



EDELMAN TRUST BAROMETER 2016 – TRUST IN BUSINESS

Trust in business reaches a post-crisis high – but only among the well-off

Biggest “trust gap” of all institutions is in relation to business

Paying tax and behaving responsibly remain the major drivers of increased trust

January 18, 2016, LONDON - On the face of it, there is good news in the annual Edelman Trust Barometer findings for Britain’s business community. But scratch the surface and there are serious, urgent issues for UK companies to address. Trust in **business** was shattered by the financial crisis and a series of other corporate scandals since 2008.

This year, trust has reached a post-crisis high of 60%, up 23 percentage points from its low point, among the *Informed Publics*, people in the upper income quartile with university education and a declared interest in politics and media. In 2015, trust was at 52%.

However, the attitudes of rich and poor to the business sector present a picture of Two Britains more clearly than in any other sector of life. The results suggest that corporate Britain is losing touch with its customers.

The difference between the trust levels of the wealthiest and the least wealthy is striking. *High Net Worth* individuals – those earning more than £100,000 a year and with liquid assets of more than £650,000 – record trust levels of 67% in British business.

By contrast, a mere 35% of those in the *Low Income Households* bracket – those with incomes of less than £15,000 - say they trust companies to do the right thing. The “trust gap” of 32 percentage points is greater than the disparity in trust of government by those either end of the income ladder which is 28 percentage points.

Those with lower opinions of the corporate world make up the bulk of customers for many businesses, yet the Edelman Trust Barometer research suggests they feel little trust in the companies that they deal with.

The Barometer research questions people as to what makes them trust institutions more or less than they did a year ago.



Here at least there was unanimity. For both the *Informed Publics* and the rest of the population, it was corporate greed – too much focus on bonuses and pay, or even corruption and fraud – that was the main reason for distrusting business.

Asked what they would like to see businesses do in order to gain their trust, both sections of society identified “paying expected levels of tax” as the number one choice, with “responsible behaviour” and “increased transparency” close behind. Less important were improvements in service, customer care or even driving growth in the economy at large.

Among those who said their trust in the corporate world had grown, competence in leadership and performance was the main reason given by the *Informed Publics* (40%) while the rest of the population – the remaining 89 per cent– cited increased openness among business leaders (28%) as well as a perception that business was now better regulated by government (25%).

Credibility of CEOs leapt 12 points to 40% compared with 2015, but as spokespeople for companies, they still lag far behind academic or technical experts (66%), “people who are like me” (56%) or ordinary employees (55%).

Ed Williams, Edelman UK’s CEO, said: “The Trust Barometer clearly shows that business has a chance to demonstrate leadership in areas where government was once the most trusted institution. The results show that 80% of people believe that companies can play a leading role in solving society’s problems while still making profits”.

“But in order to realise that change and win their trust, Britons are also telling bosses that they have to play fair, and pay their dues. However, it should worry business leaders that their own core customers, are feeling unloved and simply don’t trust them.”

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About Edelman

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Edelman has been awarded thirteen Cannes Lions including the Grand Prix for PR in 2014. Edelman has been voted Pan-EMEA Consultancy of the Year at the 2015 Sabre Awards, Global Agency of the Year and Best Agency to work for 2013 by the Holmes Report and International Agency of the Year 2013 by the PRCA and is a 2015 Sunday Times Best Company to Work For. Please visit www.edelman.co.uk for further information.

About the Edelman Trust Barometer

The 2016 Edelman Trust Barometer is the firm's 16th annual trust and credibility survey. The survey was powered by research firm Edelman Berland and consisted of 20-minute online interviews conducted on October 13th – November 16th, 2015. The 2016 Edelman Trust Barometer surveyed more than 33,000 respondents with an oversample of 1,150 general population respondents ages 18 and over and 500 informed public respondents in the U.S. and China and 200 informed public respondents in all other countries representing 15 percent of the total population across 28 countries. All informed publics met the following criteria: ages 25-64, college-educated; household income in the top 25 percent for their age in their country; report significant media consumption and engagement in business news and public policy. The 2016 Trust Barometer UK Supplement was fielded from 11th – 13th January. The survey consists of 1,000 general online population with Informed Publics occurring naturally in the population sample. Additional boost samples of 250 low income households and 100 high net worth individuals have been included in the UK Supplement.

For more information, visit www.edelman.com/trust2016 .