

Global Report

# Edelman Trust Barometer 2020



# 20<sup>th</sup> 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)

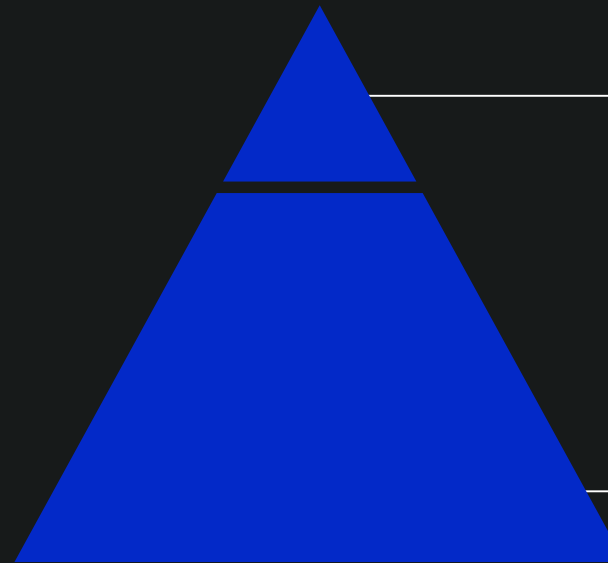
Market-specific = +/- 5.3 to 10.5% (N=min 88, varies by market).

## 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
- 145 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



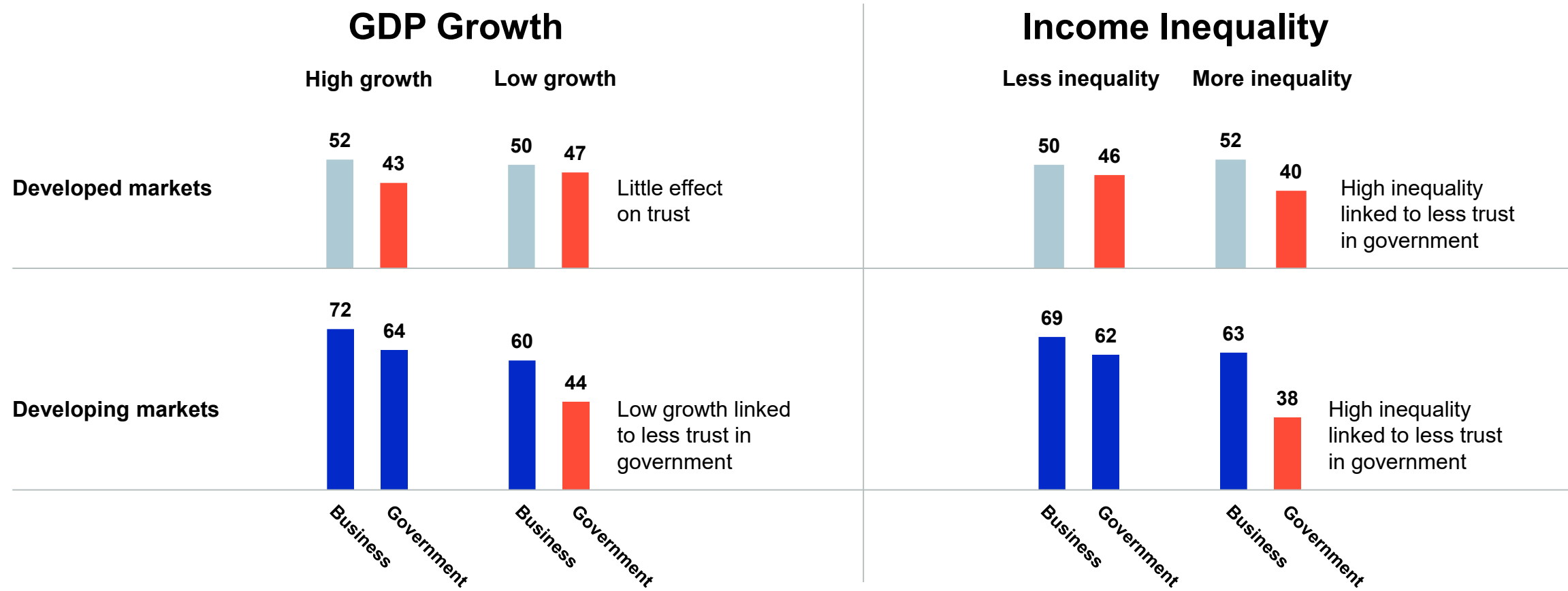
# 20 YEARS OF TRUST

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Rising Influence of NGOs	Fall of the Celebrity CEO	Earned Media More Credible Than Advertising	U.S. Companies in Europe Suffer Trust Discount	Trust Shifts from "Authorities" to Peers	A "Person Like Me" Emerges as Credible Spokesperson	Business More Trusted Than Government and Media	Young People Have More Trust in Business	Trust in Business Plummets	Performance and Transparency Essential to Trust
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business Must Partner With Government to Regain Trust	Fall of Government	Crisis of Leadership	Business to Lead the Debate for Change	Trust is Essential to Innovation	Growing Inequality of Trust	Trust in Crisis	The Battle for Truth	Trust at Work	<b>Trust: Competence and Ethics</b>

# INCOME INEQUALITY NOW AFFECTS TRUST MORE THAN ECONOMIC GROWTH



Percent trust



2020 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. 9-point scale; top 4 box, trust. General online population, 23-mkt avg., by developed and developing markets. High-growth economies are those with a Q2 2019 GDP of 1.4% or higher. Developing market high-growth economies: China, Colombia, India, Indonesia, Kenya, Malaysia, UAE; low growth economies: Argentina, Brazil, Mexico, Russia, Saudi Arabia, S. Africa, Thailand. Developed market high-growth economies: Australia, Canada, France, Ireland, The Netherlands, Spain, U.S.; low-growth economies: Germany, Hong Kong, Japan, Italy, Singapore, S. Korea, U.K.



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# GROWING SENSE OF INEQUITY

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# CONTINUED DISTRUST

## Trust Index

Global Trust Index increases 1 pt., with increases in 16 of 26 markets measured

12 of 26 markets are distrusters, down 2 from 2019

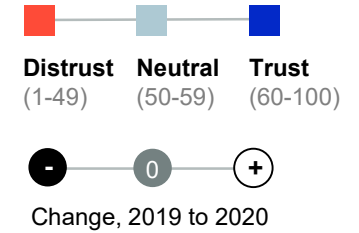
**2020 Edelman Trust Barometer.** The Trust Index is the average percent trust in NGOs, business, government and media. TRU\_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General population, 26-mkt avg.

### 2019 General population

<b>53</b>	<b>Global 26</b>
<b>79</b>	China
<b>73</b>	Indonesia
<b>72</b>	India
<b>71</b>	UAE
<b>70</b>	Saudi Arabia
<b>62</b>	Singapore
<b>59</b>	Malaysia
<b>58</b>	Mexico
<b>56</b>	Canada
<b>55</b>	Hong Kong
<b>54</b>	The Netherlands
<b>52</b>	Colombia
<b>49</b>	U.S.
<b>48</b>	Australia
<b>46</b>	Argentina
<b>46</b>	Brazil
<b>46</b>	Italy
<b>46</b>	S. Korea
<b>45</b>	S. Africa
<b>44</b>	France
<b>44</b>	Germany
<b>43</b>	U.K.
<b>42</b>	Ireland
<b>40</b>	Spain
<b>39</b>	Japan
<b>29</b>	Russia

### 2020 General population

<b>54</b>	<b>Global 26</b>
<b>82</b>	China
<b>79</b>	India
<b>73</b>	Indonesia
<b>65</b>	UAE
<b>62</b>	Mexico
<b>62</b>	Singapore
<b>61</b>	Saudi Arabia
<b>60</b>	Malaysia
<b>57</b>	The Netherlands
<b>53</b>	Canada
<b>53</b>	Colombia
<b>51</b>	Brazil
<b>50</b>	Hong Kong
<b>50</b>	S. Korea
<b>49</b>	Argentina
<b>49</b>	Italy
<b>47</b>	Australia
<b>47</b>	U.S.
<b>46</b>	Germany
<b>45</b>	France
<b>45</b>	Ireland
<b>45</b>	Spain
<b>44</b>	S. Africa
<b>42</b>	Japan
<b>42</b>	U.K.
<b>30</b>	Russia



### Declines in

Saudi Arabia	<b>-9</b>
UAE	<b>-6</b>
Hong Kong	<b>-5</b>
Canada	<b>-3</b>
U.S.	<b>-2</b>
Australia	<b>-1</b>
S. Africa	<b>-1</b>
U.K.	<b>-1</b>

# TRUST INEQUALITY SETS NEW RECORDS

Trust Index

Mass population 14 points less trusting

23 markets with double-digit trust gaps

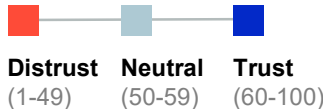
**2020 Edelman Trust Barometer.** The Trust Index is the average percent trust in NGOs, business, government and media. TRU\_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. Informed public and mass population, 28-mkt avg.

## 2020 Informed public

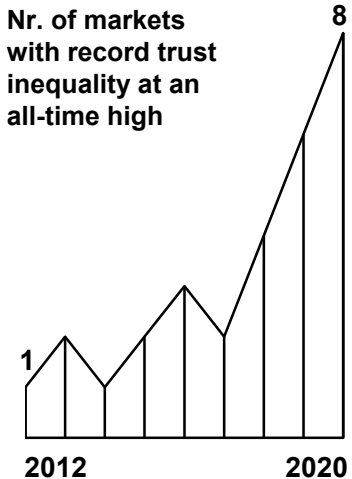
<b>65</b>	<b>Global 28</b>
90	China
87	India
82	Indonesia
80	Saudi Arabia
78	Thailand
75	UAE
71	Mexico
71	Singapore
68	Australia
68	Malaysia
67	Canada
67	The Netherlands
64	Germany
64	Italy
63	France
62	Colombia
60	Argentina
60	Brazil
60	Ireland
59	Spain
58	Kenya
57	U.K.
54	Hong Kong
53	Japan
53	U.S.
50	S. Korea
49	S. Africa
41	Russia

## 2020 Mass population | Trust gap

<b>51</b>	<b>Global 28</b>	<b>14</b>
77	China	13
74	India	13
70	Indonesia	12
64	UAE	11
62	Thailand	16
60	Singapore	11
59	Saudi Arabia	21
58	Malaysia	10
58	Mexico	13
57	The Netherlands	10
56	Kenya	2
52	Colombia	10
51	Canada	16
49	Brazil	11
49	Hong Kong	5
49	S. Korea	1
48	Argentina	12
48	Italy	16
45	Australia	23
45	U.S.	8
44	Germany	20
44	S. Africa	5
43	Ireland	17
42	France	21
42	Japan	11
42	Spain	17
39	U.K.	18
27	Russia	14

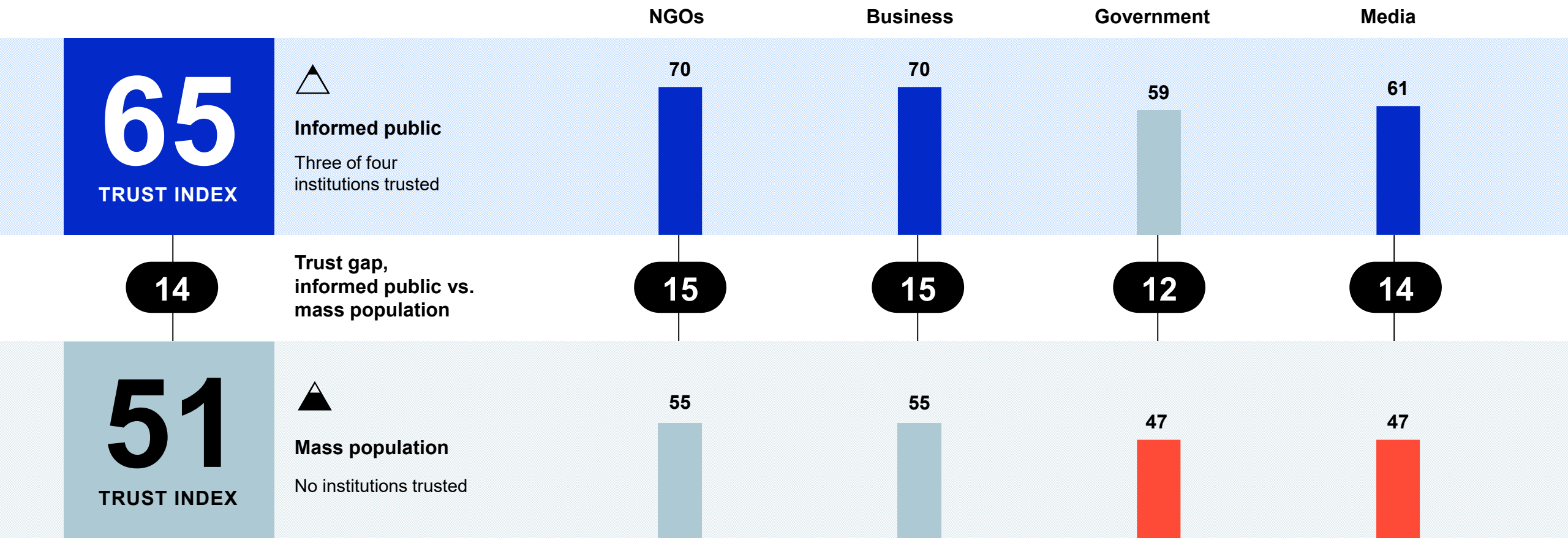


### Record trust inequality



# TWO DIFFERENT TRUST REALITIES

Percent trust

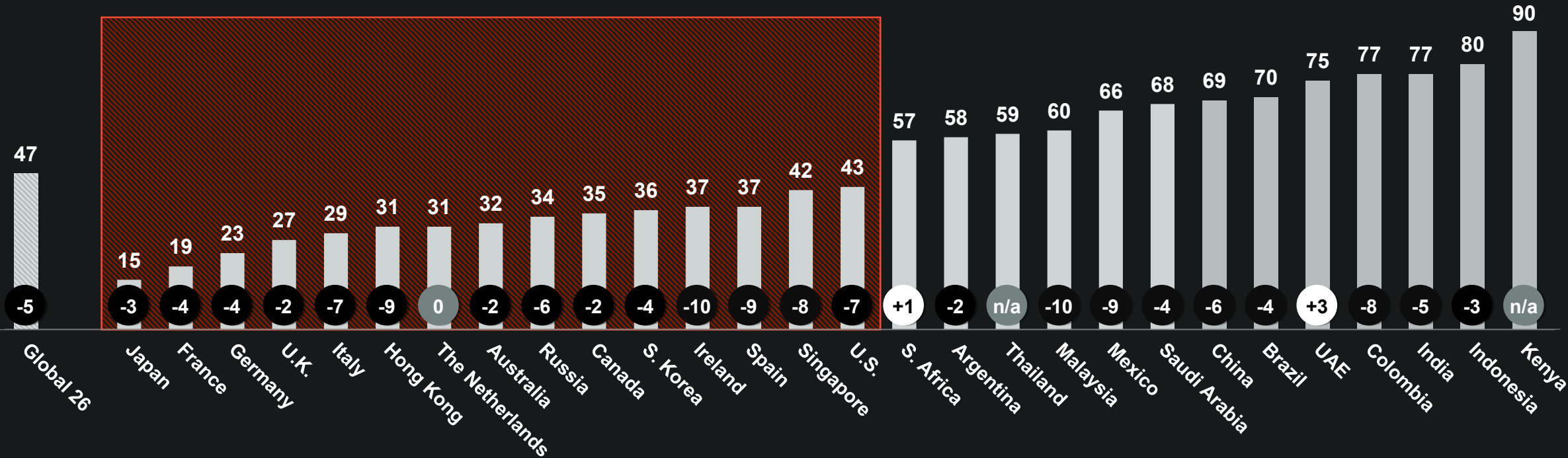


# PESSIMISTIC ABOUT ECONOMIC PROSPECTS

Percent who believe they and their families will be better off in five years' time

- 0 + Change, 2019 to 2020

Majority pessimistic in 15 of 28 markets



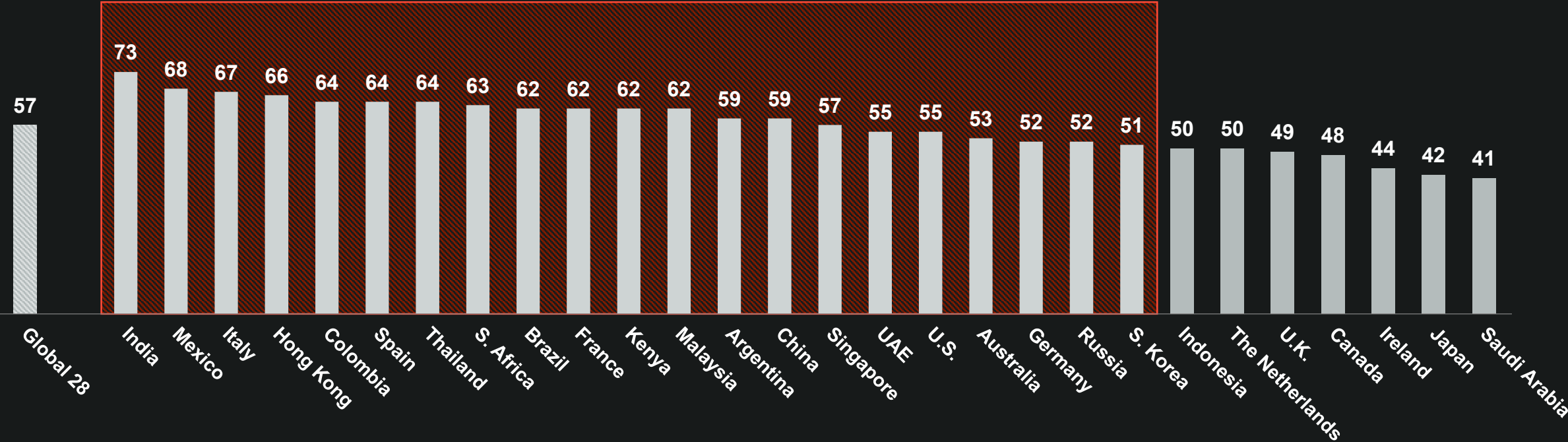
2020 Edelman Trust Barometer. CNG\_FUT. Thinking about the economic prospects for yourself and your family, how do you think you and your family will be doing in five years' time? 5-point scale; top 2 box, better off. General population, 26-mkt avg.

# FEAR BEING LEFT BEHIND

Percent who are worried

I worry about people like me **losing the respect and dignity** I once enjoyed in this country

Majority share concern in 21 of 28 markets



# CAPITALISM UNDER FIRE

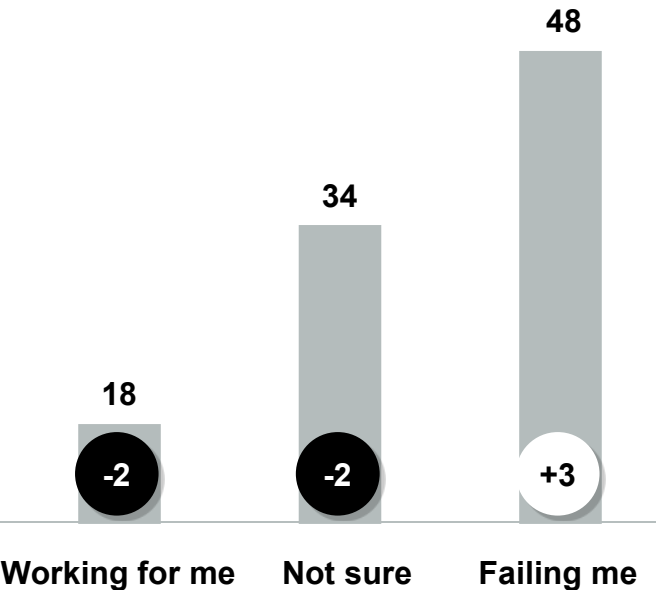
Percent who agree



How true is this for you?

