



2017

Acumen Republic Trust Barometer

New Zealand Report



CORPORATE & MARKETING COMMUNICATIONS

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2017 Edelman Trust Barometer Methodology

Online Survey in 28 Countries



17 years of data
 33,000+ respondents total
 All fieldwork was conducted between October 13th and November 16th, 2016

New Zealand Supplement



1,150 General Online Population respondents, including 95 who qualify as Informed Public

Fieldwork was conducted between 5-14 December, 2016



General Online Population

6 years in 25+ markets
 Ages 18+
 1,150 respondents per country

All slides show General Online Population unless otherwise noted



Informed Public

9 years in 20+ markets
 Represents 13% of total global population
 500 respondents in U.S. and China; 200 in all other countries

Must meet 4 criteria:

- Ages 25-64
- Tertiary educated
- In top 25% of household income per age group in each country
- Report significant media consumption and engagement in business news



Mass Population

All population not including Informed Public
 Represents 87% of total global population

28-country 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+). Country-specific data margin of error: General Population +/- 2.9 (N=1,150), Informed Public +/- 6.9% (N = min 200, varies by country), China and U.S. +/- 4.4% (N=500), Mass Population +/- 3.0 to 3.6 (N = min 740, varies by country), half sample Global General Online Population +/- 0.8 (N=16,100).





Trust Index Mass Population much more distrusting

Average trust in the four institutions of NGOs, business, media and government.
Informed Public vs. Mass Population

- Trusters**
(60-100)
- Neutrals**
(50-59)
- Distrusters**
(1-49)

Sources:
2017 Edelman Trust Barometer.
The Trust Index is an average of a country's trust in the institutions of government, business, media and NGOs. Informed Public and Mass Population, 28-country global total.

Global total excludes New Zealand data.



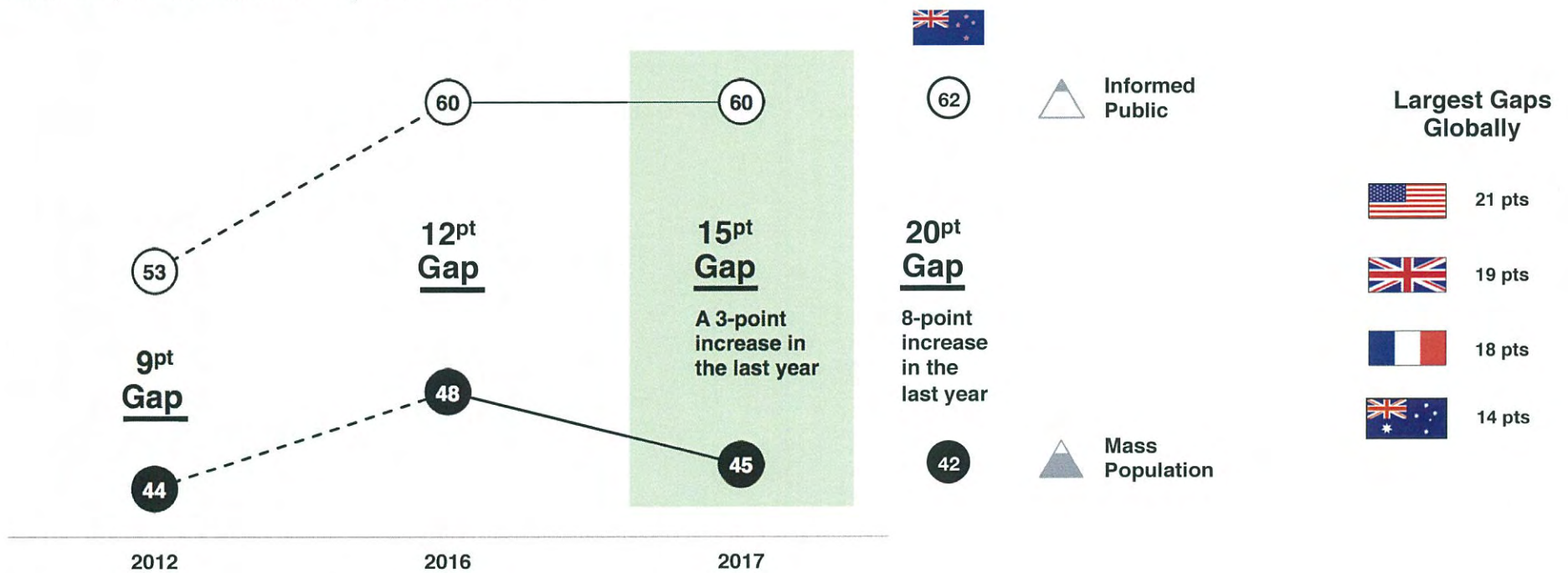
The Mass Population distrusts their institutions in 21 of 29 countries





