the impact each of the following events or issues could have on their brand or company

88%

are worried about the impact of
labor-related issues

(Talent shortage, leadership changes, high employee turnover, labor union activism, employee activism, employee strikes, labor related issues)

83%

are worried about the impact of
cybersecurity & cybercrime issues

(Cybercrime & cybersecurity, online, social media or digital attacks, viral negative social media conversation)

78%

are worried about the impact of
supply chain issues or disruption

(Supply chain issues or disruption, product failure or quality issues)

76%

are worried about the impact of
activism

(shareholder activism, corporate activism, consumer activism)

76%

are worried about the impact of
issues related to diversity and inclusion

(Issues related to diversity and inclusion, gender equality, pay equity)

63%

are worried about the impact of
fake news, misinformation or disinformation

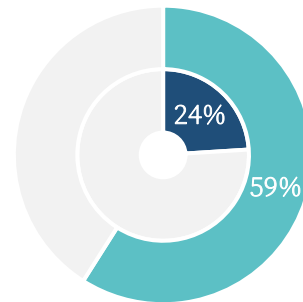


TALENT AND LABOR ISSUES REPRESENT THE NEXT EMERGING WAVE OF RISKS

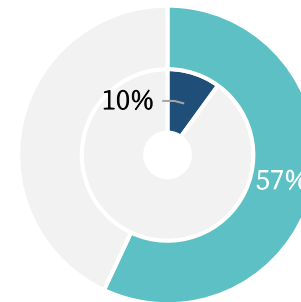
Job losses, re-structuring, employee strikes and union activism present the next set of challenges for companies.

- % of CMOs / CCOs who have faced this issue in the past 3 years
- % of CMOs / CCOs who have said it is likely to face this issue in the next 3 years

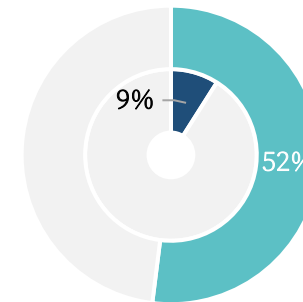
Talent shortage



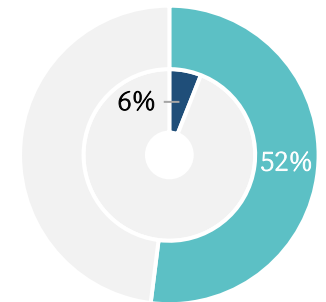
Employee activism or protests (against the company)



Employee strikes



Labor union activism or protests (against the company)



88%

% of CMOs / CCOs worry about the impact labor issues can have on businesses and brands
Canada 92% Japan 92% China 92% USA 86% UK 84% Germany 84%

“

Across the globe, the impact labor issues are having on businesses, their brands and their workforce and should not be underestimated.

A dramatic increase in the mobilization of workers around growing economic pressures and a multitude of social issues is influencing not only how employees view their employer, employee recruitment, retention and engagement but brand reputation and consumer buying behavior as well.



Preparing for, minimizing the risk of, and quickly responding to a labor related crisis should be top a top priority for any business.

Mark Floyd
Executive Vice President, Crisis & Risk
Edelman

”

INCREASING EXPECTATIONS ON SOCIETAL ISSUES

“

Expectations of companies to play a broader role in society aren't going away. Engagement on these issues is a prerequisite for your customers and your workforce... not just those of tomorrow, but of today.

Companies don't need to take a stand on every issue. Our job is to carefully assess these issues in each company's unique context, to determine where to engage.

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Dave Fleet
Global Head of Digital Crisis
Edelman