Sense of injustice	74
Desire for change	73
Lack of confidence	66
Lack of hope	26

The system is...



Capitalism as it exists today  
**does more harm than  
good in the world**

⊥  
**56%**

2020 Edelman Trust Barometer. “System failing” measure. For full details on how the “system failing” measure was calculated, please refer to the Technical Appendix. POP\_MDC. Below is a list of statements. For each one, please rate how true you believe that statement is. 9-point scale; top 4 box, true. General population, 26-mkt avg. Sense of injustice is an average of POP\_MDC/1,2,3,8; Desire for change is POP\_MDC/9; Lack of confidence is POP\_MDC/10; Lack of hope is an average of POP\_MDC/18,19,20 [reverse scored]. TMA\_SIE\_SHV. Please indicate how much you agree or disagree with the following statements. 9-point scale; top 4 box, agree. Question asked of half of the sample. General population, 28-mkt avg.

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# UNPREPARED FOR THE FUTURE

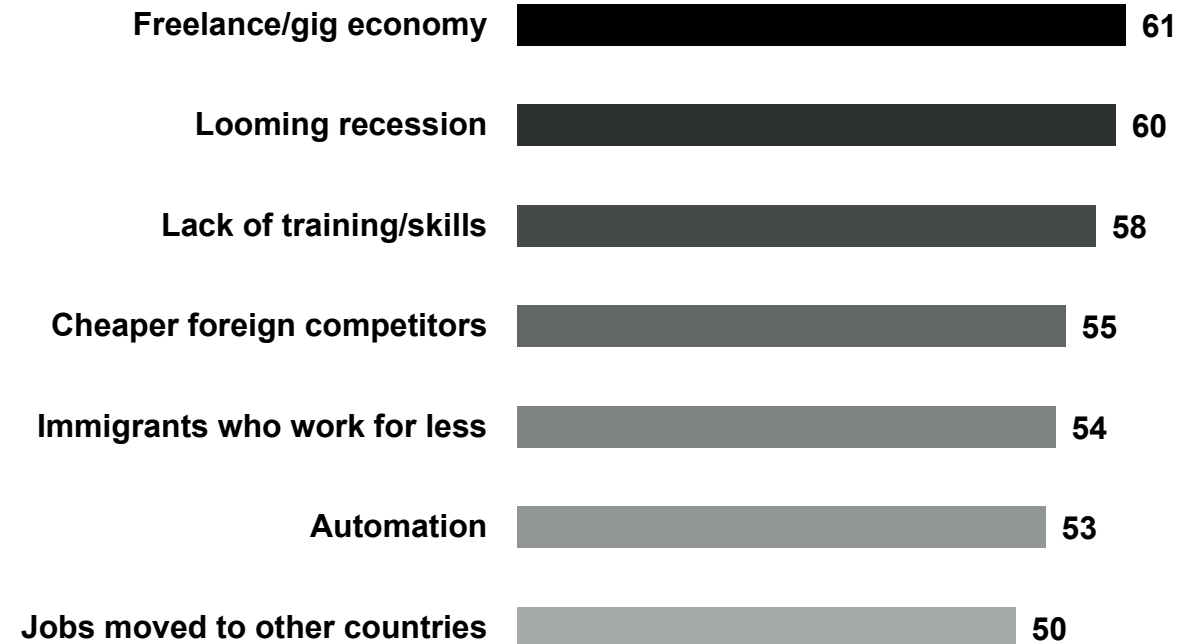
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# WORRY ABOUT THE FUTURE OF WORK

Percent of employees who worry about job loss due to each issue

I worry about **losing my job**  
due to one or more of these causes

⊥  
**83%**



# WORRY TECHNOLOGY IS OUT OF CONTROL

Percent who agree

The pace of change in technology is **too fast**

I worry technology will make it impossible to know if **what people are seeing or hearing is real**

Government **does not understand emerging technologies** enough to regulate them effectively

⊥  
**61%**

⊥  
**66%**

⊥  
**61%**

Trust in technology  
2019-2020

Global 26

-4

Largest declines in:

France

-10

Canada, Italy,  
Russia, Singapore

-8

U.S.

-7

Australia

-6

**2020 Edelman Trust Barometer.** CNG\_POC. For the statements below, please think about the pace of development and change in society today and select the response that most accurately represents your opinion. 9-point scale; top 4 box, fast. 28-mkt avg. ATT\_MED\_AGR. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement. 9-point scale; top 4 box, agree. 28-mkt avg. PER\_GOV. How well do you feel the government is currently doing each of the following? 5-point scale; bottom 3 box, not doing well (data excludes DK responses). 25-mkt avg. (data not collected in China, Russia, and Thailand). 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. 26-mkt avg. All questions asked of half of the sample among the general population.

# WORRY ABOUT QUALITY INFORMATION

Percent who agree

The media I use are **contaminated with untrustworthy information**

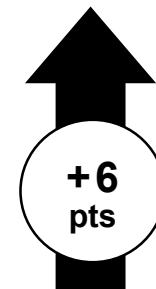


57%

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



76%



Change,  
2018 to 2020

# SOCIETAL LEADERS NOT TRUSTED TO ADDRESS CHALLENGES

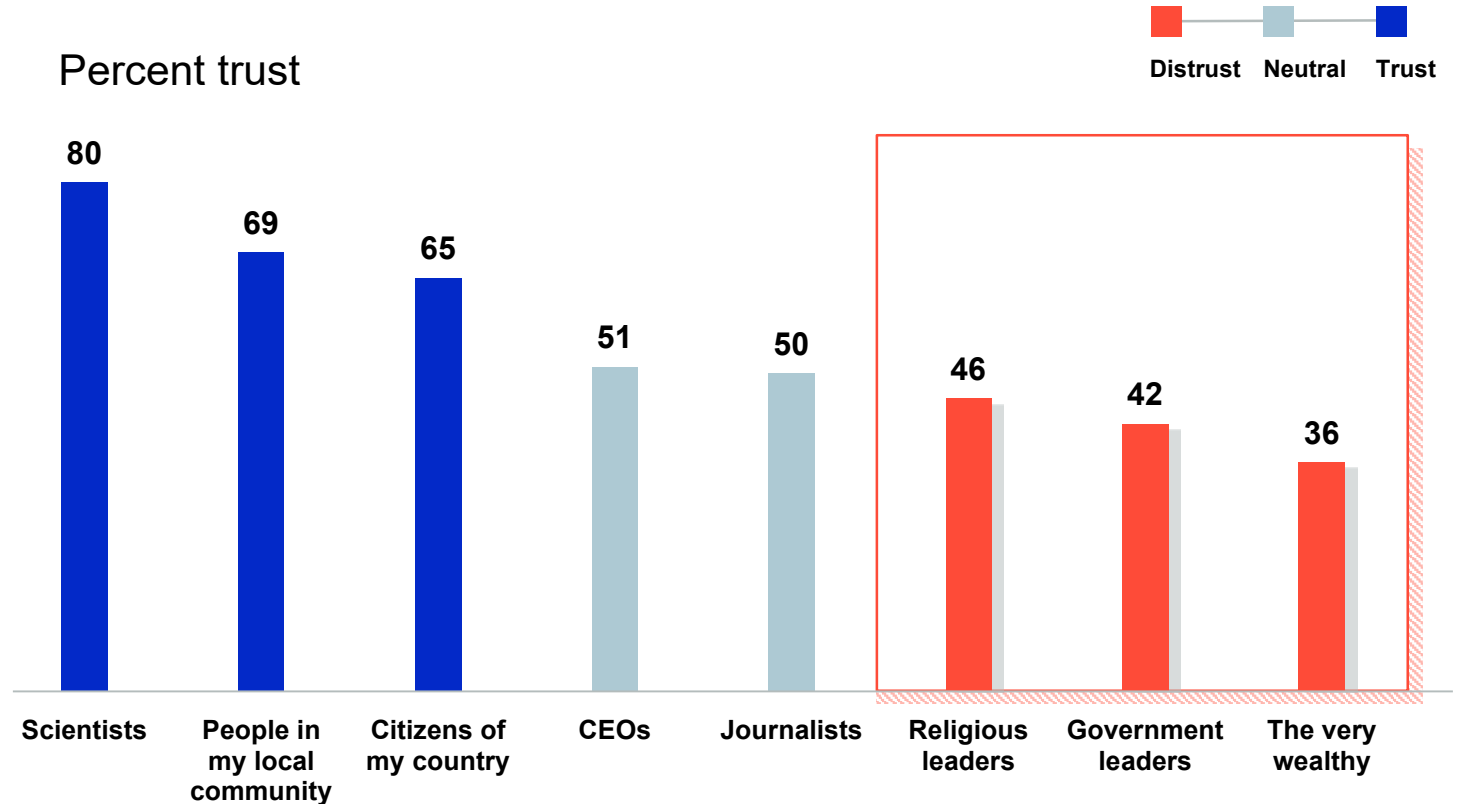
“

I do not have confidence that our current leaders will be able to successfully **address our country's challenges**

”

66%

Percent trust



# TAKING THE FUTURE INTO THEIR OWN HANDS

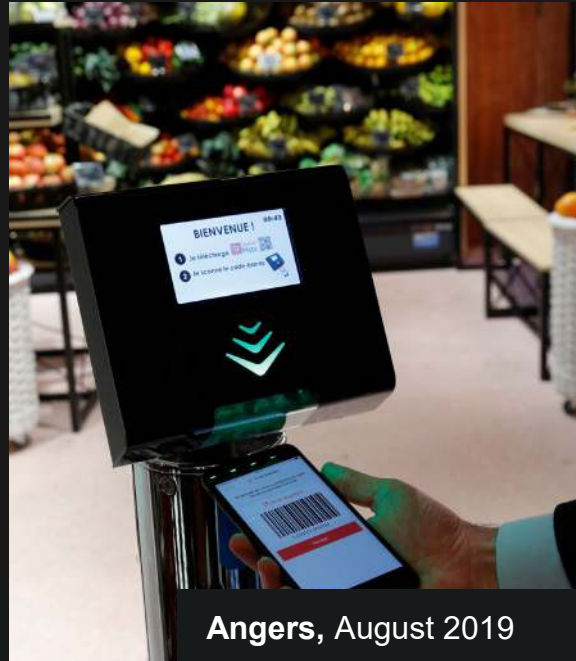
## Climate Change



Paris, February 2019

**Students protest to draw attention to climate change**

## Automation



Angers, August 2019

**Unions protest a Géant automated supermarket**

## Income Inequality



London, November 2019

**McDonald's employees protest for higher wages**

## #MeToo



Oregon, December 2019

**Nike employees protest company's treatment of women**



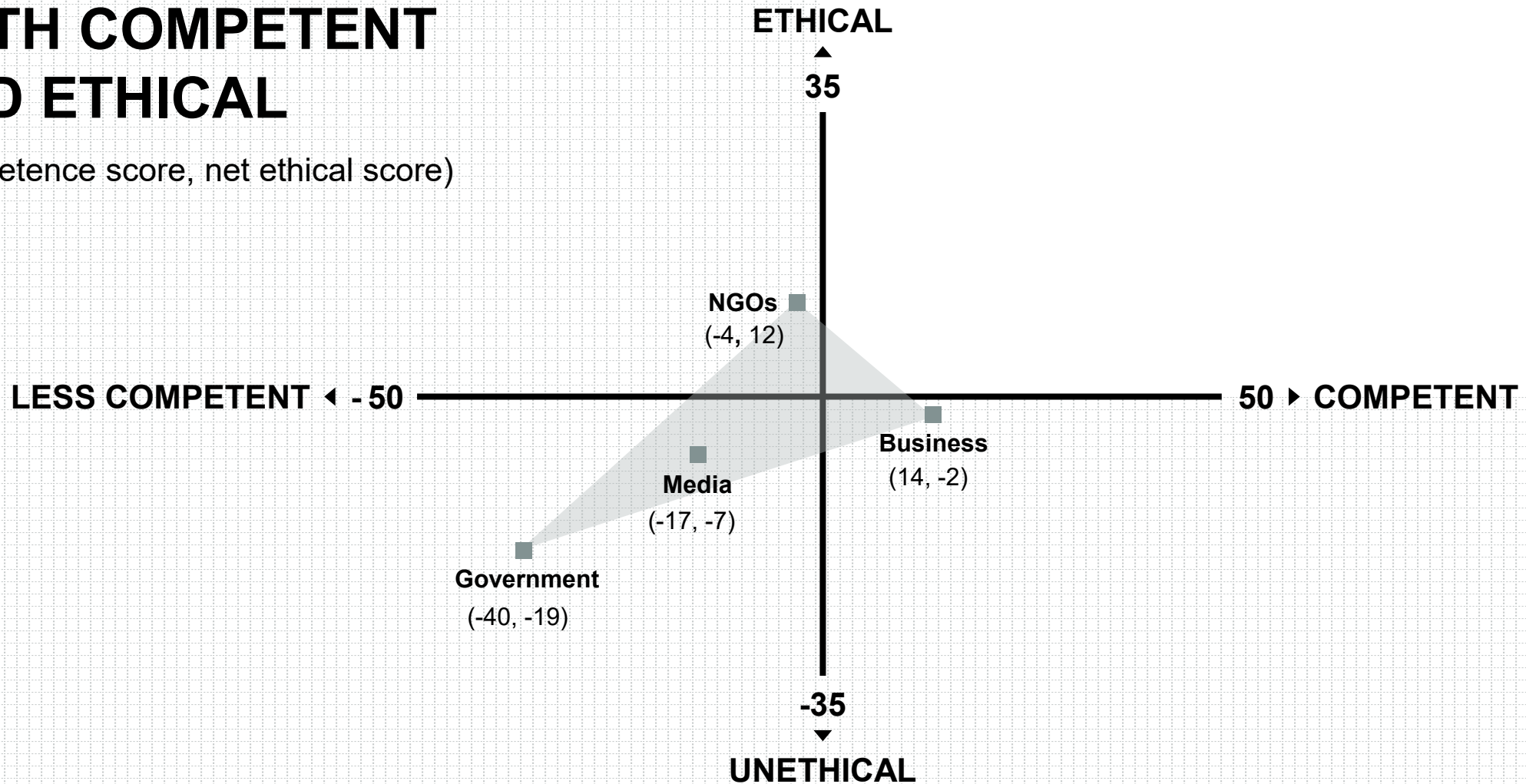
⊥

# TRUST IS BUILT ON COMPETENCE AND ETHICS

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# NO INSTITUTION SEEN AS BOTH COMPETENT AND ETHICAL

(Competence score, net ethical score)

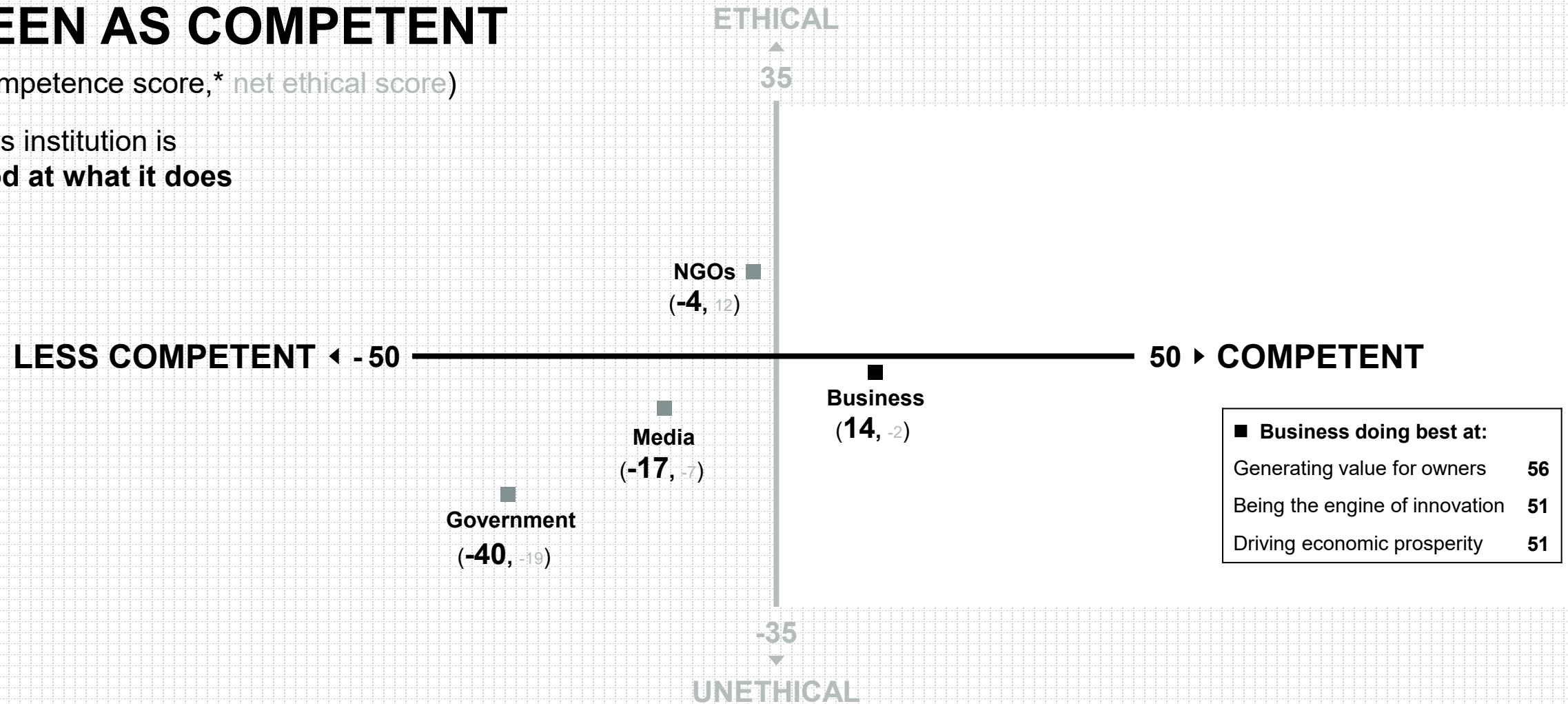


**2020 Edelman Trust Barometer.** The ethical scores are averages of nets based on [INSTITUTION]\_PER\_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU\_3D\_[INSTITUTION] r1. Depending on the question it was either asked of the full or half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

# ONLY BUSINESS SEEN AS COMPETENT

(Competence score,\* net ethical score)

\*This institution is  
**good at what it does**



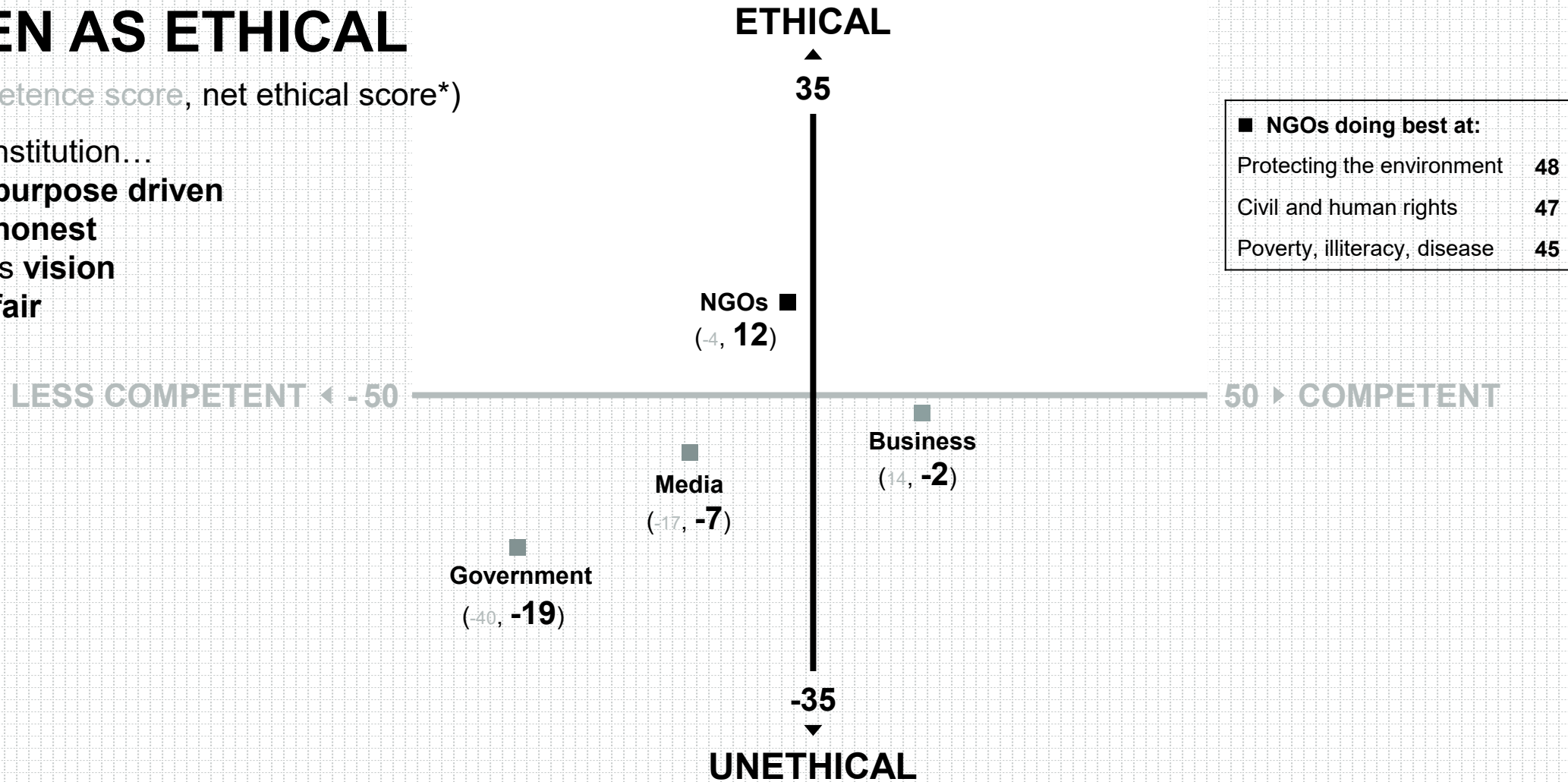
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# ONLY NGOS SEEN AS ETHICAL

(Competence score, net ethical score\*)

\*This institution...

