



2009 Edelman Trust Barometer Fact Sheet – Australia

12 February, 2009

TRUST IN BUSINESS AND GOVERNMENT, REGULATION AND INTERVENTION

- **Trust in business in Australia is in decline with 74% of survey respondents indicating they trust business less than they did last year.**
- Trust in government is high - 56% - trust in business is low - 43%. This is the largest gap in trust between government and business in the developed world. For example, in the U.S., trust in government is at 30%, and trust in business is at 36%.
- **Eighty-one per cent of Australian respondents want governments to intervene to regulate industry or nationalise companies to restore public trust – across all sectors.**
- Eighty-four per cent favour stricter regulations and limits on the financial industry and banking. The response is similar in Western Europe, where 79% agree. In the U.S., just 61% want more regulation.
- **Just 22% of Australian and Western European respondents said they wanted the free market to function independently – in the U.S., half the respondents want the market to run free [49%].**
- Banks, media companies and insurance companies are the least trusted in Australia - significantly less than in China where banks are among the most trusted.
- **Business is seen as being significantly responsible for the credit crunch and global warming but is not trusted to invest in trying to find a solution. Two-thirds [64%] of Australian respondents believe government, business and NGOs should collaborate to solve global issues.**
- **NGOS are trusted to do the right thing, however they are not trusted to fix problems without the support of government and business.**

TRUST IN SOURCES OF INFORMATION

- **CEOs are the least trusted source of information when forming an opinion of a company. Eighty-one per cent of respondents do not trust the CEO as a source in Australia, the US and Europe.**
- Forty-one per cent of respondents cited a 'person like me' as the most credible source of information about an organisation; 39% cited a company employee.
- **Only 43% of respondents trust business to do what is right in any given situation, with media scoring the lowest at 35%.**
- Technology, biotech and the automotive industries are the most trusted in Australia.



TRUST IN COMMUNICATION

- **Independence drives trust: 70% of respondents trust academic or expert opinions – this number rises to 82% among respondents aged 25-34.**
- Traditional business and finance channels such as stock reports [53%] and business magazines [49%] are the most trusted sources.
- **Digital communication such as blogs and social networking sites are not trusted. Corporate websites are not trusted by 87% of Australian respondents.**
- Corporate advertising is trusted by just 6% of Australian respondents.

REPUTATION

- Younger respondents (25-34 years) are twice as inclined to share positive and negative experiences online compared to older participants (35-64 years).
- **Treating employees well is just as important as offering high quality products or services, communicating openly, having trusted leadership and operating within the law.**
- Eighty-seven per cent of Australians would refuse to buy from a company they do not trust, and 93% said they chose to buy product or services from companies they trust.
- **Sixty-four per cent of Australians will pay a premium for products and services from a company they do trust, compared with 25% in China and 17% in Japan.**
- In terms of contribution to a company's overall reputation, respondents said that a commitment to the environment is significantly less important than treating employees well.

LICENSE

- **Australians are strongly supportive of responsible foreign companies, but they do not believe companies should garner tax breaks, preferential treatment, the ability to change laws or have controlling interests in local companies.**
- Australia scored significantly lower in these areas than other country respondents, showing an unwillingness to trust foreign owned companies.

About the Edelman Trust Barometer

The 2009 Edelman Trust Barometer is the firm's 10th trust and credibility survey. The survey was produced by research firm StrategyOne and consisted of 30-minute telephone interviews conducted using the fielding services of World One from November 5 - December 14, 2008. The 2009 Edelman Trust Barometer survey sampled 4,475 informed publics in two age groups (25-34 and 35-64). 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.