Edelman

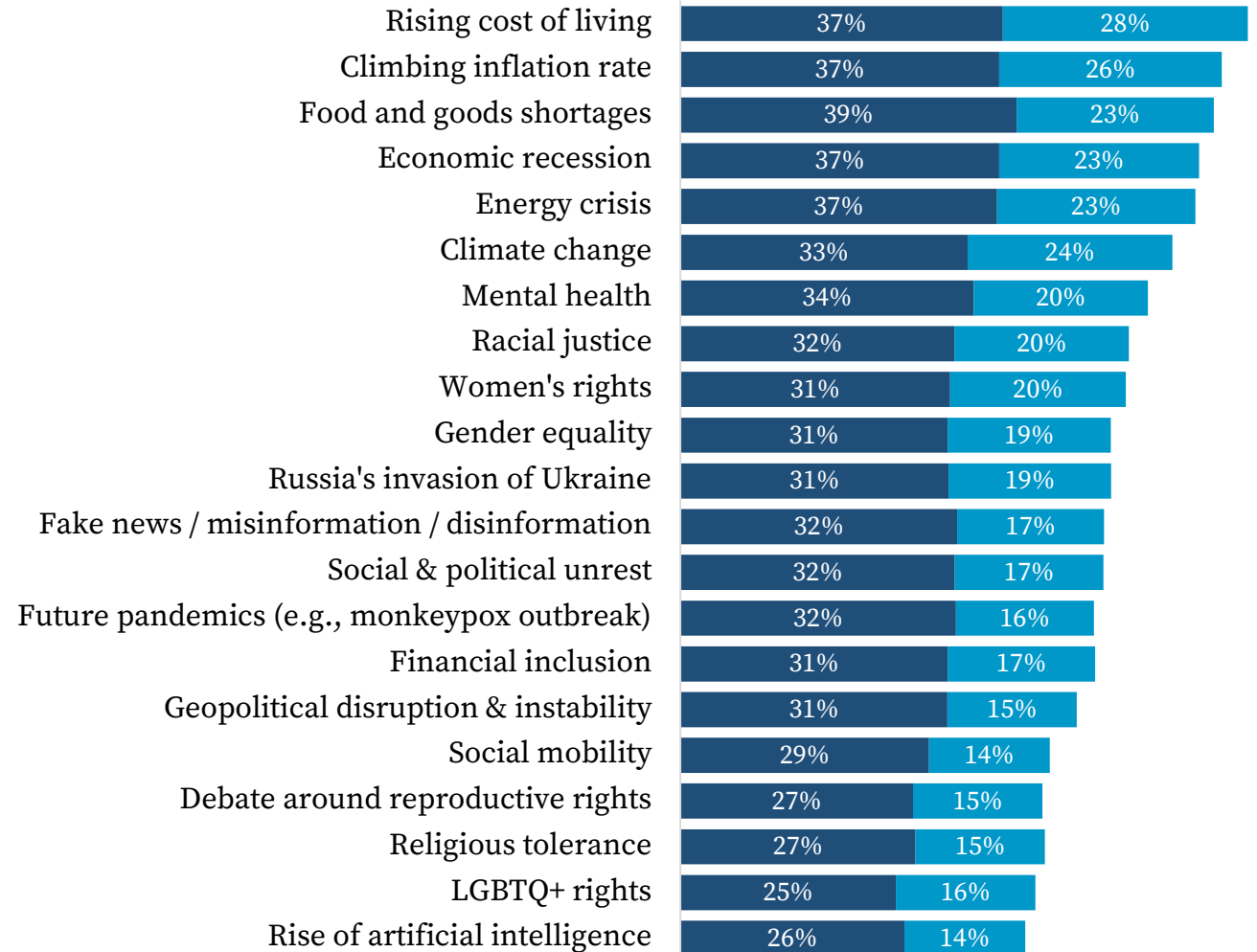
INCREASING CONSUMER EXPECTATIONS REQUIRE COMPANIES TO GRAPPLE WITH HOW TO NAVIGATE DIVERSE ISSUES

54%

expect brands they buy from to communicate on current societal issues




% who say it is important or essential that, in the context of the below events or issues in our world today, a company or brand actively communicate its stance / response around this



● Very important
● Essential



PRESSURE TO ENGAGE EXTENDS BEYOND BORDERS

Executives are feeling pressure to respond to issues beyond their immediate geographic and business boundaries.

% of executives who think that their <i>brand/company is facing increasing pressure to respond to issues ...</i>			Canada	China	Germany	Japan	UK	USA
Happening in my country		65%	61%	66%	55%	61%	66%	77%
Happening globally		64%	64%	69%	57%	59%	56%	78%
Happening in other countries		63%	64%	68%	58%	57%	52%	75%

% of executives who think that their <i>brand/company is facing increasing pressure to respond to issues ...</i>			Canada	China	Germany	Japan	UK	USA
When they are directly related to my business operations		64%	63%	75%	56%	60%	56%	74%
Even if they are not directly related to the brand and its activities		62%	58%	75%	50%	55%	57%	74%



EXECUTIVES ARE CONCERNED ABOUT THE IMPACT THIS CAN HAVE FOR THEIR BUSINESS

Climbing inflation rates and economic recession increase the likelihood of other crises.