- Is **purpose driven**
- Is **honest**
- Has **vision**
- Is **fair**



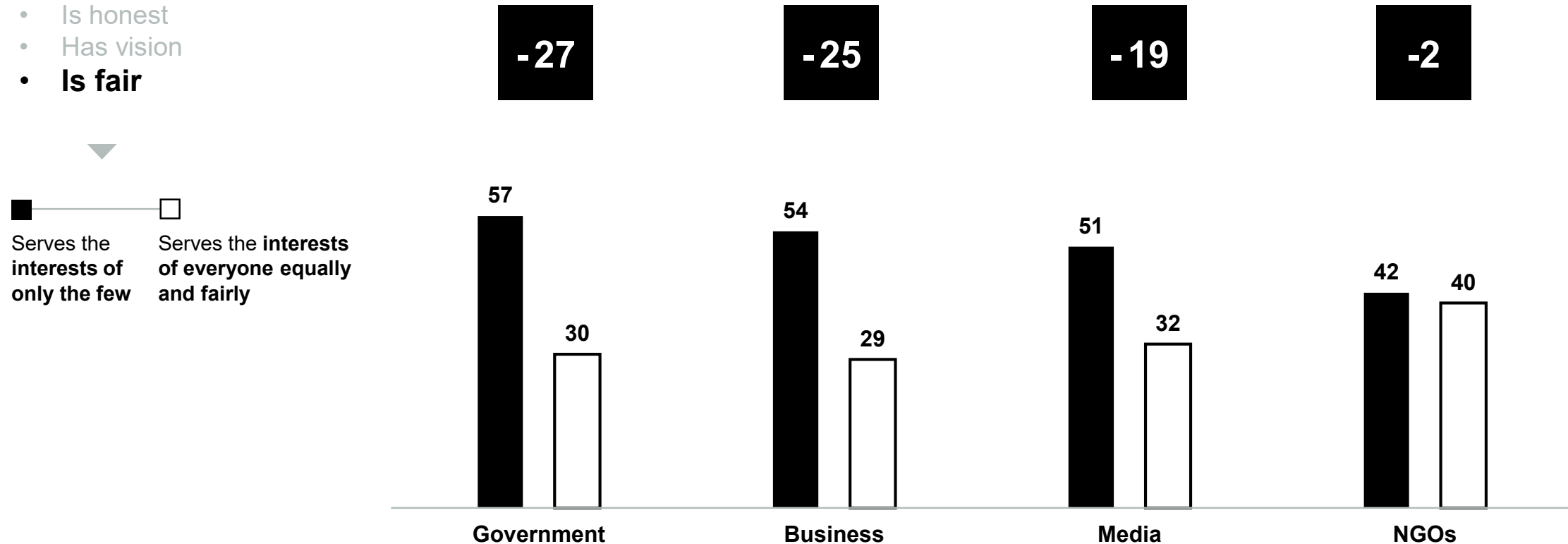
**2020 Edelman Trust Barometer.** The ethical scores are averages of nets based on [INSTITUTION]\_PER\_DIM r1-r4. Question asked of half the sample. The competence score is a net based on TRU\_3D\_[INSTITUTION] r1. Depending on the question it was either asked of the full or half the sample. PER\_NGO. How well do you feel NGOs are currently doing each of the following? 5-point scale; top 2 box, doing well. Question asked of half the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

# INSTITUTIONS SEEN AS UNFAIR

Percent who cite each as a reason they trust or distrust each institution

This institution...

- Is purpose-driven
- Is honest
- Has vision
- **Is fair**



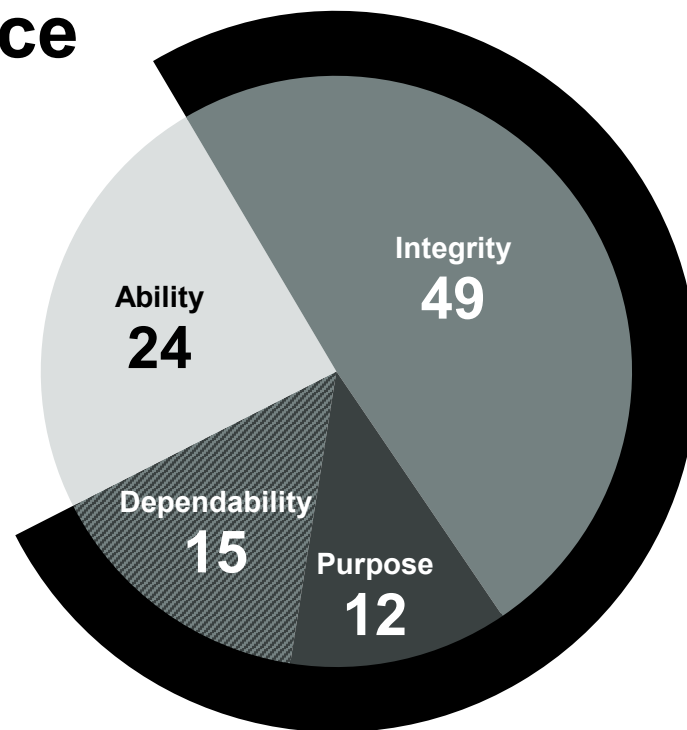
**2020 Edelman Trust Barometer.** Net scores represent positive responses minus negative responses to the following questions: [INSTITUTION]\_PER\_DIM. In thinking about why you do or do not trust [institution], please specify where you think they fall on the scale between the two opposing descriptions. 11-point scale; top 5 box, positive; bottom 5 box, negative. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand.

# ETHICAL DRIVERS 3X MORE IMPORTANT TO COMPANY TRUST THAN COMPETENCE

Percent of predictable variance in trust explained by each dimension

## Competence

24%



## Ethics

76%

Washington, August 2019

**The Business Roundtable** redefines the purpose of a corporation



Biarritz, August 2019

**Business for Inclusive Growth (B4IG)** coalition forms to address inequality and diversity



New York, September 2019

**Coalition of business, civil society and UN leaders** pledge to set climate targets to 1.5°C



New York, January 2020

**BlackRock** shifts investment strategy to focus on sustainability



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# BUSINESS: CATALYST FOR CHANGE

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# SERVE THE INTERESTS OF ALL STAKEHOLDERS

Percent who ranked each group as most important



— 87%

Stakeholders, not  
shareholders, are most  
important to long-term  
company success

Percent who agree

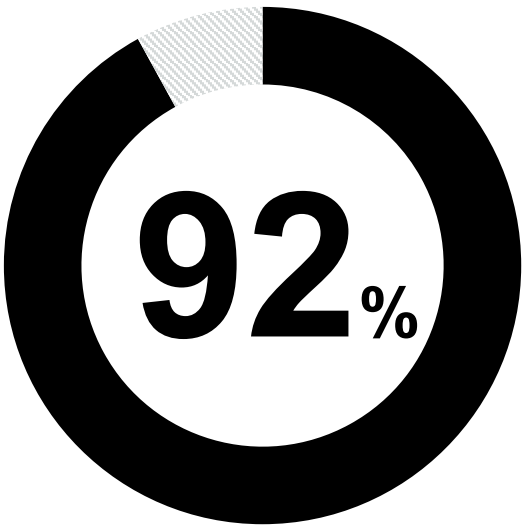
73%

a company can take actions  
that both increase profits  
and improve conditions in  
communities where it operates

# CEOS MUST LEAD

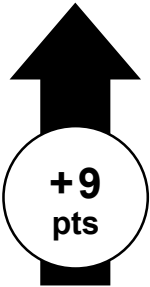
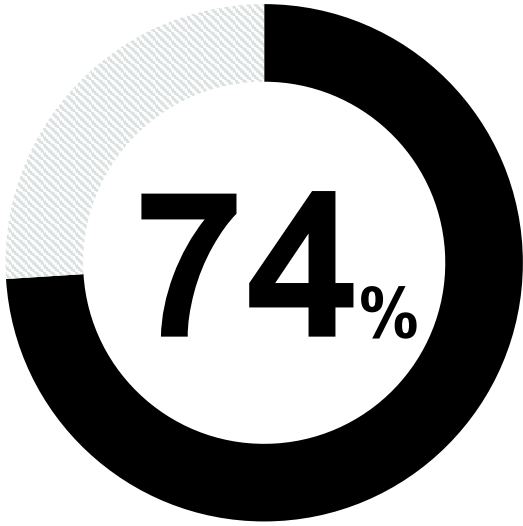
Percent who agree

It is important that **my employer’s CEO speak out** on one or more of these issues



Training for jobs of the future	84
Automation’s impact on jobs	81
Ethical use of tech	81
Income inequality	78
Diversity	77
Climate change	73
Immigration	62

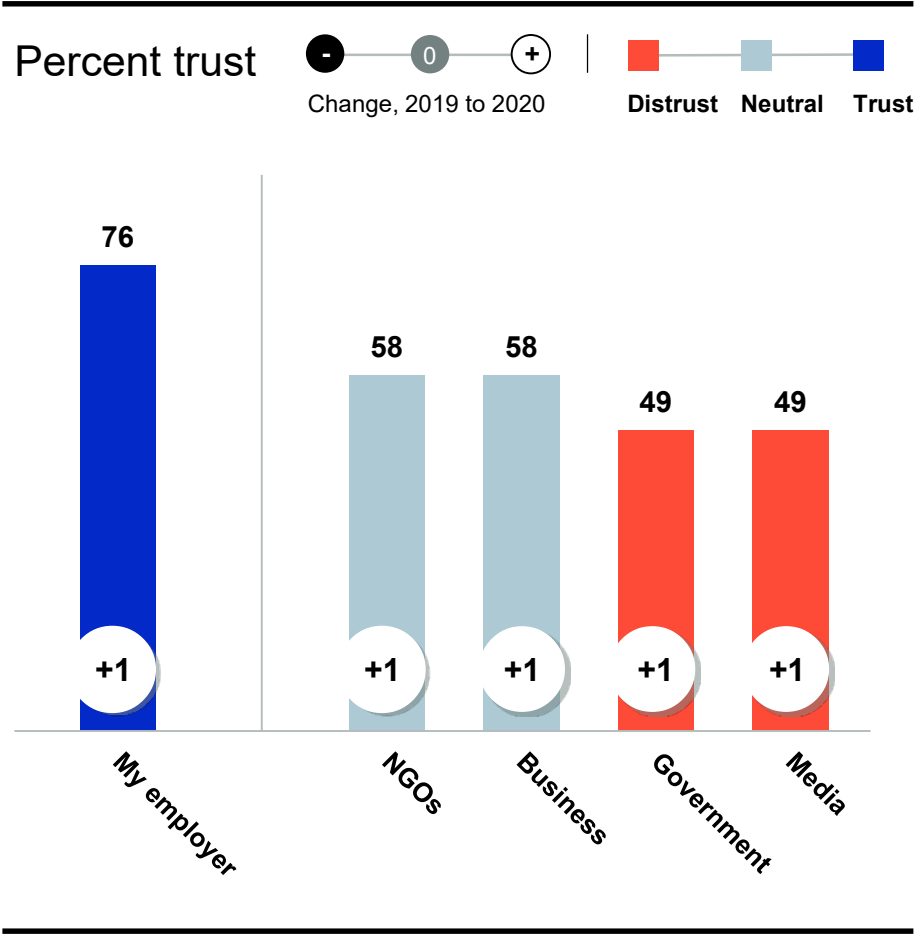
**CEOs should take the lead** on change rather than waiting for government to impose it



Change,  
2018 to 2020

2020 Edelman Trust Barometer. CEO\_ISS. How important is it to you that the CEO or head of the organization you work for speaks out publicly about each of the following issues? 9-point scale; top 4 box, important. Question asked of those who are an employee (Q43/1). Issues is a net of codes 1-7. General population, 28-mkt avg. CEO\_AGR. Thinking about CEOs, how strongly do you agree or disagree with the following statement? 9-point scale; top 4 box, agree. Question asked of half of the sample. General population, 25-mkt avg.

# TRUST IS LOCAL: EMPLOYEES EXPECT TO BE HEARD



Percent of employees who expect each from a prospective employer

73%

Opportunity to **shape the future** of society

73%

Employees **included in planning**

# CONSUMERS EXPECT BRANDS TO ACT

Percent of customers who are belief-driven buyers

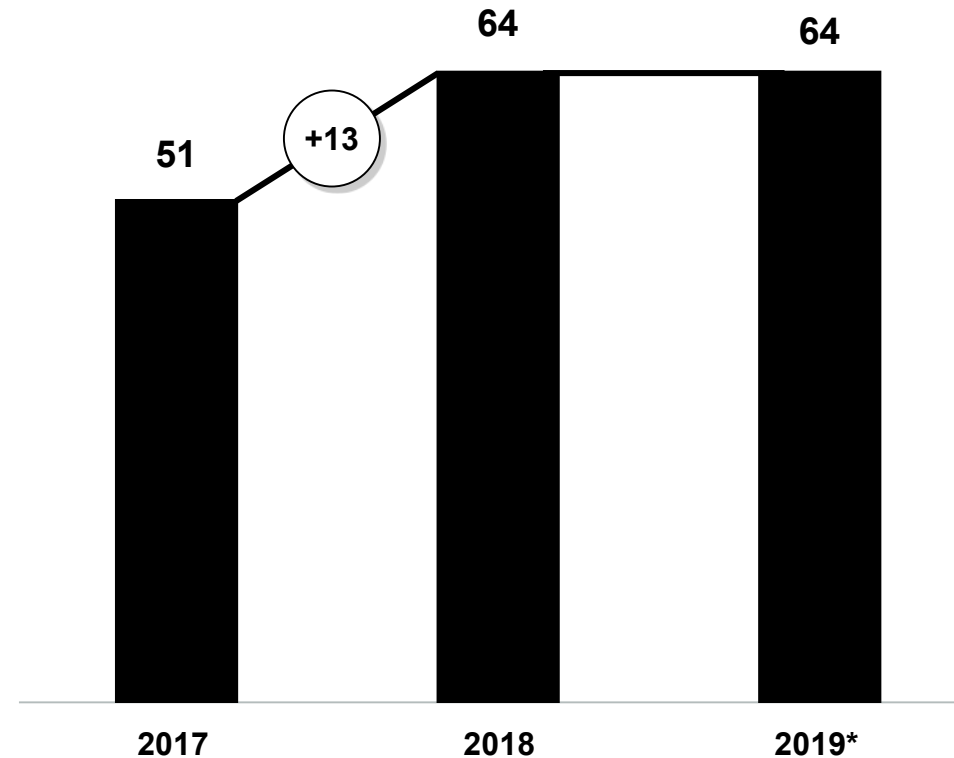
— 0 — + Change, 2017 to 2018

## Brand Democracy

I believe brands can be a powerful force for change.

I expect them to represent me and solve societal problems.

My wallet is my vote.



### Belief-driven buyers:

- choose
- switch
- avoid
- boycott



a brand based on its stand on societal issues

2018 Edelman Earned Brand. Belief-driven buying segments. 8-mkt avg. Belief-driven buyers choose, switch, avoid or boycott a brand based on its stand on societal issues.

\*2019 Edelman Trust Barometer Special Report: In Brands We Trust? Mobile Survey. Belief-driven buying segments. 8-mkt avg. See Technical Appendix for a detailed explanation of how the Belief-driven buying score was calculated.

