



## **Edelman Trust Barometer Shows Trust in Government Suffers a Severe Breakdown in Europe and Across the Globe**

- **Europe now firmly a region of distrust in Government**
- **Nearly two thirds (64 percent) believe their country is off on the wrong track**
- **Business holds a slight advantage over government on delivering on expectations**

January 23, 2012, London - The EU is now without doubt a region of 'distrusters' according to the 2012 Edelman Trust Barometer, the firm's global annual survey of trust and credibility.

In the Eurozone, 7 out of 9\* countries are distrusters, meaning that their trust composite score (an average of a country's trust in all four institutions; government, media, NGOs and media) is below 50 percent. Trust in government fell a record nine points to 43 percent globally. The Eurozone not surprisingly took a significant hit, with government trust falling by 18 points in France, and dropping by 14 points plus in Spain, Netherlands and Poland in a year.

Six in ten EU adult citizens do not trust government leaders to tell the truth at all. In Italy a high of 73 percent do not trust government leaders to tell the truth at all, while more than two thirds of Spaniards, Irish citizens, Britons and French hold the same view. When analyzing sentiment toward the current path of European countries across citizens in the wake the unresolved Eurozone crisis, the Trust Barometer threw up worrying statistics: 64 Percent of EU citizens believe that their country is heading in the wrong direction.

Commenting on the 2012 Trust Barometer findings, Robert Phillips, EMEA CEO of Edelman said: *"In the face of pervasive distrust in government, business has an opportunity to step forward and lead. 2012 can be about business delivering great products and services, jobs, growth and customer focus, but beyond that the challenge for business is to engage and deliver on societal and environmental responsibilities. This is a big message for business in the region."*

Although business experienced fewer and generally less severe declines in trust, it has its own hurdles to clear. Trust in business fell globally from 56 percent to 53 percent, with core Eurozone countries like France, Germany and Spain experiencing double-digit decreases. German trust in business took a hit, falling from 52 percent to 34 percent during 2011. In France, the decline in business trust was from 48 to 28 percent and in Spain from 53 to 32 percent.

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\*9 EU countries in the 2012 Edelman Trust Barometer were: UK, France, Germany, Italy, Spain, Ireland, Netherlands, Poland and Sweden. Trust was measured among 1000 adults 18+ and 200 Informed Publics 25-64 in each country



Business holds a slight but still significant advantage over government – the latter suffering an average 44 percent point deficit between public expectations and performance on economic and social programs. Business only suffers a 27 percent point deficit on public expectations– and scores fairly well on the core operational competencies around innovation, competitiveness and profit. But the data tells us that business has much more to do on the societal front: helping the environment; placing customers ahead of profits and treating employees fairly.

Overall, EU informed publics are less trusting of all industries than their global peers. Technology, at 73 percent remains the most trusted sector and food and beverage at 59 percent is the second most trusted sector. Banks’ trust levels remain at consistently low levels and have fallen among Informed Publics in France by 29 percent points and Spain by 18 points.

Robert Phillips commented: *“There should be no doubt that companies that choose to engage broadly and behave responsibly are now best placed to win customer and stakeholder trust. They need to listen differently, participate continually, practice transparency and build partnerships for good, beyond profit alone”*

Trust in authority figures continues to disperse as citizenship rises across EMEA. Big ratings boosts were seen for ‘people like me’ and ‘regular employees’, as well as for social media, - with a percentage increase of 71% admittedly off a low base – emphasising the long-term shift away from traditional institutions and ‘established’ hierarchies and the continued democratisation of trust. Across nine EU countries, trust in CEOs is down 14 points to 30 percent as credible spokespeople; a government official (sometimes known as a regulator) is there alongside them – also at 30 percent. Trust in NGOs has fallen in the EU by 4 points to 55 percent, but remain more trusted than business and government.

Concluding, Robert Phillips said: *“Pessimists may argue that the year ahead is not going to be a pleasant or an easy one. Optimists, however, will see not only the positive challenges of citizenship, but also a real opportunity for values-led business visionaries to become the new leaders of social conscience going forward. Whichever way the story plays out, the fragility of trust remains – and those who do step forward and lead will henceforth be held to account by citizens and stakeholders on a more results based and transparent footing than ever before”.*

Other key findings from the 2012 Edelman Trust Barometer include:

- Trust in business fell globally from 56 percent to 53 percent. China was the only country to see a significant increase in trust in business, rising from 61 to 71 percent.
- The United States held steady across three major institutions, unlike last year when it posted significant declines in NGOs, media, business, and government.



- Traditional media and online search engines are the most trusted sources of information for people searching for general news and information, new product information, news on an environmental crisis, and company announcements. Traditional media, TV, newspapers, and magazines are still the most trusted sources of information, according to the Barometer.
- Among 18 – 29 year olds, digital media is the most popular source for general news and information.
- With the exception of technology and automotive, South Korea experienced extraordinary drops in trust in every industry sector. Telecommunications, down 32 points to 39 percent, and financial services, down 25 points to 39 percent, endured the largest drops in trust.
- Brazil saw the greatest drops in trust across all major institutions – government (53 points) NGOs (down 31 points), business (18 points), and media (12 points). At the time of last year’s Trust Barometer, Brazil had just been awarded 2014 World Cup and the 2016 Summer Olympics and President Dilma Rousseff had just been elected. This year’s declines represent a return to normalcy for businesses and the arrest of four government officials for corruption.
- In Japan, site of last March’s earthquake and subsequent nuclear disaster, trust fell severely in three of the four institutions including government (down 26 points), media (12 points), and NGOs (21 points) . That loss of trust extended to five industry sectors, including energy (down 46 points), media (21 points), banks (20 points) and financial services (17 points).

#### **About the Edelman Trust Barometer**

The 2012 Edelman Trust Barometer is the firm’s 12th annual trust and credibility survey. The survey was produced by research firm StrategyOne and consisted of 20-minute online interviews conducted from October 10 - November 30, 2011. The 2012 Edelman Trust Barometer online survey sampled 25,000 general population respondents with an oversample of 5,600 informed publics in two age groups (25-34 and 35-64) across 25 countries. All informed publics met the following criteria: college-educated; household income in the top quartile for their age in their country; read or watch business/news media at least several times a week; follow public policy issues in the news at least several times a week. For more information, visit <http://www.edelman.com/trust> or call 212.729.2166.

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