% of executives who are worried about the impact the following issues or events in society can have on their brand or company
Top 5 per market highlighted

		Canada	China	Germany	Japan	UK	USA
Climbing inflation rate	72%	78%	73%	56%	79%	65%	80%
Economic recession	72%	77%	77%	60%	72%	67%	77%
Rising cost of living	71%	79%	68%	67%	64%	70%	75%
Energy crisis	70%	69%	70%	65%	77%	61%	78%
Future pandemics (e.g., monkeypox)	68%	77%	72%	59%	70%	59%	72%
COVID-19 pandemic	67%	70%	76%	53%	72%	56%	74%
Geopolitical disruption & instability	67%	64%	71%	64%	63%	64%	74%
Climate change	66%	64%	65%	61%	67%	64%	71%
Food and goods shortages	66%	75%	66%	57%	68%	55%	71%
Russia's invasion of Ukraine	65%	63%	62%	60%	65%	65%	73%
Social & political unrest	63%	58%	69%	61%	68%	54%	67%
Financial inclusion	62%	65%	62%	60%	53%	58%	71%
Mental health	61%	68%	57%	54%	57%	62%	69%
Misinformation / disinformation	60%	59%	69%	53%	58%	52%	69%
Racial justice	59%	64%	53%	53%	60%	56%	68%
Rise of artificial intelligence	59%	56%	63%	58%	56%	51%	68%
Social mobility	56%	61%	56%	45%	52%	55%	64%
Gender equality	56%	59%	59%	52%	50%	47%	70%
Women's rights	55%	57%	56%	45%	52%	55%	63%
Reproductive rights	54%	50%	54%	54%	48%	44%	70%
LGBTQ+ rights	52%	51%	56%	53%	50%	49%	55%
Religious tolerance	51%	54%	56%	44%	50%	39%	60%

IN TIMES OF UNCERTAINTY, ONE CANNOT ONLY RELY ON INSTINCTS

66%

“My company needs more data about current societal issues and stakeholder expectations in order to understand which societal issues to be vocal on, or not”

USA 76%
China 74%
Canada 66%
Germany 60%
UK 62%
Japan 58%

% of executives who consistently use the below sources of data in response to a crisis



“

In an era of always on crises, and increasing expectations to take a stance on issues, it can be overwhelming for businesses to start thinking of where, and how, to respond.

Using data and insights to understand audiences, messaging and inform decision-making is paramount.

Kari Butcher
Global Crisis Lead
Edelman DXI

”



GEN Z CHANGING THE GAME

“

Gen Z is a generation that is paying attention and demands transparency and swift accountability for how brands behave. Brands must take responsibility for their actions and impact on society if they want to be trusted and engage with this generation long-term.

Now more than ever, CMOs have to pay close attention to protecting their brands - as much as promoting them.

Allison Cirullo
Chief Operating Officer,
Global Brand Practice
Edelman



65%

MORE THAN ANY OTHER GENERATION, GEN Z HAS THE POWER TO DISRUPT THE ROLE OF BUSINESSES IN SOCIETY TODAY

USA 80%

China 76%

Canada 67%

UK 64%

Germany 54%

Japan 52%

2022 Edelman Connected Crisis Study - CMO / CCO / Crisis Professional Questionnaire. Q13. To what extent do you agree or disagree with the following statements about Gen Z's expectations of brands and corporates? 'More than any other generation, Gen Z has the power to disrupt the role of businesses in society today'. NET Agree (Top 3). Base size: CMOs and CCOs - 301. Canada - 51. China - 50. Germany - 50. Japan - 50. UK - 50. USA - 50.

GEN Z EXPECTATIONS ARE FURTHER CHALLENGING CRISIS COMMUNICATIONS

Higher standards for brands

71%

of CMOs / CCOs believe Gen Z is holding brands and corporations to a **higher standard than generations before**

48% of Gen Z say that a brand or business' response to issues and crises is a deal-breaker in their decision to buy from that brand or business

More discerning of brands

68%

of CMOs / CCOs believe Gen Z is Gen Z is **more discerning, compared to other generations**, when it comes to the scope of societal issues that brands and corporations are expected to address

Transforming activism

70%

of CMOs / CCOs believe Gen Z is transforming activism, and has become a **leading force in societal movements affecting our role as a business**



COMPANIES DON'T KNOW HOW TO MANAGE THE DYNAMICS GEN Z IS INTRODUCING

A large teal arc on the left side of the infographic, representing 71% of the data.