# OVERCOME SKEPTICISM THROUGH ACTION

Percent who agree

 Business **has a duty** to do this     I trust business **will do this**

**Retrain employees**  
affected by automation  
or innovation



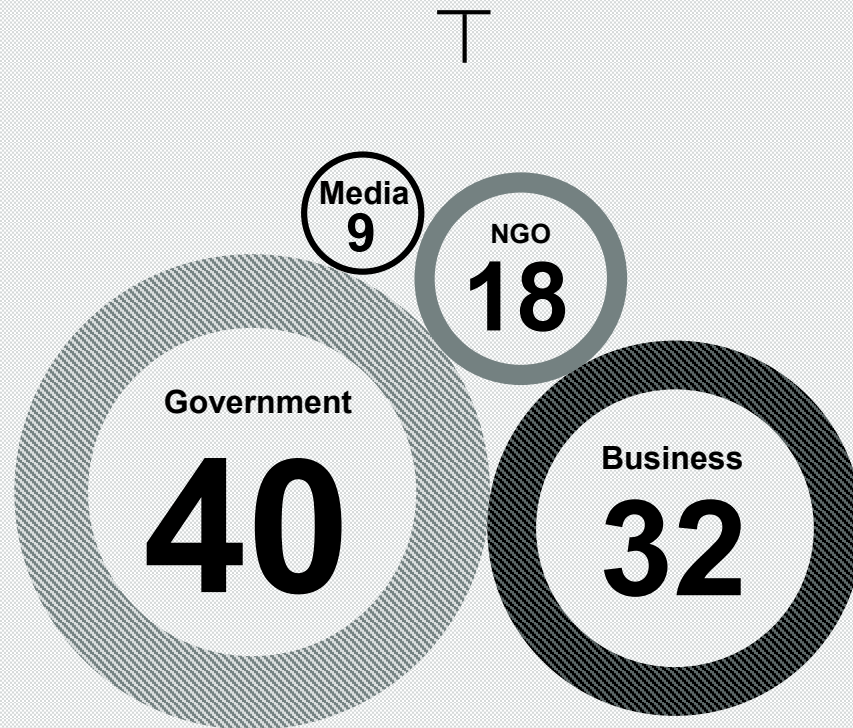
**Pay everyone a decent wage**, even if that means  
I must pay more



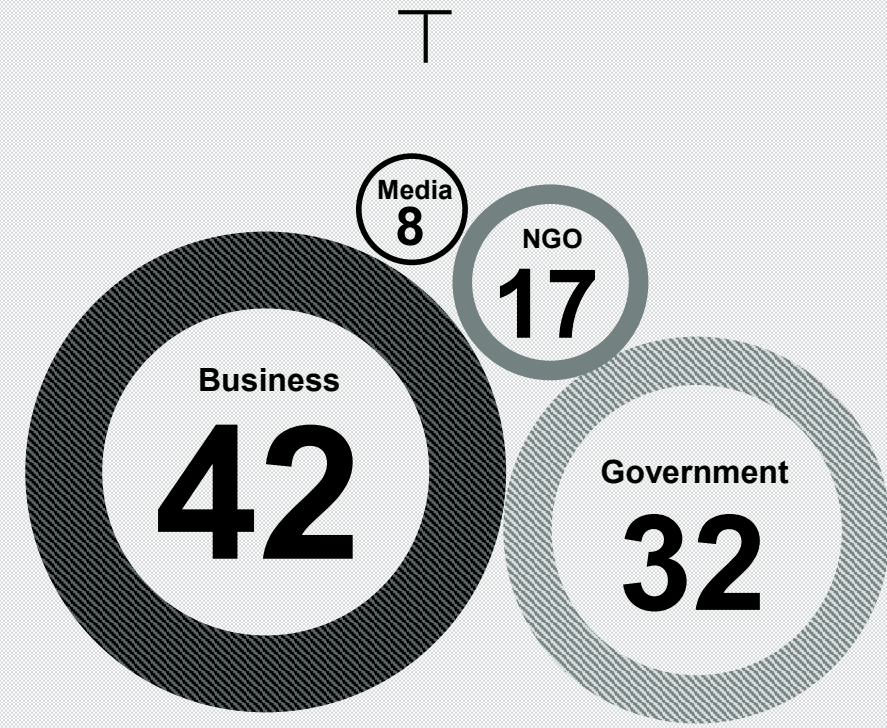
# PARTNERSHIP BETWEEN BUSINESS AND GOVERNMENT ESSENTIAL ON JOBS

Percent who say each institution is the one they trust most to address each challenge

Protect workers in the **gig economy**



**Workforce retraining** necessary as a result of automation



# ADDRESSING GREATEST FAILURES GETS EVERY INSTITUTION TO TRUST

Percent who think each institution is doing well/very well on the issue, and the potential trust gains associated with doing each well



NGOs	
Transparency about funding	35
Expose corruption	35
Avoid becoming politicized	35
<b>Partner with government</b>	<b>38</b>
<b>Partner with business</b>	<b>38</b>

Business	
<b>Partner with NGOs</b>	<b>33</b>
Jobs that pay a decent wage	35
<b>Partner with government</b>	<b>37</b>
Deal fairly with suppliers	40
Contribute to communities	41

Government	
Reduce partisanship	26
<b>Partner with NGOs</b>	<b>30</b>
Community-level problems	31
Social services for the poor	34
<b>Partner with business</b>	<b>34</b>

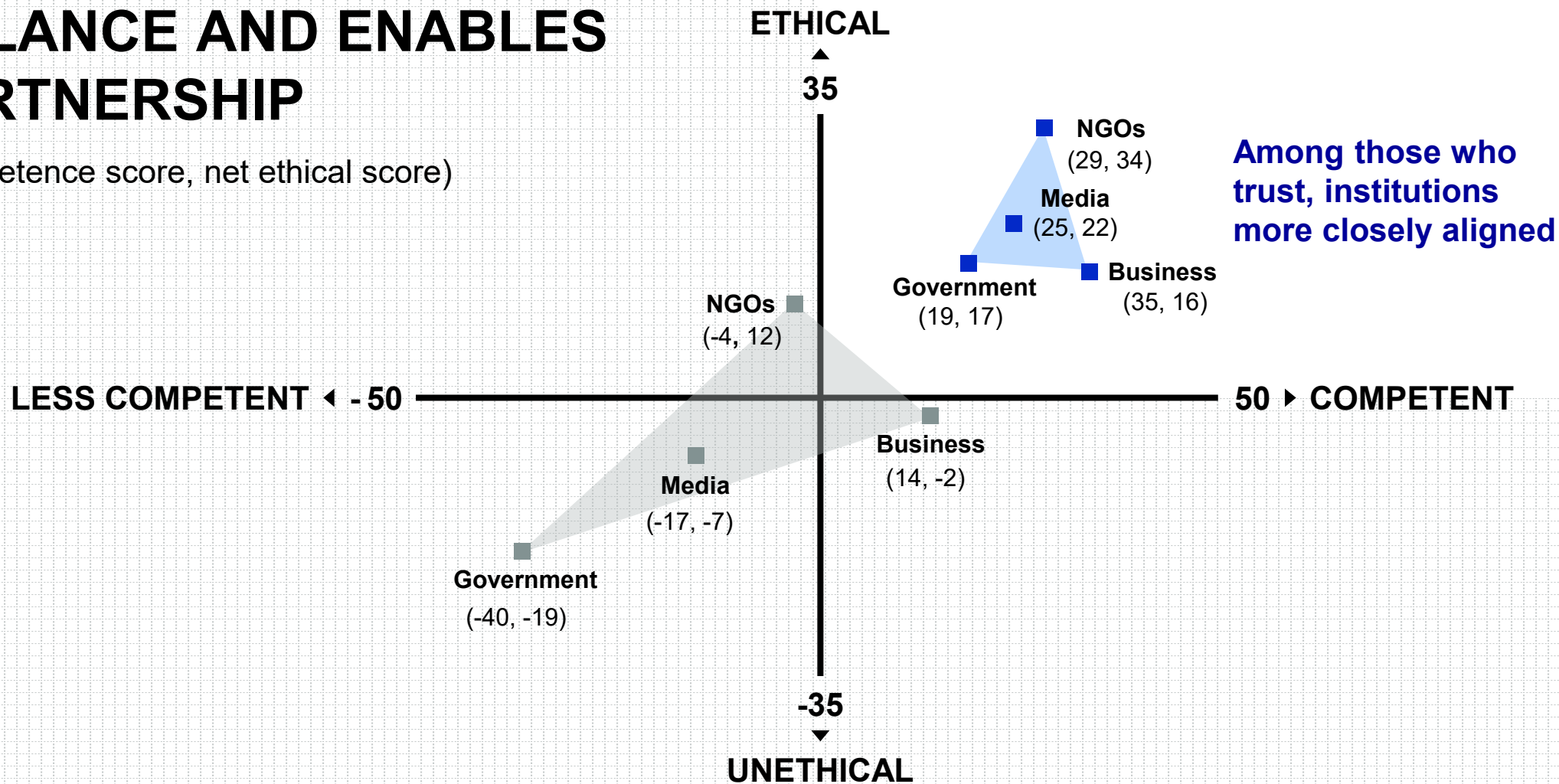
Media	
Keep social media clean	34
Being objective	35
Information quality	38
Important vs sensationalized	38
Differentiate opinion and fact	39



2020 Edelman Trust Barometer. Regression analysis. 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. PER\_[INSTITUTION]. How well do you feel [institution] is currently doing each of the following? 5-point scale; top 2 box, doing well. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. For a full explanation of how this data was calculated, please see the Technical Appendix.

# TRUST RESTORES BALANCE AND ENABLES PARTNERSHIP

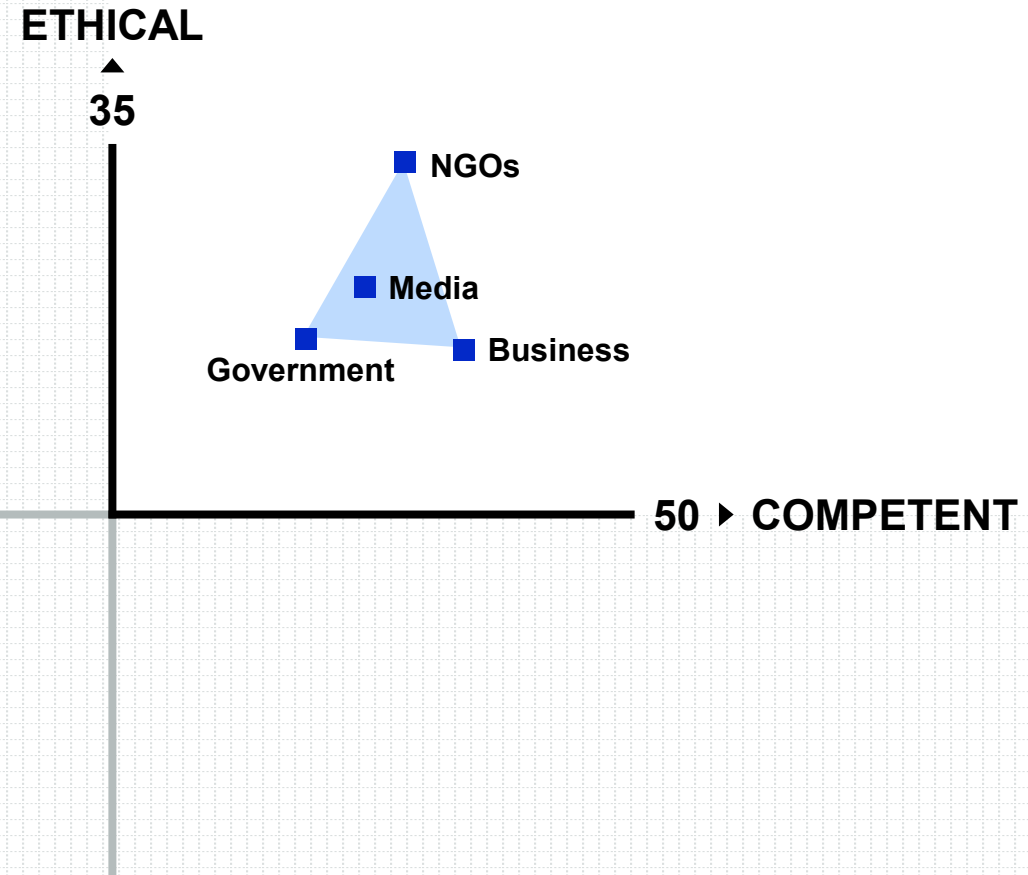
(Competence score, net ethical score)



**2020 Edelman Trust Barometer.** The ethical scores are averages of nets based on [INSTITUTION]\_PER\_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU\_3D\_[INSTITUTION] r1. Depending on the question it was either asked of the full or half the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. Data for blue triangle is among those who trust each institution (TRU\_INS top 4 box, trust). For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

# BUILDING TRUST FOR THE FUTURE

- Pay fair wages
- Focus on education and retraining
- Embrace an all-stakeholders model
- Partner across institutions



┌  
**SUPPLEMENTAL**  
**DATA**  
└



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## Supplemental Data

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### 1. Institutions: trust and performance

- NGOs
- Business
- Government
- Media
- Local vs central government
- The United Nations
- The European Union
- Performance

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### 2. Trust in business in detail

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### 3. Modeling trust

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### 4. Trust and information

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### 5. Societal issues

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### 6. Employee expectations

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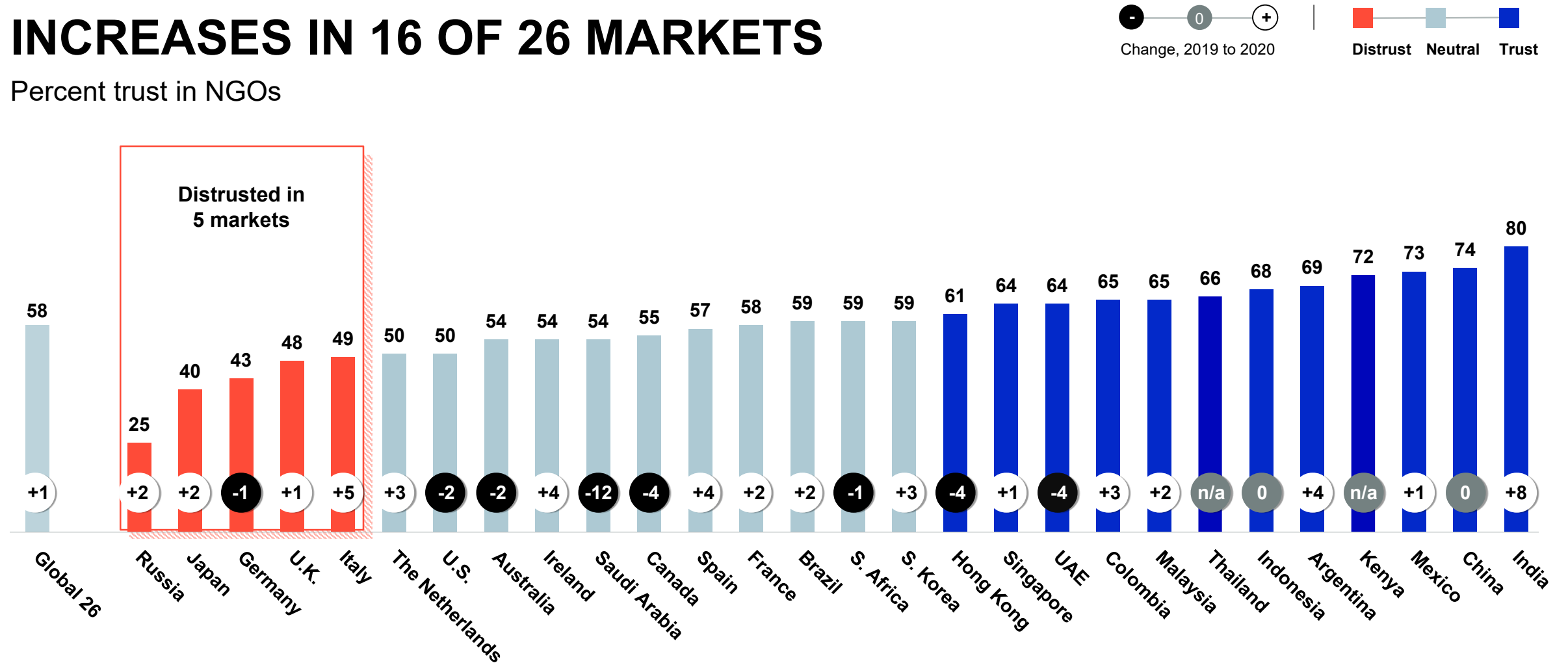
# Institutions: Trust and Performance

T

# TRUST IN NGOS

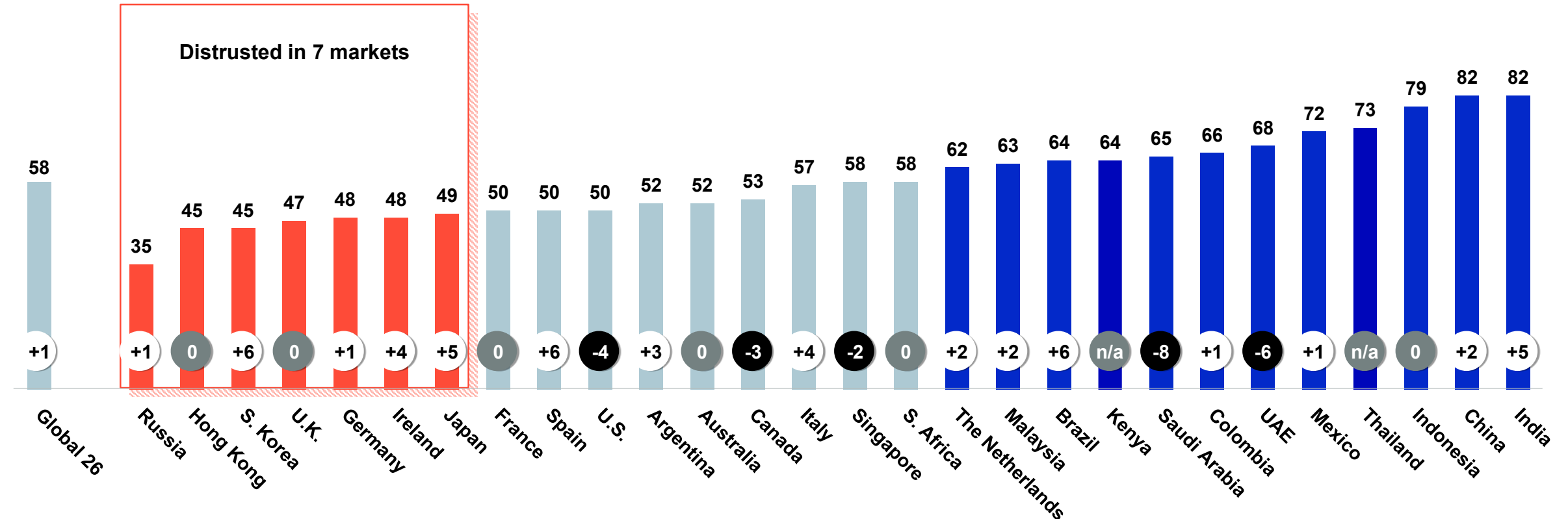
## INCREASES IN 16 OF 26 MARKETS

Percent trust in NGOs



# TRUST IN BUSINESS INCREASES IN 15 OF 26 MARKETS

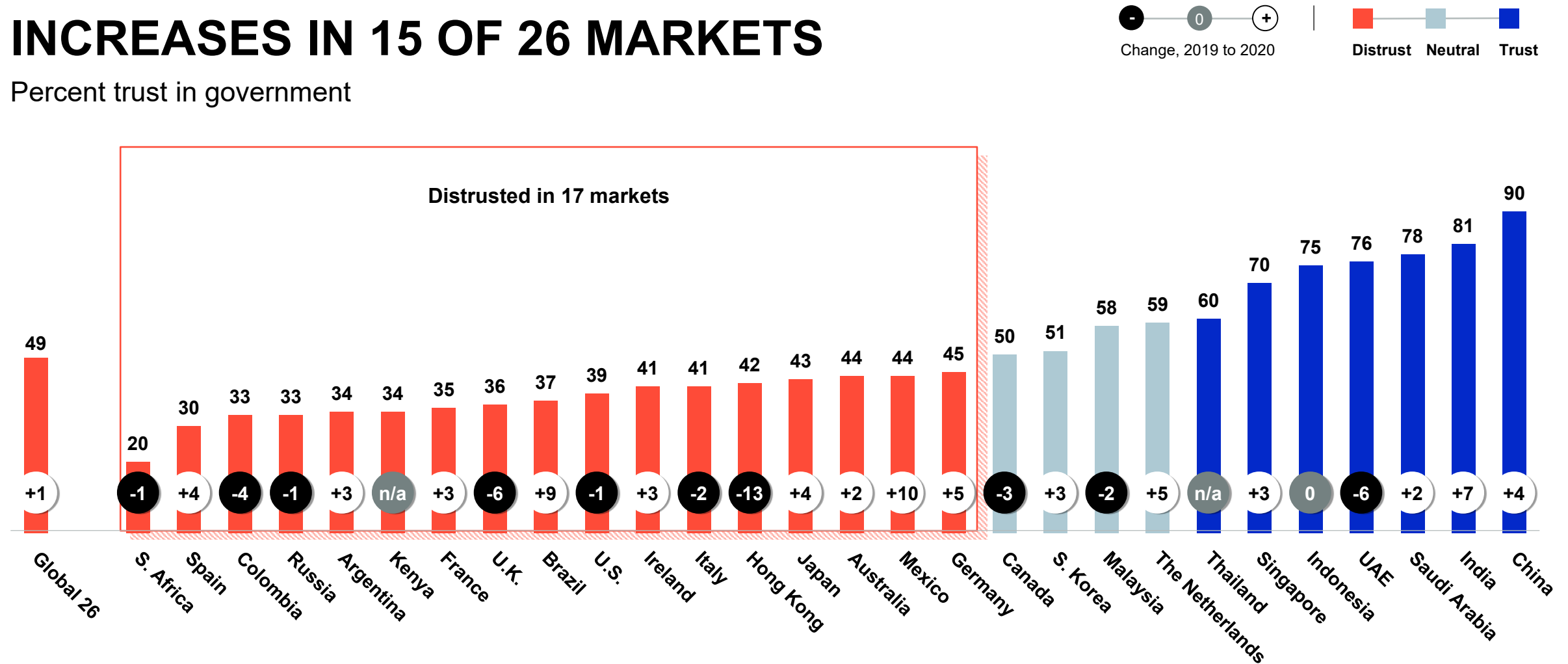
Percent trust in business



2020 Edelman Trust Barometer. TRU\_INS. [Business in general] 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, 26-mkt avg.