Trust Gap Widens – NZ susceptible to populism

Percent trust in the four institutions of government, business, media and NGOs, 2012 to 2017



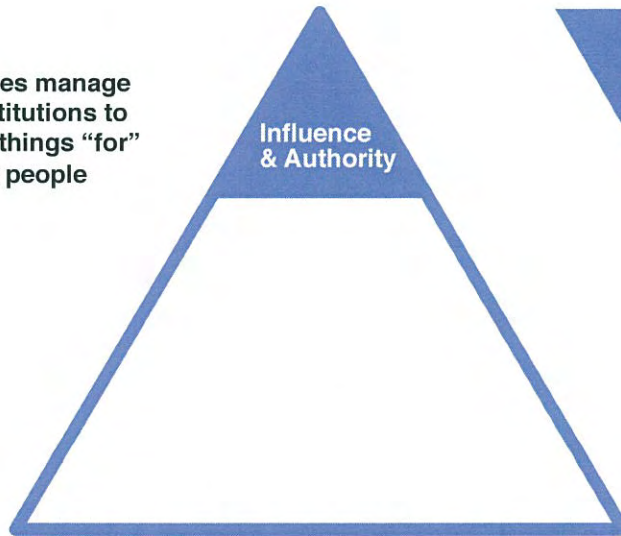
Source: 2017 Edelman Trust Barometer. The Trust Index is an average of a country's trust in the institutions of government, business, media and NGOs. Informed Public and Mass Population. 25-country global total.