71%

*“Gen Z is extremely agile across digital platforms, making it **hard** to follow and reach them”*

A large teal arc on the left side of the infographic, representing 66% of the data.

66%

*“Gen Z’s heightened expectations of brands and corporates has made it more **difficult** for my company to know when, and how, to take a stand”*

A large teal arc on the left side of the infographic, representing 60% of the data.

60%

*“I find it **difficult** to understand Gen Z, and what they expect of my brand / company”*

GEN Z ENTERING THE **WORKFORCE** RAISES FURTHER CHALLENGES FOR EMPLOYERS

71%

*“Taking a stand on societal and environmental issues has become a must as **an employer to attract Gen Z**”*

66%

*“Gen Z’s entrance into our workforce sets **higher standards than before** for my company as an employer”*



NOT JUST HIGHER STANDARDS: DIFFERENT PRIORITIES

In the context of the below events or issues in our world today, how important is it that a company or brand actively communicate its stance / response around this?

According to Gen Z

Rising cost of living
Food and goods shortages due to lack of raw material
Women's rights
Economic recession
Climbing inflation rate
Racial justice
Gender equality
Energy crisis
Climate change
Fake news / misinformation / disinformation
Mental health
Social and political unrest

According to Millennials

Rising cost of living
Climbing inflation rate
Food and goods shortages due to lack of raw material
Economic recession
Energy crisis
Mental health
Climate change
Financial inclusion
Gender equality
Social and political unrest
Racial justice
Women's rights

According to Gen X

Rising cost of living
Climbing inflation rate
Food and goods shortages due to lack of raw material
Economic recession
Energy crisis
Climate change
Mental health
COVID-19 pandemic
Racial justice
Fake news / misinformation / disinformation
Gender equality
Social and political unrest

Gen Z is more likely than other generations to say it is important that companies or brands actively communicate their stance on key social issues.

2022 Edelman Connected Crisis Study - General Population Questionnaire. Q8. In the context of the below events or issues in our world today, how important is it that a company or brand actively communicate its stance / response around this? Top 2. NET Important. Base size: Gen Z - 1,052; Millennials - 2,413; Gen X - 1,615.

COMPANIES UNDERESTIMATE GEN Z EXPECTATIONS TO ENGAGE ON SOCIETAL ISSUES

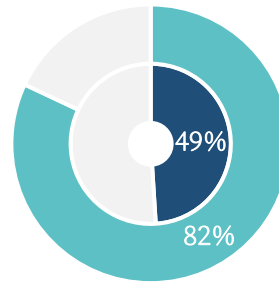
45%

*of Gen Z say it is **very important** or **essential** that a brand is actively working to address societal needs and issues in order to buy from them*

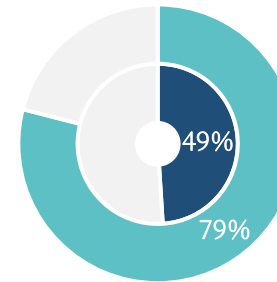
% who have said their company has faced this issue in the past, and is likely to face each of the following issues in the next 3 years

- My company is expected to respond to this - CMO / CCO audience
- It is important that companies take a stance on this - Gen Z audience

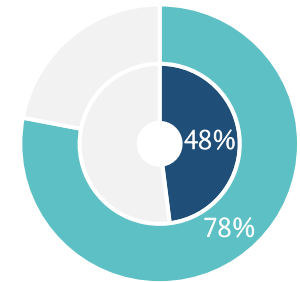
Rising cost of living
(+33 pts)



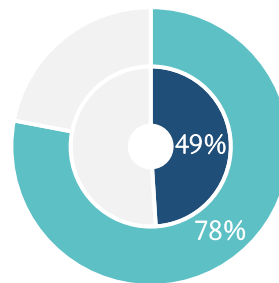
Women's rights
(+30 pts)