# TRUST IN GOVERNMENT INCREASES IN 15 OF 26 MARKETS

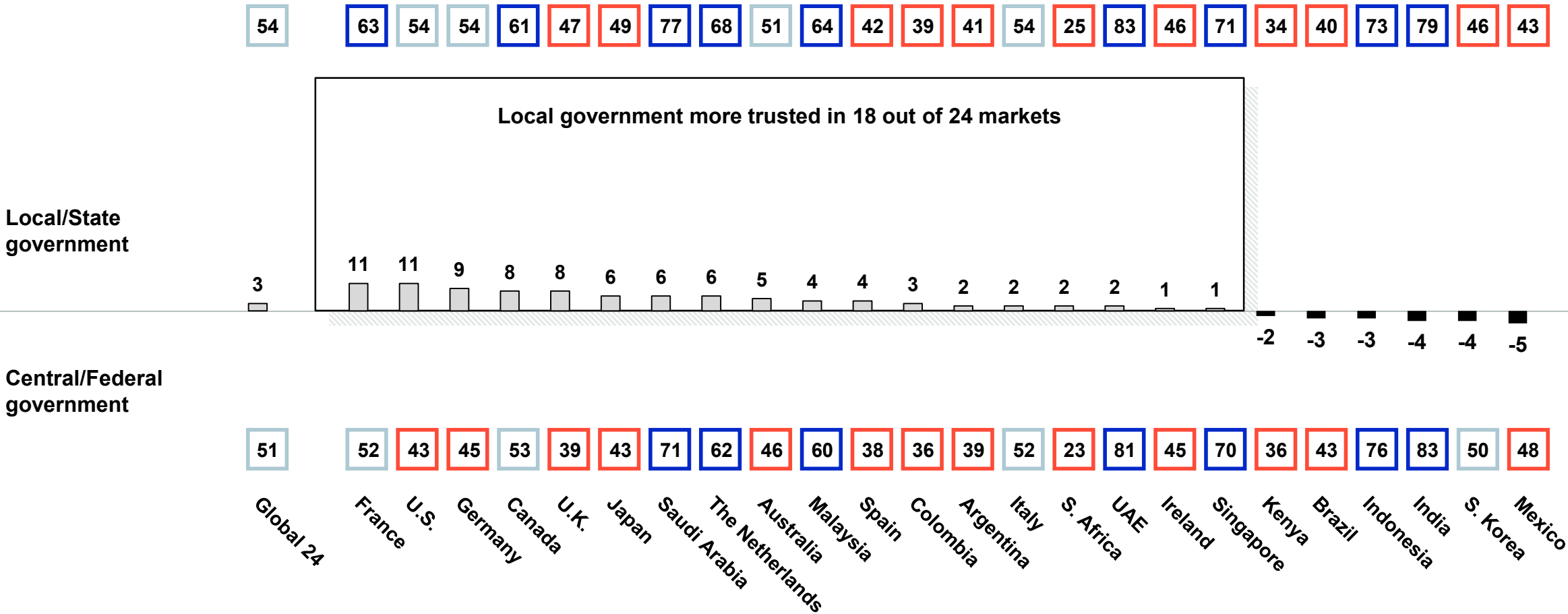
Percent trust in government



2020 Edelman Trust Barometer. TRU\_INS. [Government in general] 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, 26-mkt avg.

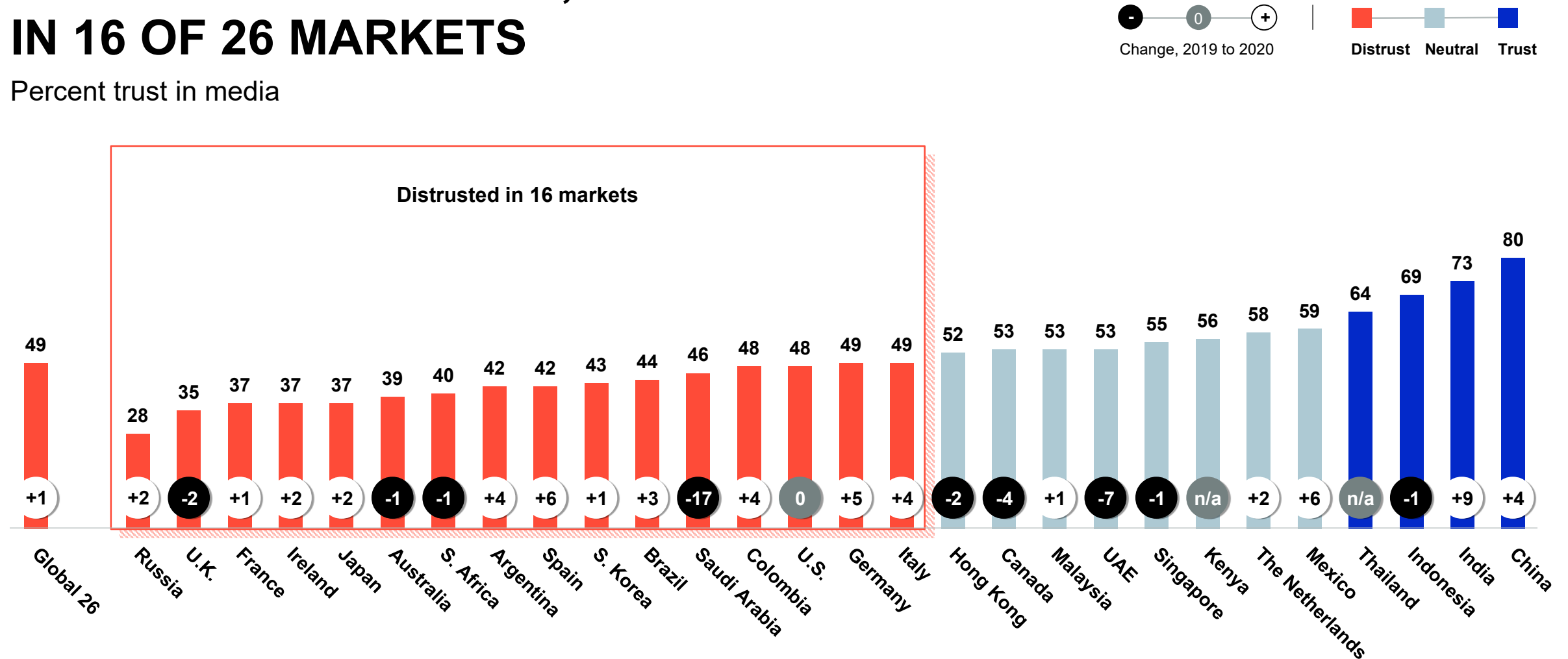
# MORE TRUST IN LOCAL GOVERNMENT

Percentage point gap between trust in local/state government and central/federal government



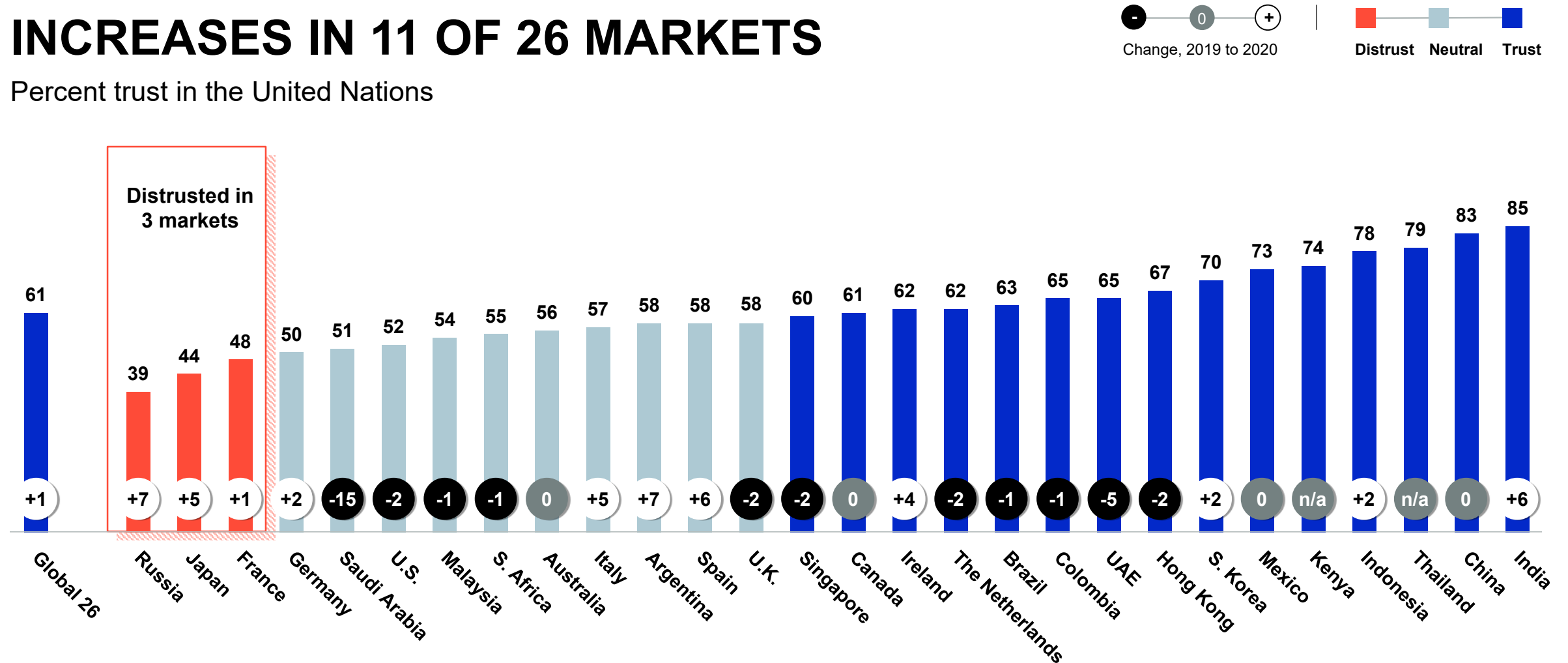
# TRUST IN MEDIA RISES, IN 16 OF 26 MARKETS

Percent trust in media



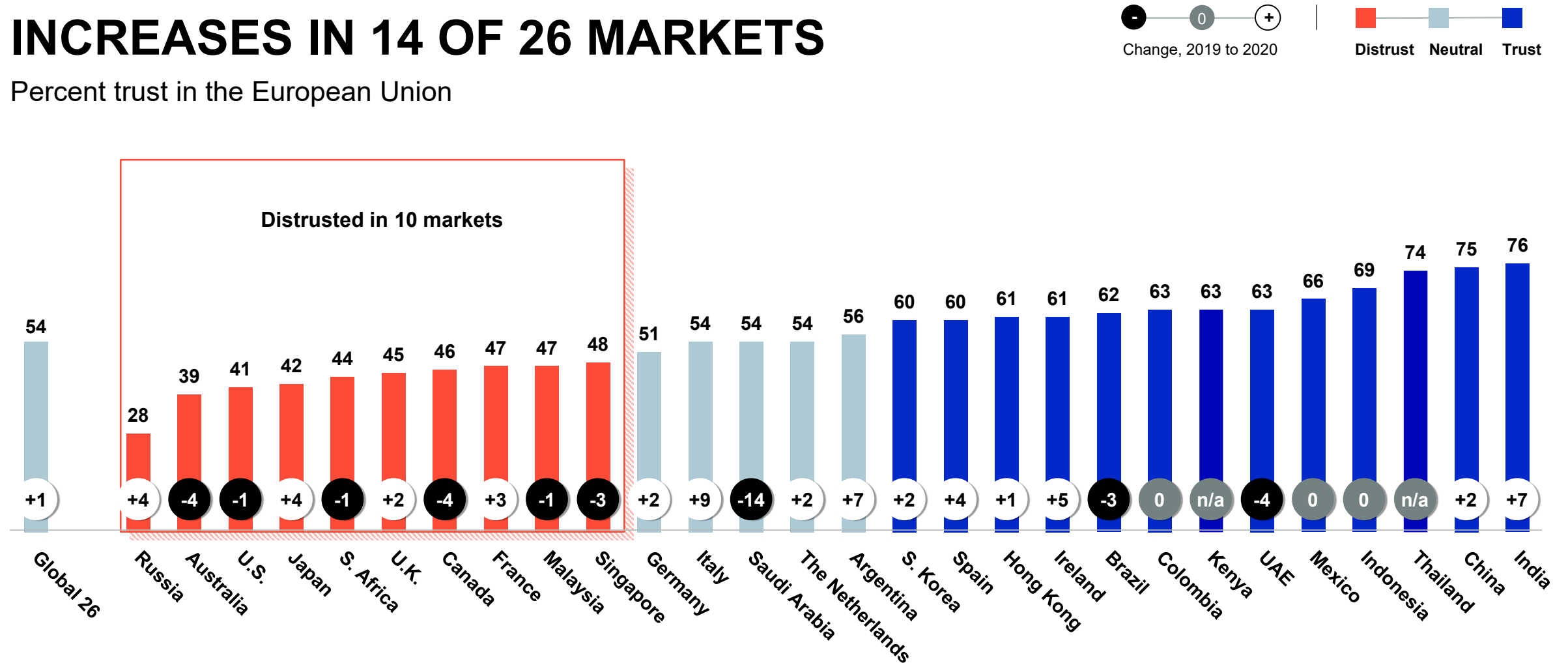
# TRUST IN THE UNITED NATIONS INCREASES IN 11 OF 26 MARKETS

Percent trust in the United Nations



# TRUST IN THE EUROPEAN UNION INCREASES IN 14 OF 26 MARKETS

Percent trust in the European Union



# INSTITUTIONAL PERFORMANCE

Percent who think each institution is doing well/very well on the issue

Strength > 50%

Weakness < 50%

NGOs		Business		Government		Media	
Protect the environment	48	<b>Generate value for owners</b>	<b>56</b>	International alliances, defense	43	<b>Covering national news</b>	<b>61</b>
Protect civil and human rights	47	<b>Engine of innovation</b>	<b>51</b>	Safe and modern infrastructure	41	<b>Covering international news</b>	<b>57</b>
Poverty, illiteracy, disease	45	<b>Drive economic prosperity</b>	<b>51</b>	Maintain law and order	38	<b>Covering local news</b>	<b>57</b>
Educate people for good decisions	44	Meet customer expectations	47	Protect civil and human rights	38	<b>Enough journalists</b>	<b>53</b>
Community-level problems	43	Diversity in the workplace	42	Balance national interests and international engagement	37	Information for good decisions	44
Global-level problems	42	Sustainable business practices	42	Education	37	Let people be heard	43
Set goals with regular public updates	40	Invest in employee training	42	Regulate emerging tech	37	Exposing corruption	42
Partner with business	38	Contribute to communities	41	Partner with business	34	Differentiate opinion and fact	39
Partner with government	38	Deal fairly with suppliers	40	Social services for the poor	34	Important vs sensationalized	38
Avoid becoming politicized	35	Partner with government	37	Community-level problems	31	Information quality	38
Expose corruption	35	Jobs that pay a decent wage	35	Partner with NGOs	30	Being objective	35
Transparency about funding	35	Partner with NGOs	33	Reduce partisanship	26	Keep social media clean	34

2020 Edelman Trust Barometer. PER\_[INSTITUTION]. How well do you feel [institution] is currently doing each of the following? 5-point scale; top 2 box, doing well. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand.

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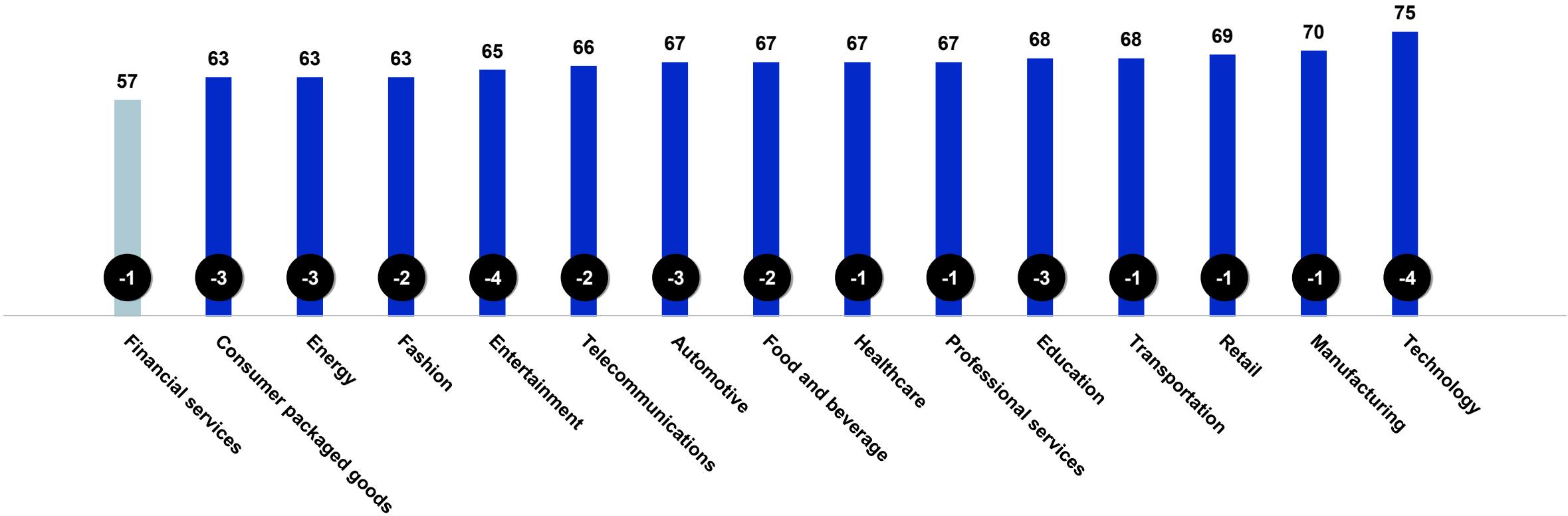
# Trust in Business in Detail

T

# TRUST DECLINES ACROSS SECTORS, LED BY TECHNOLOGY AND ENTERTAINMENT



Percent trust in each sector



# INDUSTRY SECTORS OVER TIME

Percent trust in each sector


  
 Change, 2012 to 2020


  
 Distrust   Neutral   Trust

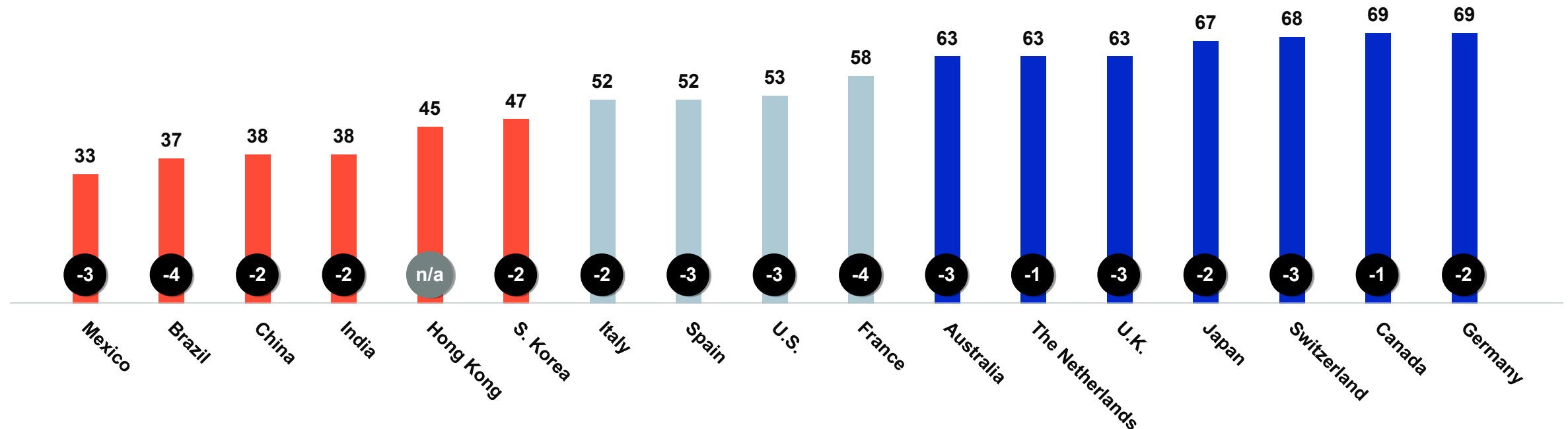
Industry	2012	2013	2014	2015	2016	2017	2018	2019	2020	8yr. Trend
Technology	77	74	77	74	75	76	75	78	75	-2
Automotive	63	66	70	67	61	66	62	69	67	+4
Food and beverage	64	65	66	64	65	68	64	68	67	+3
Healthcare	-	-	-	-	64	67	65	68	67	n/a
Telecommunications	59	62	62	60	61	64	64	67	65	+6
Entertainment	-	63	66	64	65	65	63	68	64	n/a
Energy	54	58	58	57	59	63	63	65	63	+9
Consumer packaged goods	58	61	62	61	62	64	61	65	62	+4
Financial services	44	48	49	49	53	55	55	57	56	+12

# TRUST DECLINES FOR ALL COUNTRY BRANDS

Trust in companies headquartered in each market

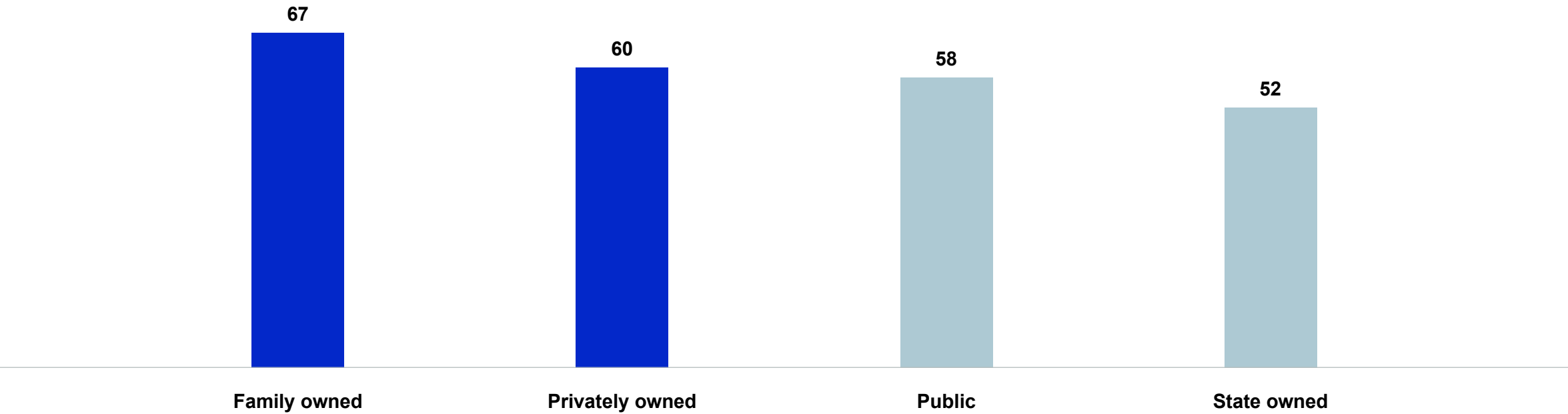
Change, 2019 to 2020

Distrust Neutral Trust



# FAMILY BUSINESS MOST TRUSTED

Percent trust in each sector



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# Modeling Trust

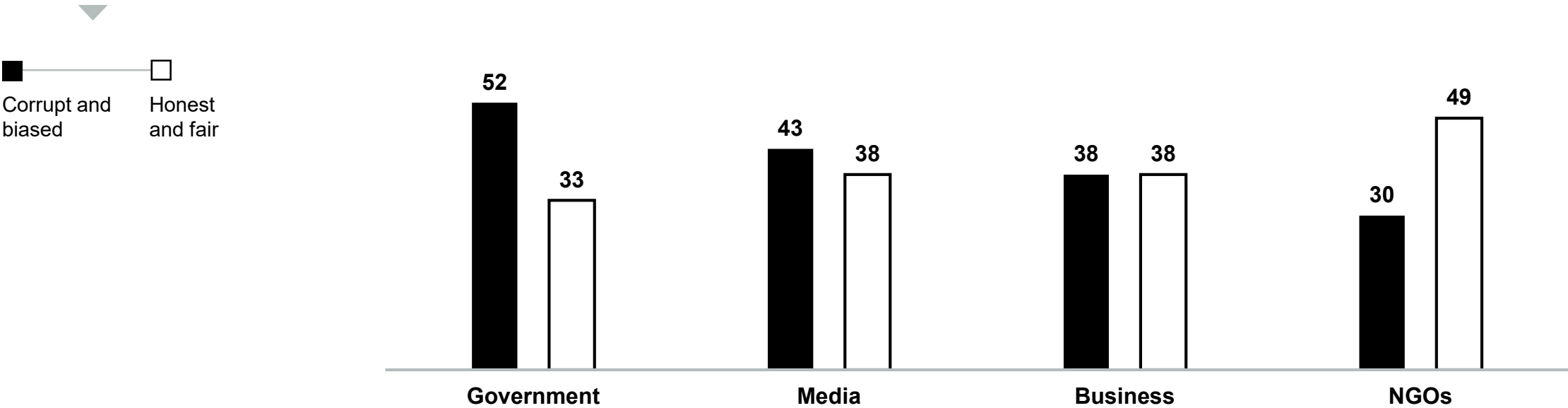
T

# INSTITUTIONS SEEN AS LACKING HONESTY

Percent who cite each as a reason they trust or distrust each institution

This institution...

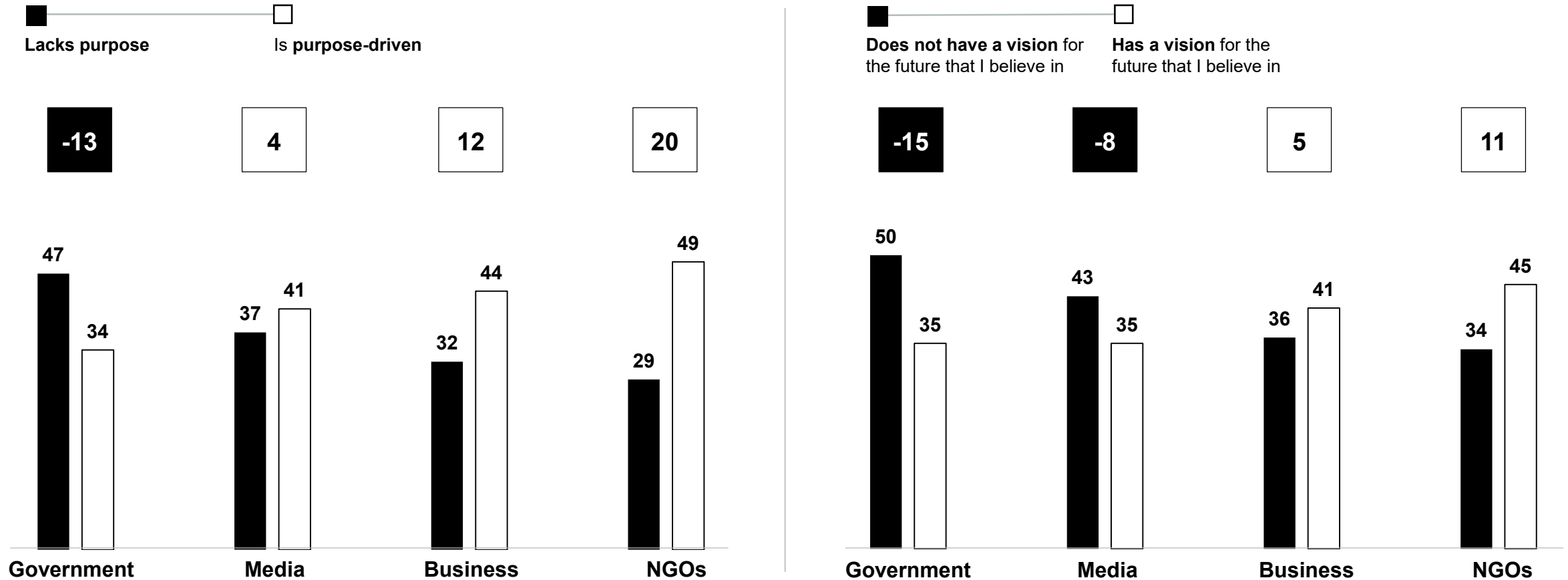
- Is purpose-driven
- **Is honest**
- Has vision
- Is fair



# INSTITUTIONS SEEN AS LACKING A VISION AND PURPOSE FOR THE FUTURE

Percent who cite each as a reason they trust or distrust each institution

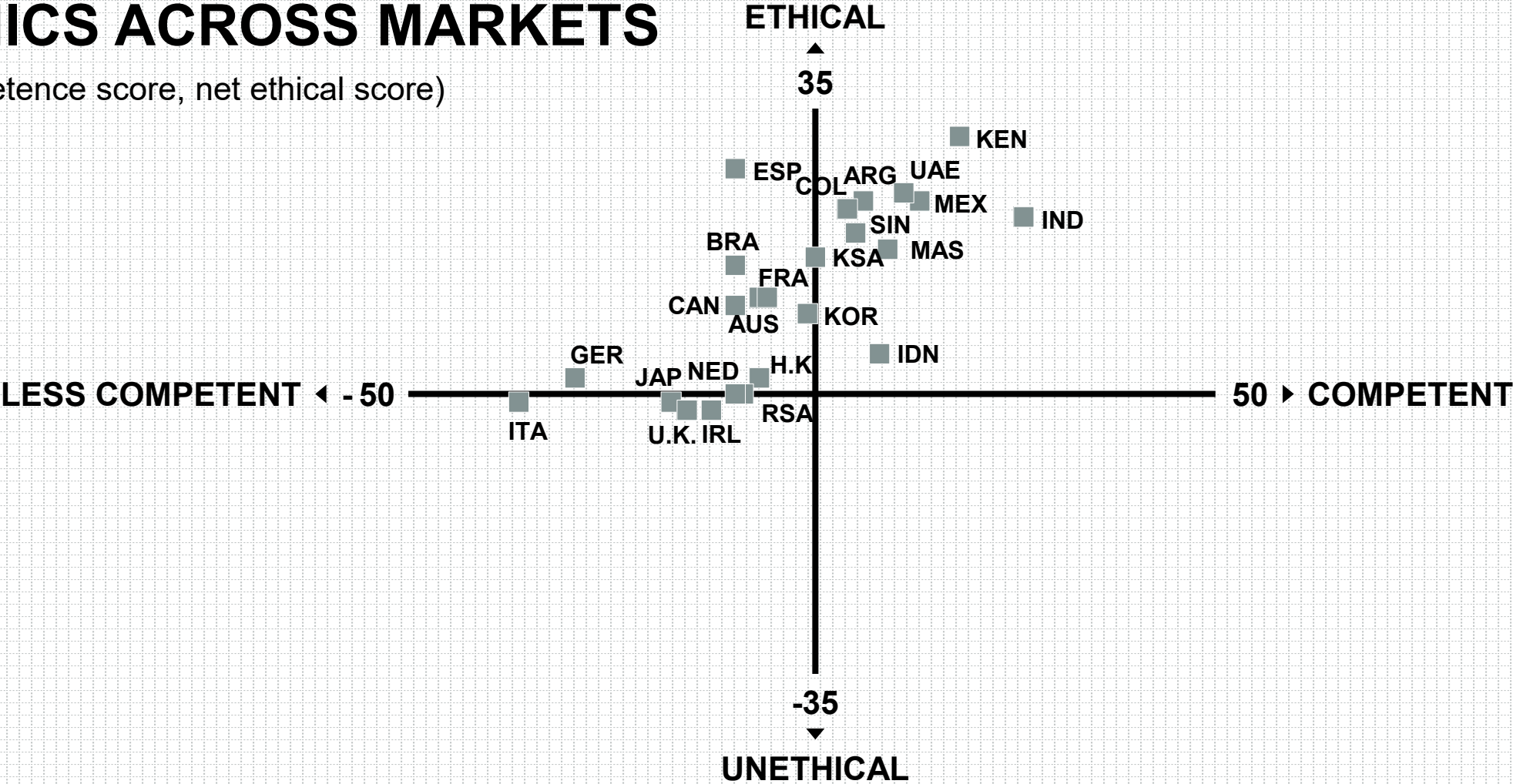
- This institution...
- **Is purpose-driven**
  - Is honest
  - **Has vision**
  - Is fair



2020 Edelman Trust Barometer. Net scores represent positive responses minus negative responses to the following questions: [INSTITUTION]\_PER\_DIM. In thinking about why you do or do not trust [institution], please specify where you think they fall on the scale between the two opposing descriptions. 11-point scale; top 5 box, positive; bottom 5 box, negative. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand.

# NGOS: COMPETENCE AND ETHICS ACROSS MARKETS

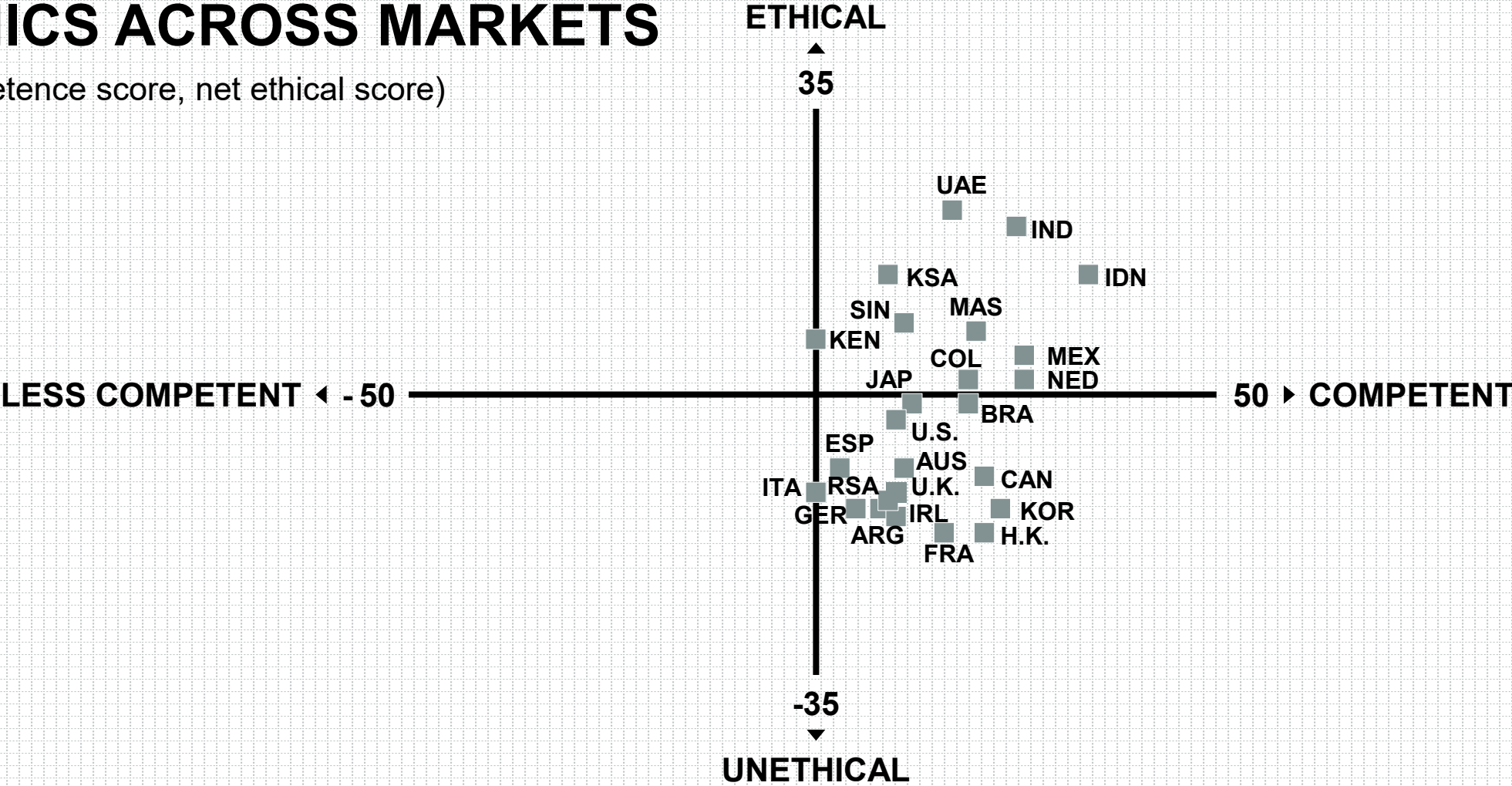
(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]\_PER\_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU\_3D [INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

# BUSINESS: COMPETENCE AND ETHICS ACROSS MARKETS

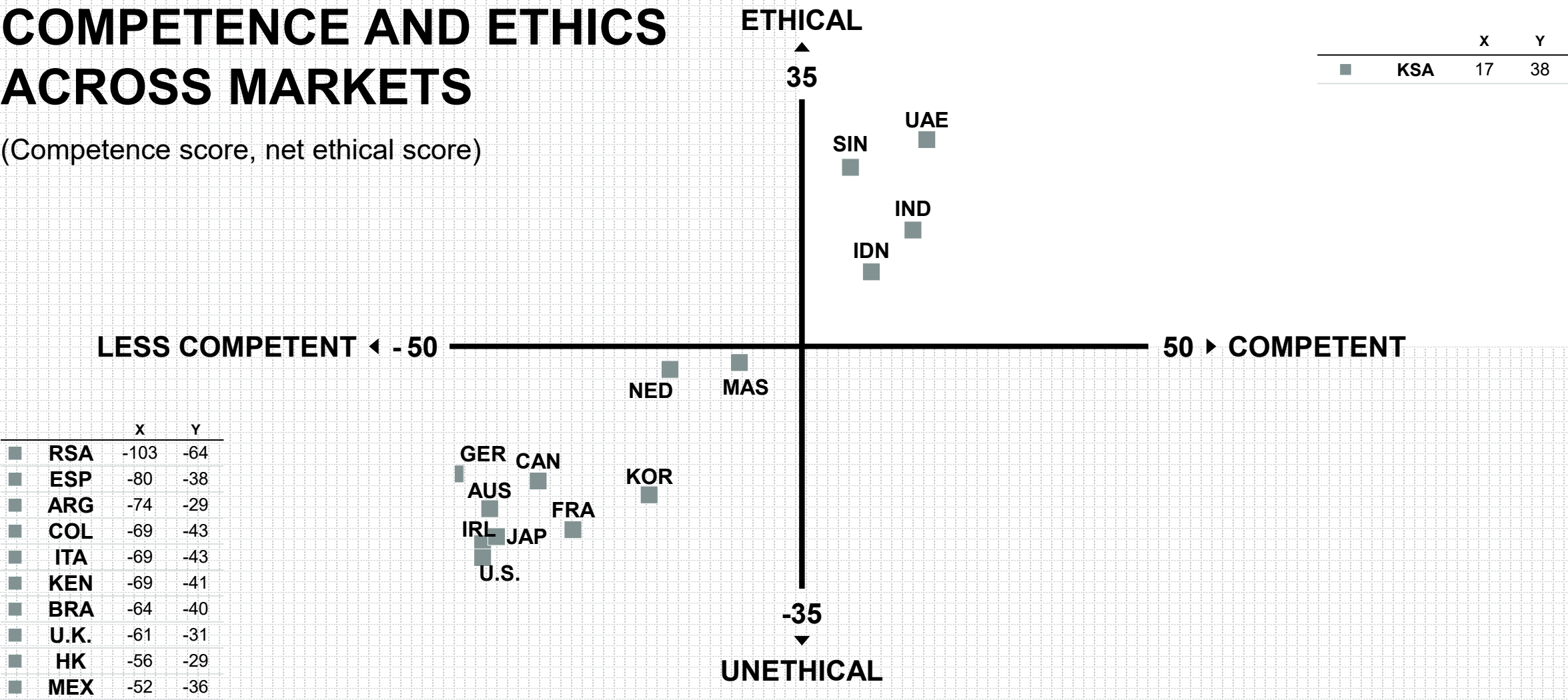
(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]\_PER\_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU\_3D [INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