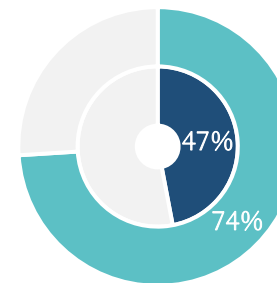
Racial justice
(+30 pts)



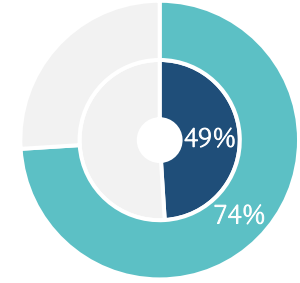
Gender equality
(+29 pts)



Social mobility
(+27 pts)



LGBTQ+ rights
(+25 pts)



GEN Z ACT ON THEIR BELIEFS AND RESPOND WITH THEIR WALLET

If you remain silent, they will sanction you.

If you take the right stand, they'll reward you.

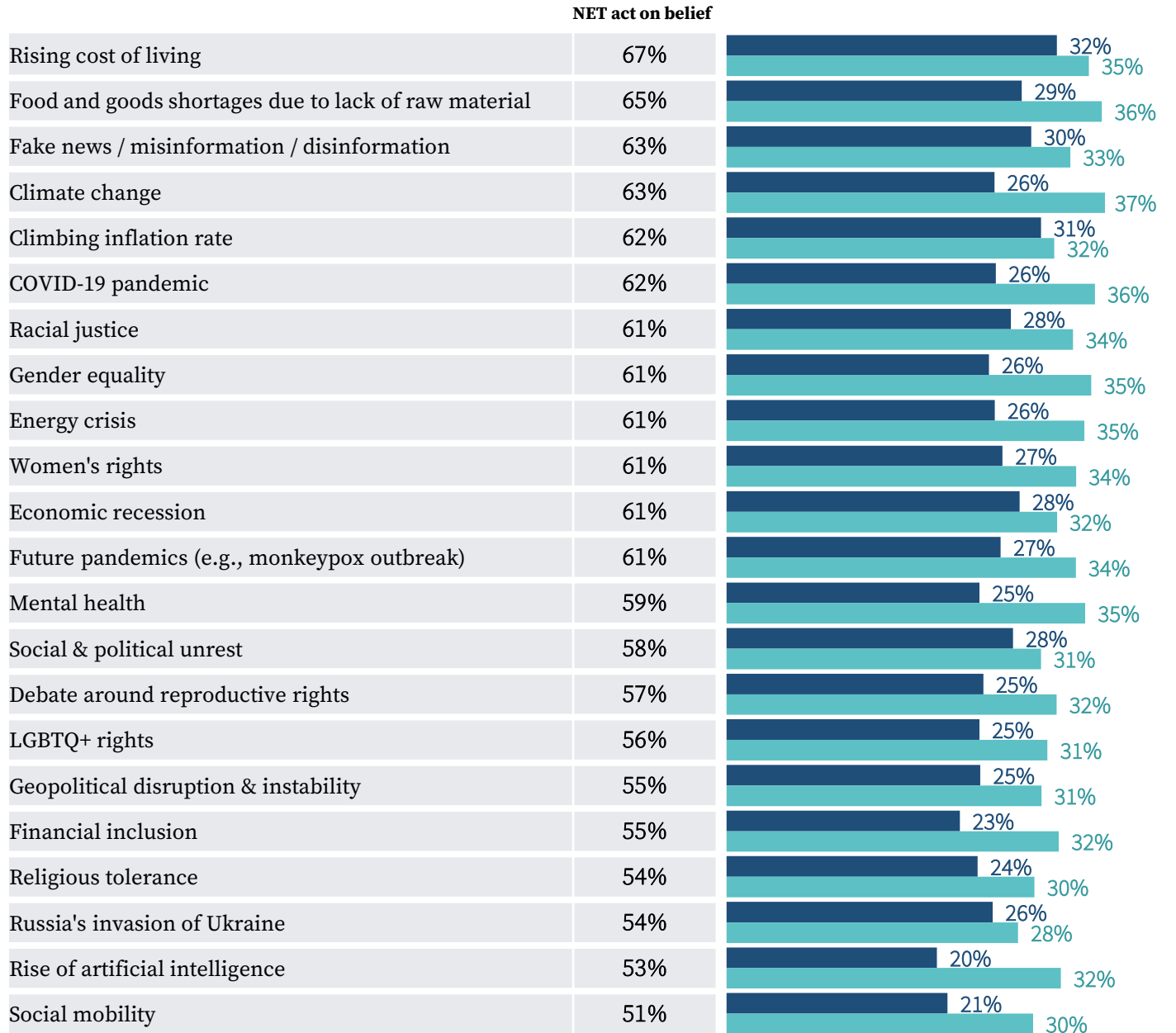
49%

of Gen Z say that, even if a company makes the product that they like most, they will not buy it if they disagree with the company's stance on an important social issue