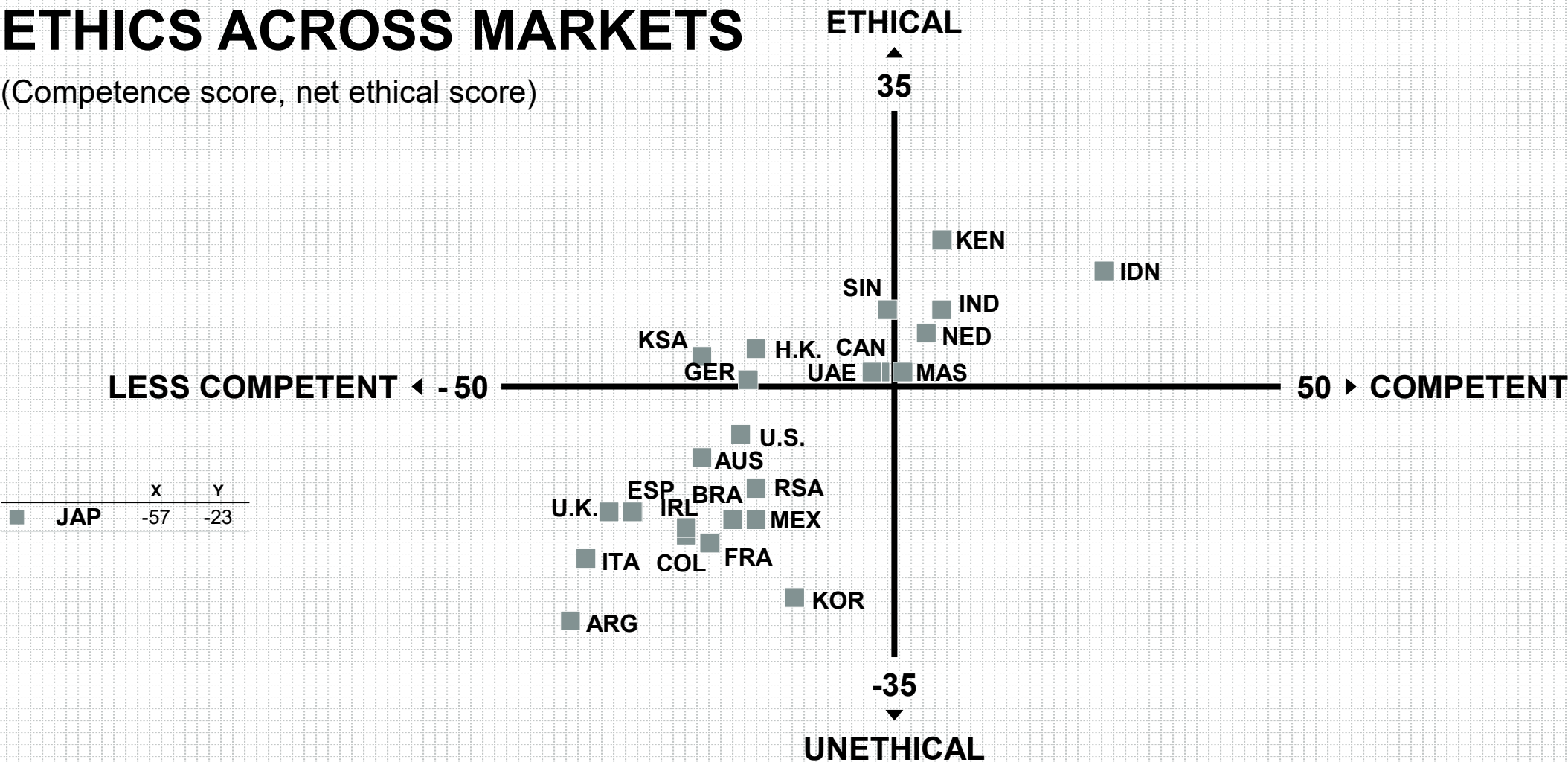
# GOVERNMENT: COMPETENCE AND ETHICS ACROSS MARKETS

(Competence score, net ethical score)



# MEDIA: COMPETENCE AND ETHICS ACROSS MARKETS

(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]\_PER\_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU\_3D \_[INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

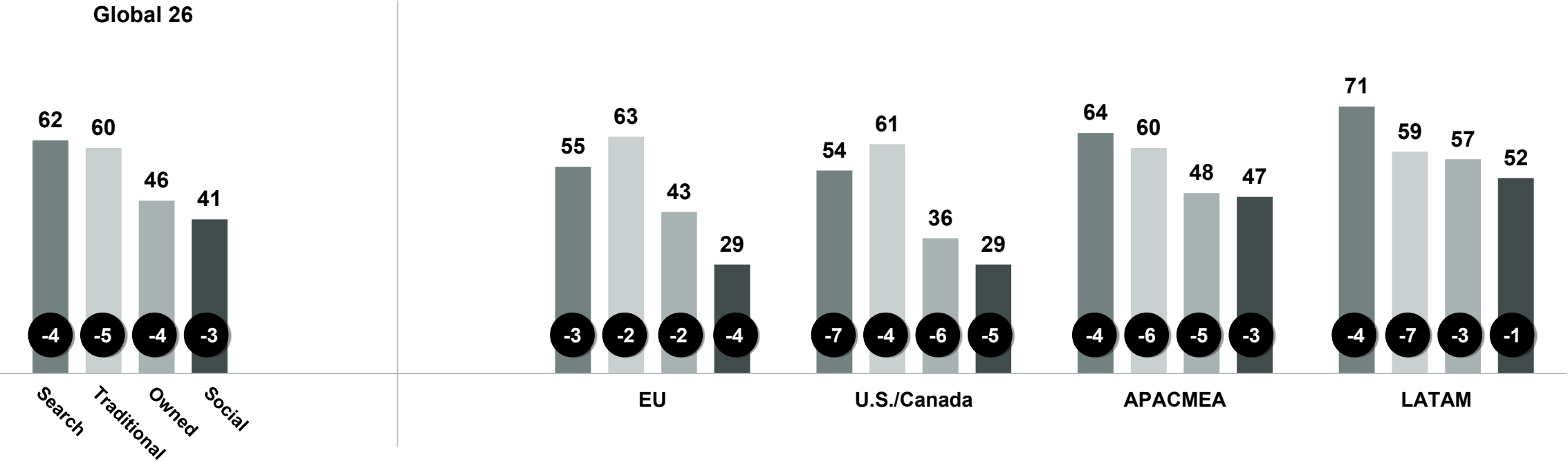
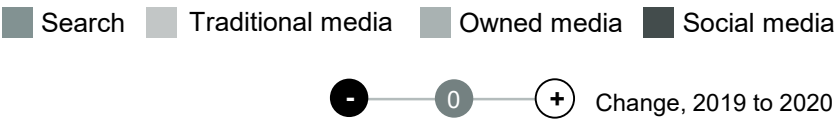
⊥

# Trust and Information

T

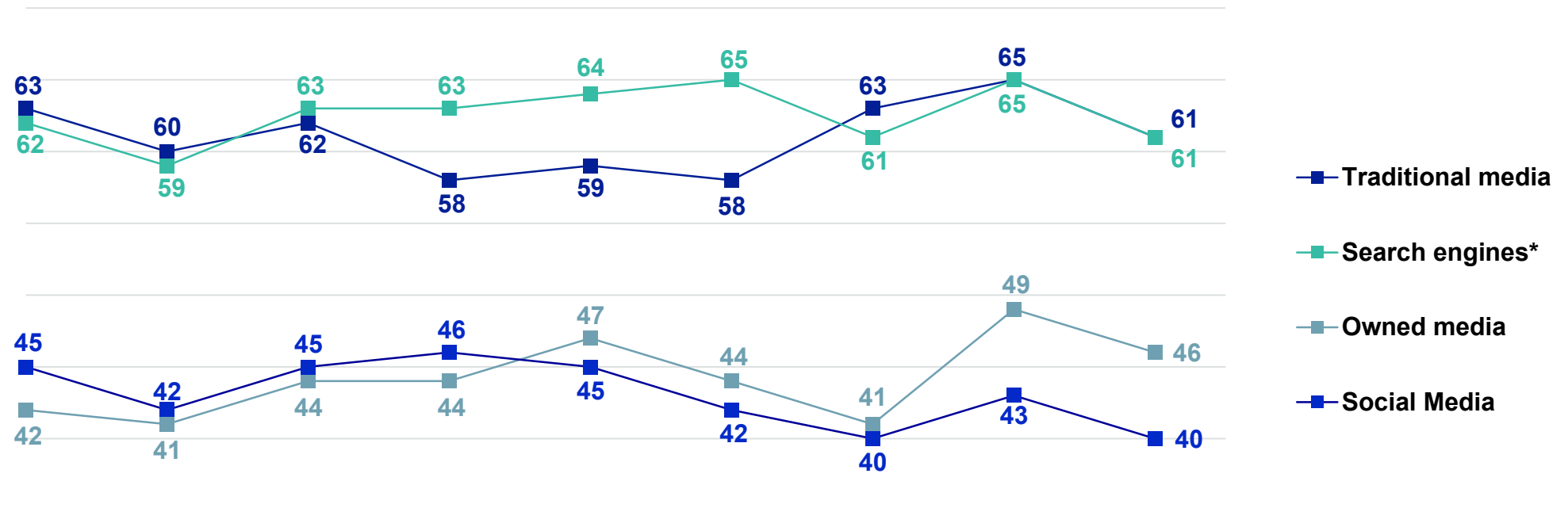
# CHAMPION RELIABLE SOURCES

Percent who trust each source of news



# TRADITIONAL MEDIA AND SEARCH ENGINES MOST TRUSTED

Percent trust in each source for general news and information



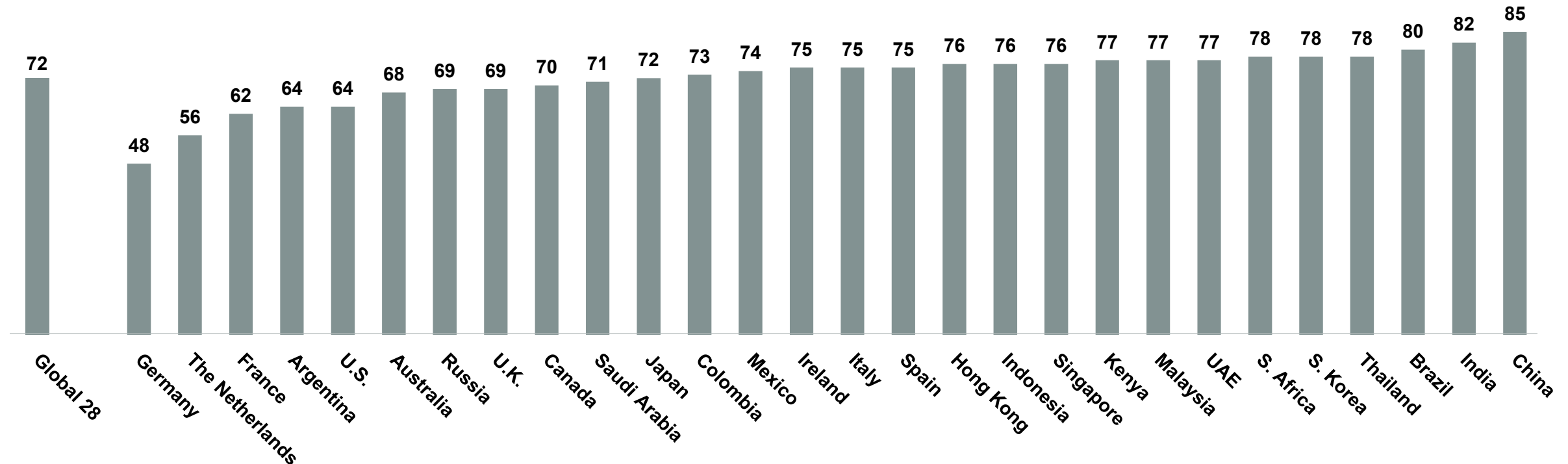
2020 Edelman Trust Barometer. COM\_MCL. When looking for general news and information, how much would you trust each type of source for general news and information? 9-point scale; top 4 box, trust. Question asked of half of the sample. General population, 23-mkt avg.

\*From 2012-2015, "Online Search Engines" were included as a media type. In 2016, this was changed to "Search Engines."

# ADVERTISERS HELD ACCOUNTABLE FOR FAKE NEWS

Percent who agree

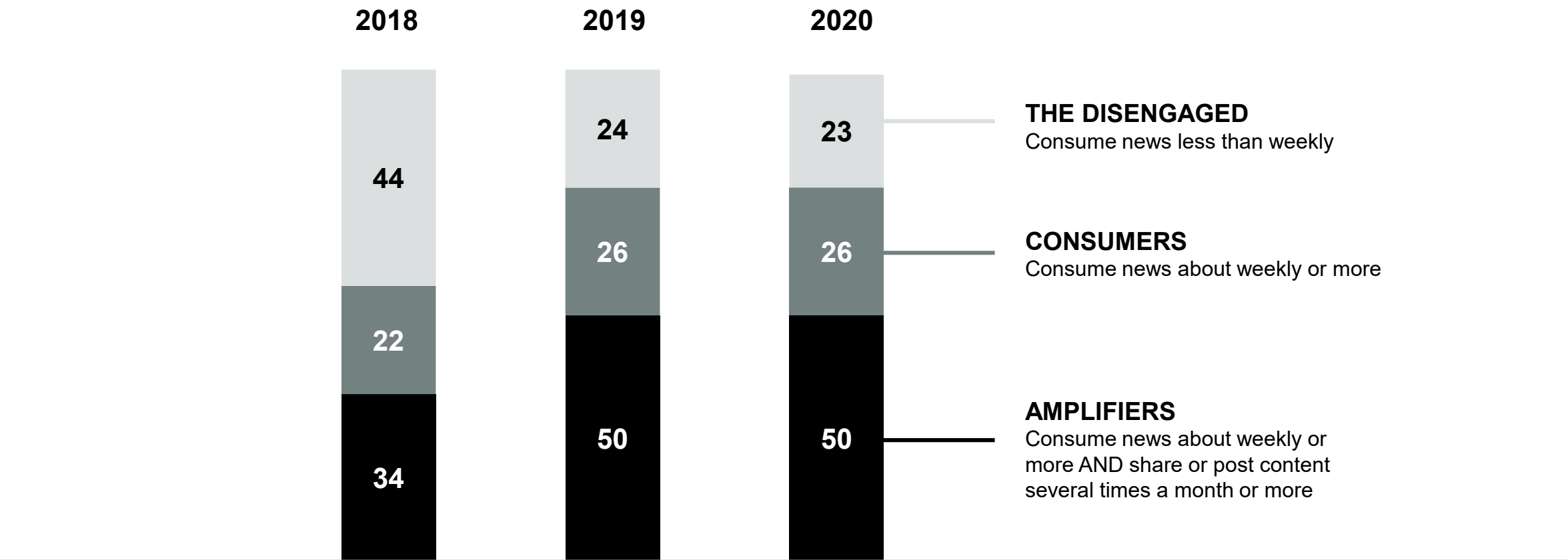
Companies **should stop advertising with any media platform** that fails to prevent the spread of fake news and false information



2020 Edelman Trust Barometer. CMP\_DUT. For each of the actions below, please indicate whether you believe that this is something that companies have a duty to do, but you do/do not trust that they will ever follow through and consistently do it. 3-point scale; sum of codes 2 and 3, have a duty. General population, 28-mkt avg.

# CONTINUED ENGAGEMENT WITH NEWS

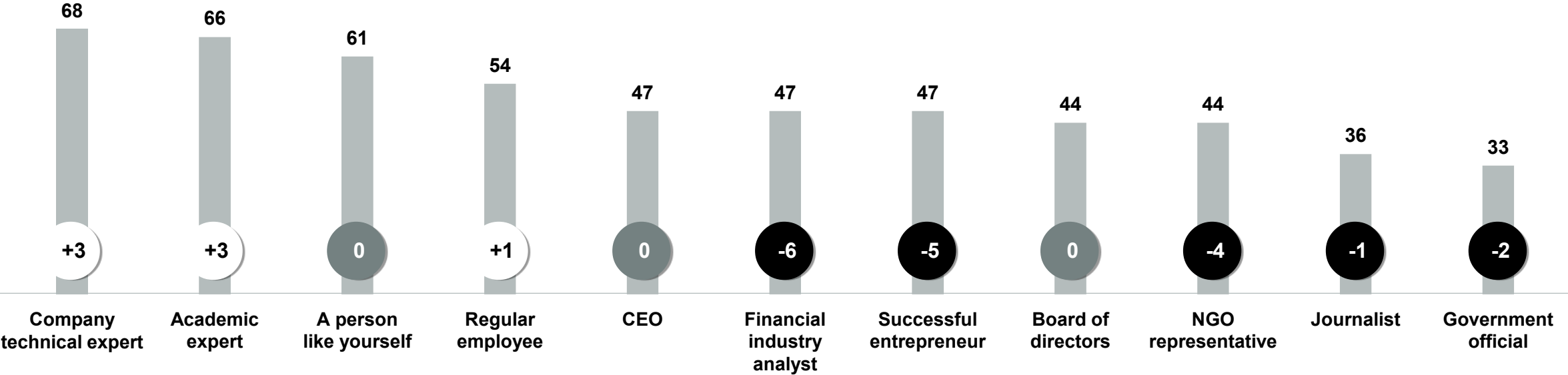
How often do you engage in the following activities related to news and information?