2022 Edelman Connected Crisis Study - General Population Questionnaire. C6. Please indicate how much you agree or disagree with the following statements. 'Even if a company makes the product that I like most, I will not buy it if I disagree with the company's stand on important social issues'. NET Agree: Top 3. Base size: Gen Z - 1,052. / Q3. How have the following events or issues in society impacted your brand choices within the past few years? 'I stopped buying certain brands/products because they did not respond or did not take a stance on this issue/event'. 'I started/continued buying certain brands/products because they responded or took a stance on this issue/event'. Base size: Gen Z - 1,052.

% of Gen Z who say...

- I stopped buying certain brands/products because they did not respond or did not take a stance on this issue/event
- I have started/continued buying certain brands/products because they responded or took a stance on this issue/event





BUSINESSES MISJUDGE HOW TO PROTECT TRUST IN A CRISIS

“

Through more than two decades of research and analytics on Trust, we have demonstrated the key role it plays in building the resilience of brands and companies in the face of crisis.

Trusted entities are not immune to crisis, but when they happen Trust acts like an insurance policy helping business tell an audible story in troubled times and rebound from crisis three times faster than less trusted entities.

”



Antoine Harary
President and Global Managing Director
Edelman DXI

IN TIMES OF CRISIS, BUSINESSES WHO STRUGGLE TO DEMONSTRATE TRUST BUILDING BEHAVIORS PUT THEIR TRUST CAPITAL FURTHER AT RISK

In times of crisis, first and foremost, the public expect businesses to demonstrate integrity and dependability

In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on demonstrating they ...

According to the Public

		Canada	China	Germany	Japan	UK	USA
Integrity	... are honest	Integrity	Dependability	Integrity	Integrity	Integrity	Integrity
Dependability	... keep their promises	Dependability	Purpose	Dependability	Dependability	Dependability	Dependability
Ability	... are good at what they do	Purpose	Integrity	Ability	Purpose	Ability	Ability
Purpose	... are trying hard to have a positive impact on society	Ability	Ability	Purpose	Ability	Purpose	Purpose
Self	... are aligned with the culture, values, and expectations of their stakeholders	Self	Self	Self	Self	Self	Self

Colour-coding per the key dimensions of Trust per the Edelman Trust Management methodology: ■ Ability / ■ Dependability / ■ Integrity / ■ Purpose / ■ Self

2022 Edelman Connected Crisis Study - General Population Questionnaire. Q12. In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on ...
Base size: All respondents - 7013. Canada - 1005. China - 1029. Germany - 1024. Japan - 1027. UK - 1010. USA - 2008.

CRISIS PROFESSIONALS AND CMOS/CCOS NEED TO BETTER ALIGN THEIR RESPONSE TO THE PUBLIC’S PRIORITIES AND EXPECTATIONS

CMOs and CCOs, particularly, need to align response to stakeholder expectations - first and foremost addressing their views and concerns through honest dialogue and willingness to act on commitments.

In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on demonstrating they ...

According to the public	According to crisis professionals	According to CMOs / CCOs
... are honest	... keep their promises	... are aligned with the culture, values, and expectations of their stakeholders
... keep their promises	... are aligned with the culture, values, and expectations of their stakeholders	... are honest
... are good at what they do	... are honest	... keep their promises
... are trying hard to have a positive impact on society	... are trying hard to have a positive impact on society	... are trying hard to have a positive impact on society
... are aligned with the culture, values, and expectations of their stakeholders	... are good at what they do	... are good at what they do

Only
1 in 4
executives are consistently prepared to meet stakeholders starting with their point of view, and not the company position

Colour-coding per the key dimensions of Trust per the Edelman Trust Management methodology: ■ Ability / ■ Dependability / ■ Integrity / ■ Purpose / ■ Self

2022 Edelman Connected Crisis Study - General Population Questionnaire. Q12. In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on ... Base size: All respondents - 7013. CMO / CCO / Crisis Professional Questionnaire. Q14. In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on... Base size: Crisis professionals - 308. CMOs and CCOs - 301. / Q20. Thinking about your company specifically, how prepared would you say your company is to do each of the below in times of crisis? 'Meeting stakeholders where they are, starting with their point of view and not the company position'. Always prepared. Base size: Executives - 609.

CMOS AND CCOS NEED TO CLOSE THE GAP WITH EXPECTATIONS OF THE YOUNGER GENERATIONS WHEN IT COMES TO THEIR RESPONSE TO CRISIS

In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on ...



Ranking according to CMOs / CCOs...

Top 5 according to...

	Gen Z	Millennials	Gen X	Boomers
being timely in their response to issues and crises	●	●	●	●
leveraging the competency of their leadership in times of crisis	●	●	●	
providing facts and figures to support their response to issues and crises			●	●
acknowledging the impact of the crisis on society, beyond our business/organization itself				
being transparent in their response to issues and crises	●	●	●	●
being honest and open about their responsibility as an organization across stakeholders			●	●
prioritizing employee wellbeing in their response to issues and crises		●		
demonstrating their organization's broader positive impact on society				
mobilizing their employees as advocates and ambassadors in times of crisis				
being consistent in their messaging and position across all our stakeholders, both internally and externally				
demonstrating they are trying hard to do what is right, beyond our business financials				
demonstrating a deep understanding of cultural/local context and nuances				
being consistent in their messaging and position overtime	●	●		●
meeting stakeholders where they are, starting with their point of view and not the company position				
being accessible to media and journalists	●			

Colour-coding per the key dimensions of Trust per the Edelman Trust Management methodology: ■ Ability / ■ Dependability / ■ Integrity / ■ Purpose / ■ Self

2022 Edelman Connected Crisis Study - General Population Questionnaire. Q12. In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on ... Base size: All respondents - 7013. Gen Z: 1052. Millennials: 2413. Gen X: 615. Boomers: 2023. **CMO / CCO / Crisis Professional Questionnaire.** Q14. In your experience, when brands or companies are facing an issue or crisis, they fail to maintain and/or to protect their reputation and trust capital because they fall short on... Base size: CMOs and CCOs - 301.

BUSINESSES ARE NOT PREPARED ACROSS A RANGE OF TRUST-BUILDING BEHAVIORS

Key areas where CMOs / CCOs feel least prepared (not prepared or rarely prepared)

- 1 Mobilizing our employees as advocates and ambassadors in times of crisis
- 2 Demonstrating a deep understanding of cultural/local context and nuances
- 3 Being consistent in messaging and position across all stakeholder groups, internally and externally
- 4 Being accessible to media and journalists
- 5 Demonstrating our organization's broader positive impact on society

COMPANY ACTIONS TO MANAGE RISK

1

Crisis management is the fastest-growing area of responsibility for CCOs and CMOs.

Reflect the expanded responsibilities and prioritization of crisis management with appropriate focus and resources across staffing, planning and training.

2

Labor issues present the next wave of crisis.

Start now and begin the critical work of building a trusted, fair-process workplace; one that gives life to the employer's stated values, unites the workforce in a shared purpose, and provides effective platforms to create understanding, transparency, and credibility.

3

Companies continue to underestimate the expectation to engage on societal issues.

Strengthen your infrastructure around societal issues, including the decision-making framework, process governance and proper cross-functional insights around the issues themselves, and the data required for decision-making.

4

Gen Z is changing the crisis game.

Make sure you understand your audiences, and align the crisis function to this changing Gen Z-influenced landscape, by evolving your organization's crisis insights, preparation, planning and execution capabilities.

5

Businesses are missing the mark on how to protect Trust in times of crisis.

Place integrity and dependability at the core of your crisis response activities and ensure they are reflected in actions as well as words. Be honest and be prepared to follow up on commitments you set.



EDELMAN IS UNIQUELY PREPARED TO HELP YOU NAVIGATE THE CONNECTED CRISIS LANDSCAPE.

CONTACT US

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dave.fleet@edelman.com