# EXPERTS AND PEERS MOST CREDIBLE

Percent who rate each source as very/extremely credible

 Change, 2019 to 2020



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# Societal Issues

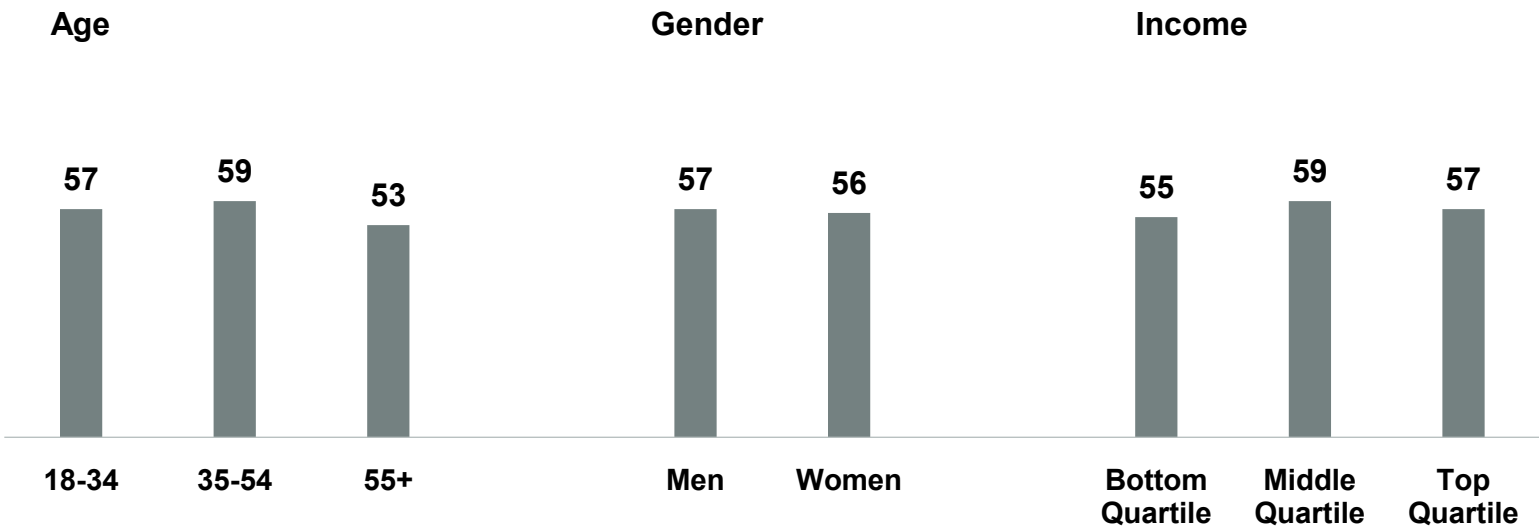
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# CAPITALISM IN QUESTION ACROSS GENERATIONS, GENDERS AND INCOME GROUPS

Percent who agree

Capitalism as it exists today **does more harm than good in the world**

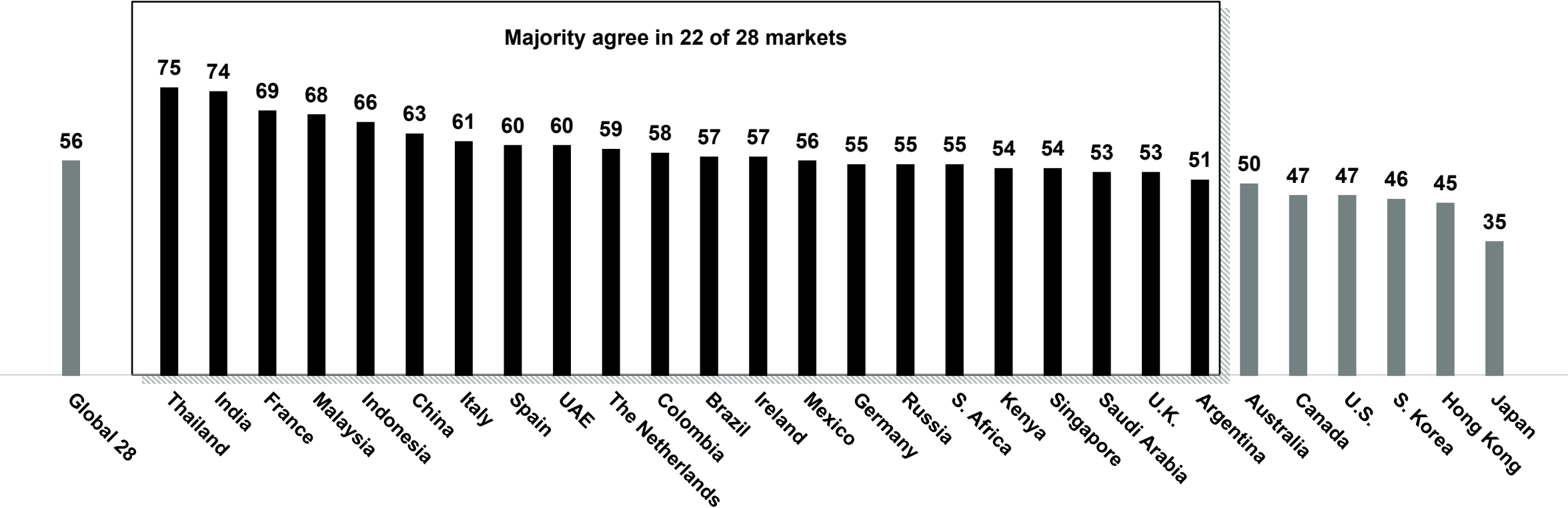
56%



# CAPITALISM IN QUESTION AROUND THE WORLD

Percent who agree

Capitalism as it exists today **does more harm than good in the world**



# JOB LOSS

Percent who are worried about losing their job due to each reason

- Highest job loss worry in each market
- Second-highest job loss worry
- Third-highest job loss worry

	Gig-economy	Looming recession	Lack of training/skills	Foreign competitors	Immigration	Automation	Job moved abroad
Argentina	61	65	57	55	54	51	46
Australia	60	51	51	49	48	45	41
Brazil	64	67	68	56	52	58	54
Canada	56	49	50	42	43	45	36
China	65	62	67	59	56	63	59
Colombia	74	74	69	69	74	65	60
France	65	54	54	51	52	55	49
Germany	51	45	43	42	41	40	46
Hong Kong	60	52	58	46	49	50	44
India	82	80	81	79	80	77	77
Indonesia	61	58	61	58	56	57	52
Ireland	57	55	50	45	42	39	40
Italy	60	64	55	57	53	51	70
Japan	44	37	45	38	44	38	40
Kenya	64	64	63	58	49	52	49
Malaysia	70	71	67	73	71	69	61
Mexico	71	71	67	64	59	60	59
Russia	49	60	49	38	43	34	27
Saudi Arabia	47	48	44	46	45	41	44
Singapore	67	67	66	64	67	59	60
S. Africa	61	70	63	53	55	51	45
S. Korea	60	69	57	58	50	63	44
Spain	68	66	65	62	58	57	58
Thailand	68	76	67	66	67	65	60
The Netherlands	49	34	38	36	38	35	29
UAE	62	65	63	62	64	59	59
U.K.	53	52	49	46	44	46	43
U.S.	55	49	51	42	47	46	40

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. General population, 28-mkt avg, among those who are employed (Q43/1).

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# TECHNICAL APPENDIX

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  2. Sample sizes and margin of error
  3. Markets covered and languages used
  4. How we measured belief in the system
  5. How we plotted the institutional competence and ethics scores
  6. How we measured the importance of competence and ethics in determining trust in a company
  7. How we measured belief-driven buying
  8. How we calculated the trust gains associated with improved institutional performance
-

# 20<sup>th</sup> 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)

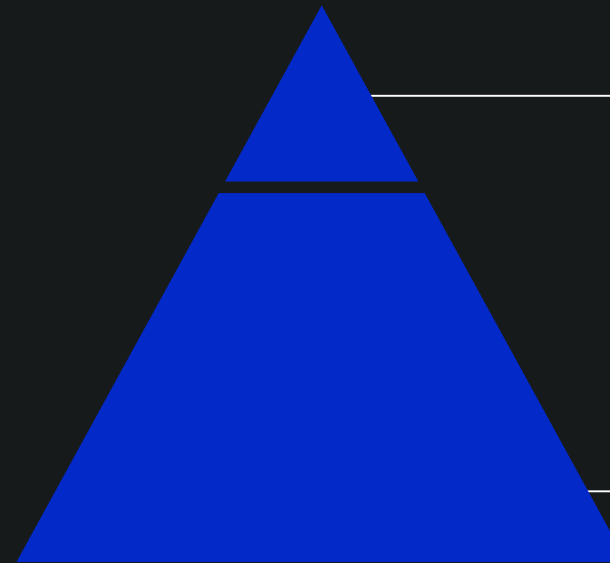
Market-specific = +/- 5.3 to 10.5% (N=min 88, varies by market).

## 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

# 2020 EDELMAN TRUST BAROMETER

## SAMPLE SIZE, QUOTAS AND MARGIN OF ERROR

	General Population			Informed Public		
	Sample Size*	Quotas Set On**	Margin of Error	Sample Size*	Quotas Set On***	Margin of Error
<b>Global</b>	32,200	Age, Gender, Region	+/- 0.6% total sample +/- 0.8% half sample	6200	Age, Education, Gender, Income	+/- 1.2% total sample +/- 1.8% split sample
<b>China and U.S.</b>	1,150	Age, Gender, Region	+/- 2.9% total sample +/- 4.1% half sample	500	Age, Education, Gender, Income	+/- 4.4% total sample +/- 6.2% split sample
<b>All other markets</b>	1,150	Age, Gender, Region	+/- 2.9% total sample +/- 4.1% half sample	200	Age, Education, Gender, Income	+/- 6.9% total sample +/- 9.8% split sample

**NOTE:** Questions that afforded respondents the opportunity to criticize their government were not asked in China, Russia and Thailand.

\* Some questions were asked of only half of the sample. Please refer to the footnotes on each slide for details.

\*\* In the U.K. and U.S. there were additional quotas on ethnicity.

\*\*\* In the UAE and Saudi Arabia there were additional quotas on nationality.

# 2020 EDELMAN TRUST BAROMETER

## LANGUAGES AND INTERNET PENETRATION BY MARKET

The Edelman Trust Barometer is an online survey. In developed markets, a nationally-representative online sample closely mirrors the general population. In markets with lower levels of internet penetration, a nationally-representative online sample will be more affluent, educated and urban than the general population.

	Languages	Internet Penetration*
<b>Global</b>	-	59%
<b>Argentina</b>	Localized Spanish	93%
<b>Australia</b>	English	87%
<b>Brazil</b>	Portuguese	71%
<b>Canada</b>	English & French Canadian	93%
<b>China</b>	Simplified Chinese	60%
<b>Colombia</b>	Localized Spanish	63%
<b>France</b>	French	92%
<b>Germany</b>	German	96%
<b>Hong Kong</b>	English & Traditional Chinese	89%

	Languages	Internet Penetration*
<b>India</b>	English & Hindi	41%
<b>Indonesia</b>	Indonesian	64%
<b>Ireland</b>	English	92%
<b>Italy</b>	Italian	93%
<b>Kenya</b>	English & Swahili	90%
<b>Japan</b>	Japanese	94%
<b>Malaysia</b>	Malay	81%
<b>Mexico</b>	Localized Spanish	65%
<b>Russia</b>	Russian	81%
<b>Saudi Arabia</b>	English & Arabic	93%

	Languages	Internet Penetration*
<b>Singapore</b>	English & Simplified Chinese	88%
<b>South Africa</b>	English & Afrikaans	56%
<b>South Korea</b>	Korean	96%
<b>Spain</b>	Spanish	93%
<b>Thailand</b>	Thai	82%
<b>The Netherlands</b>	English & Dutch	96%
<b>UAE</b>	English & Arabic	98%
<b>U.K.</b>	English	95%
<b>U.S.</b>	English	89%

\*Data source: <http://www.internetworldstats.com/stats.htm>

# 2020 EDELMAN TRUST BAROMETER

## HOW WE MEASURED BELIEF IN THE SYSTEM

Four dimensions were examined to determine whether or not respondents believe the system is failing them:

- 1) A **sense of injustice** stemming from the perception that society's elites have co-opted the system to their own advantage at the expense of regular people,
- 2) A **lack of hope** that the future will be better for you and your family,
- 3) A **lack of confidence** in the leaders of societal institutions to solve the country's problems, and
- 4) A **desire for** forceful reformers in positions of power that are capable of bring about much-needed **change**.

Overall scores were calculated by taking the average of the nine item scores.

Respondents were categorized into one of three segments based their mean score:

- Those who averaged 6.00 or higher believe the **system is failing** them
- Those who averaged between 5.00 and 5.99 were labelled as **uncertain**
- Those who averaged less than 5.00 believe the **system is working**

### **Respondents were asked:**

For each one, please rate how true you believe that statement is using a nine-point scale where one means it is "**not at all true**" and nine means it is "**completely true**".

### **Sense of Injustice Items**

"The elites who run our institutions are out of touch with regular people" POP\_MDCr8

"The elites who run our institutions are indifferent to the will of the people" POP\_MDCr1

"As regular people struggle just to pay their bills, the elites are getting richer than they deserve" POP\_MDCr2

"The system is biased against regular people and in favor of the rich and powerful" POP\_MDCr3

### **Lack of Hope Items**

"My hard work will be rewarded" (reverse scored) POP\_MDCr18

"My children will have a better life than I do" (reverse scored) POP\_MDCr19

"The country is moving in the right direction" (reverse scored) POP\_MDCr20

### **Lack of Confidence Items**

"I do not have confidence that our current leaders will be able to address our country's challenges" POP\_MDCr10

### **Desire for Change Items**

"We need forceful reformers in positions of power to bring about much-needed change" POP\_MDCr9

# 2020 EDELMAN TRUST BAROMETER

## HOW WE PLOTTED THE INSTITUTIONAL COMPETENCE AND ETHICS SCORES

**The competence score (the x-axis of the plot):** An institution's competence score is a net of the top 3 box (AGREE) minus the bottom 3 box (DISAGREE) responses to the question "To what extent do you agree with the following statement? *[INSTITUTION] in general is good at what it does*". The resulting net score was then subtracted by 50 so that the dividing line between more competent and less competent institutions crossed the Y-axis at zero.

**The net ethical score (the y-axis of the plot):** The ethics dimension is defined by four separate items. For each item, a net score was calculated by taking the top 5 box percentage representing a positive ethical perception minus the bottom 5 box percentage representing a negative ethical perception. The Y-axis value is an average across those 4 net scores. Scores higher than zero indicate an institution that is perceived as ethical.

### ***Respondents were asked:***

In thinking about why you do or do not trust [INSTITUTION], please specify where you think they fall on the scale between the two opposing descriptions. *(Please use the slider to indicate where you think [INSTITUTION] falls between the two extreme end points of each scale.)*

DIMENSION	ETHICAL PERCEPTION	UNETHICAL PERCEPTION
Purpose-Driven	Highly effective agent of positive change	Completely ineffective agent of positive change
Honest	Honest and fair	Corrupt and biased
Vision	Has a vision for the future that I believe in	Does not have a vision for the future that I believe in
Fairness	Serves the interests of everyone equally and fairly	Serves the interests of only certain groups of people

**The plot of trusted institutions:** The version of the plot under conditions of trust (the smaller blue triangle) was calculated in exactly the same way as described above. The only difference was that the competence and ethics scores were calculated only among those who said they trusted that institution to do what is right (i.e., they gave that institution a top 4-box rating on the general trust question).

## EDELMAN TRUST MANAGEMENT

# HOW WE MEASURED THE IMPORTANCE OF COMPETENCE AND ETHICS IN DETERMINING TRUST IN A COMPANY

The data used was collected across the 12 monthly waves of the 2019 Edelman Trust Management brand tracking study conducted in Germany, the U.K. and the U.S among 23,000+ respondents. For this analysis, we looked at 40 global companies that were common across all three markets.

For each company, respondents were asked whether they trusted it or not to do what is right. They were then asked to evaluate each company across the four trust subdimensions – ability, integrity, dependability and purpose. Ability defined the competence dimension while integrity, dependability and purpose were rolled up to define the ethics dimension.

An ANOVA was performed to measure the proportion of the variance in company trust each of the four subdimensions explained. The data shown on the slide represents the percentage of the total variance explained by all four subdimensions together accounted for by each of the individual subdimensions separately.

### ***Respondents were asked:***

Please indicate to what extent you agree or disagree with the following statements using a nine-point scale where one means it is “**disagree strongly**” and nine means it is “**agree strongly**”.

### **COMPETENCE DIMENSION:**

**ABILITY:** [COMPANY] is good at what it does

### **ETHICS DIMENSION:**

**INTEGRITY:** [COMPANY] is honest

**DEPENDABILITY:** [COMPANY] keeps its promises

**PURPOSE:** [COMPANY] is trying hard to have a positive impact on society

# 2019 EDELMAN TRUST BAROMETER SPECIAL REPORT: IN BRANDS WE TRUST

## HOW WE MEASURED BELIEF-DRIVEN BUYING

We classified respondents into three **belief-driven buyer segments** based on their responses to the scale questions:

- 1) **Leaders:** Have strongly-held, passionate beliefs. The brands they buy are one important way they express those beliefs.
- 2) **Joiners:** Depending on the issue and the brand, they will change their buying behavior based on the brand's stand.
- 3) **Spectators:** Rarely buy on belief or punish brands that take a stand.

Respondents were categorized into one of the three segments based their overall mean score across the six scale items:

- Those who averaged 6.00 or higher were categorized as **Leaders**
- Those who averaged between 5.00 and 5.99 were categorized as **Joiners**
- Those who averaged less than 5.00 were categorized as **Spectators**

### ***Respondents were asked:***

Please indicate how much you agree or disagree with the following statements using a nine-point scale where one means it is “**disagree strongly**” and nine means it is “**agree strongly**”.

- 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
- I have bought a brand for the first time for the sole reason that I appreciated its position on a controversial societal or political issue
- I have stopped buying one brand and started buying another because I liked the politics of one more than the other
- I have strong opinions about many societal and political issues. The brands I choose to buy and not buy are one important way I express those opinions
- If a brand offers the best price on a product, I will buy it even if I disagree with the company's stand on controversial social or political issues [reversed scored]
- I have stopped buying a brand solely because it remained silent on a controversial societal or political issue that I believed it had an obligation to publicly address

# 2020 EDELMAN TRUST BAROMETER

## HOW WE CALCULATED THE TRUST GAINS ASSOCIATED WITH IMPROVED PERFORMANCE

Respondents were asked to evaluate the performance of each of the four institutions against 12 expectations. These performance scores were then used to predict trust in the institution using a regression analysis. The results of regression allowed us to identify the percentage point lift in trust associated with the institution doing each individual behavior well or very well.

Next, we looked at the percentage of respondents who currently rate an institution as doing a given behavior well, identifying the five behaviors each of the institutions scored the lowest on.

For each of these five behaviors that the regression determined were significant predictors of trust, we subtracted the percentage of people who currently felt the institution was doing them well from 100%. This gave us a measure of the unrealized potential for performance gain. That percentage was then multiplied by the percentage point lift in trust associated with every respondent rating the institution as doing that behavior well. This yielded an unrealized trust gain for that behavior. These unrealized trust gains were added up across the five behaviors to yield an overall trust gain associated with the institution successfully addressing its five biggest challenges.

### ***Respondents were asked:***

How well do you feel [INST] is currently doing each of the following? Please indicate your answer using the 5-point scale below where 1 means the institution is “failing at this” and 5 means the institution is “doing this very well”

### **Example List of Business Behaviors**

1. Driving the economic prosperity of our country
2. Being an engine of innovation and scientific advancement
3. Ensuring that there are plenty of good job opportunities available that pay a decent wage
4. Contributing to the improvement of the communities in which they do business
5. Fostering diversity, inclusion, dignity and mutual respect in the workplace
6. Meeting and exceeding their customers' expectations
7. Investing in their employees' professional development, including offering training and education that helps them develop new skills for a rapidly changing world
8. Forging strong working partnerships with government to develop solutions to our country's problems
9. Forging strong working partnerships with NGOs to develop solutions to our country's problems
10. Dealing fairly and ethically with their partners and suppliers
11. Generating long-term financial benefits and value for their owners and shareholders
12. Embracing sustainable practices across their business

# 2020 EDELMAN TRUST BAROMETER TEAM



## Edelman Intellectual Property

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