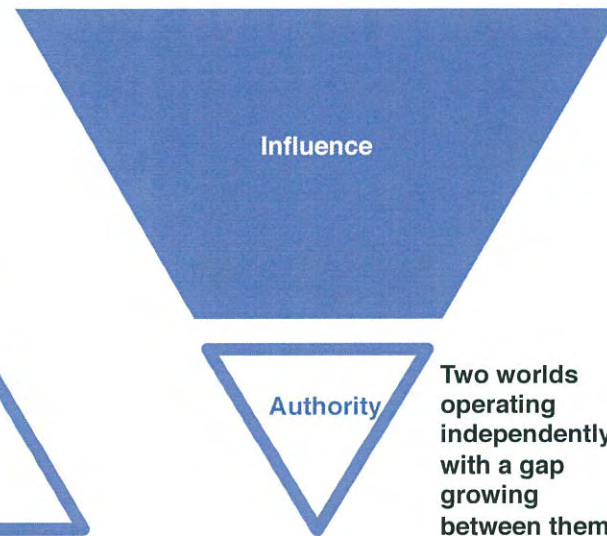
A Fundamental Shift

Old Model:
Paternalistic

Elites manage institutions to do things “for” the people



Recent Model:
Disengaged



**INSTITUTIONS
ARE IN CRISIS**

**THE SYSTEM IS
FAILING THE
PEOPLE**

**THE BREEDING
GROUND OF
FEAR**

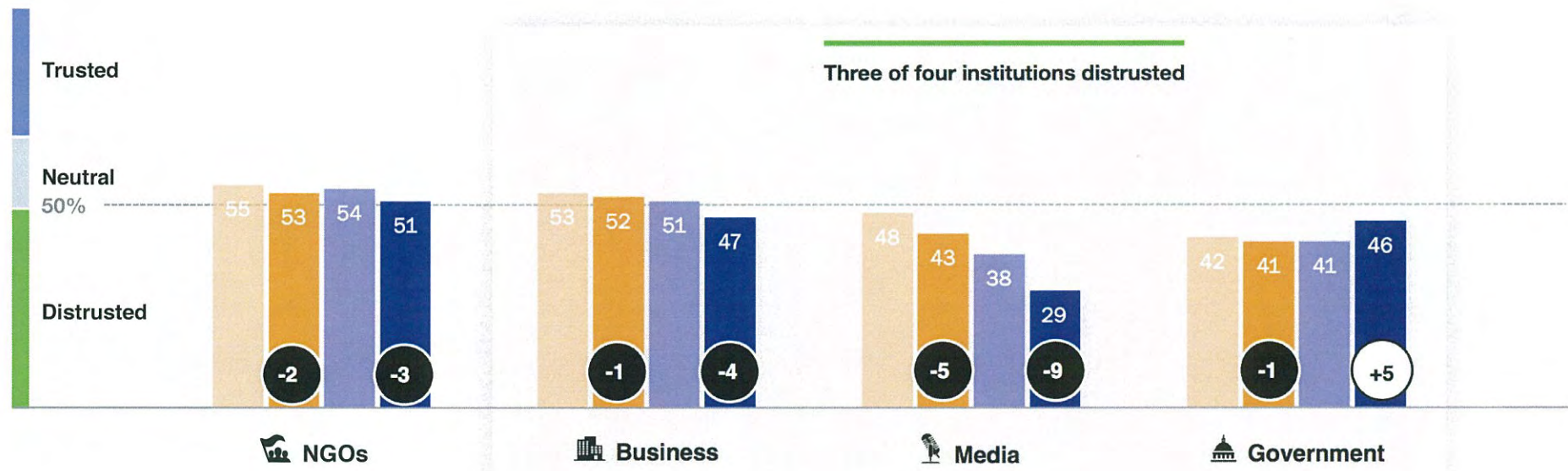
INSTITUTIONS NEED TO ACT



Institutions are in crisis

Three out of four institutions distrusted in NZ

Percent trust in the four institutions of government, business, media and NGOs, 2016 vs. 2017



Source: 2017 Edelman Trust Barometer Q11-620. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you "do not trust them at all" and nine means that you "trust them a great deal." (Top 4 Box, Trust) General Population, 28-country global total.

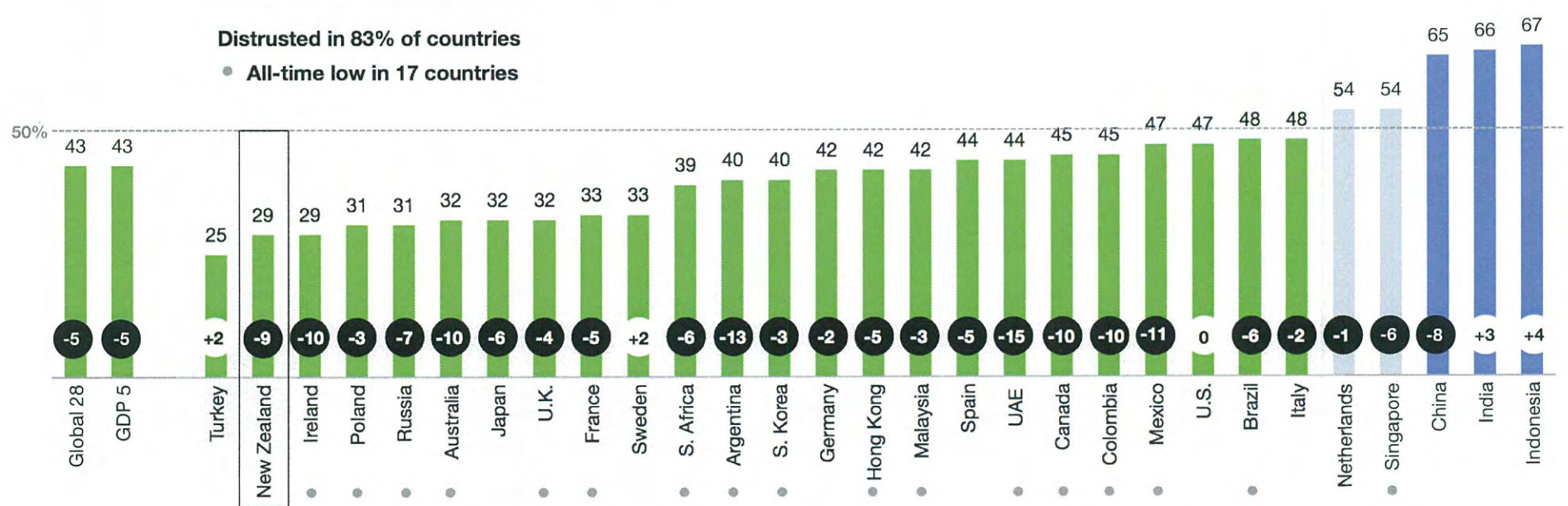




Trust in Media Plunges to All-Time Lows

Percent trust in media, and change from 2016 to 2017

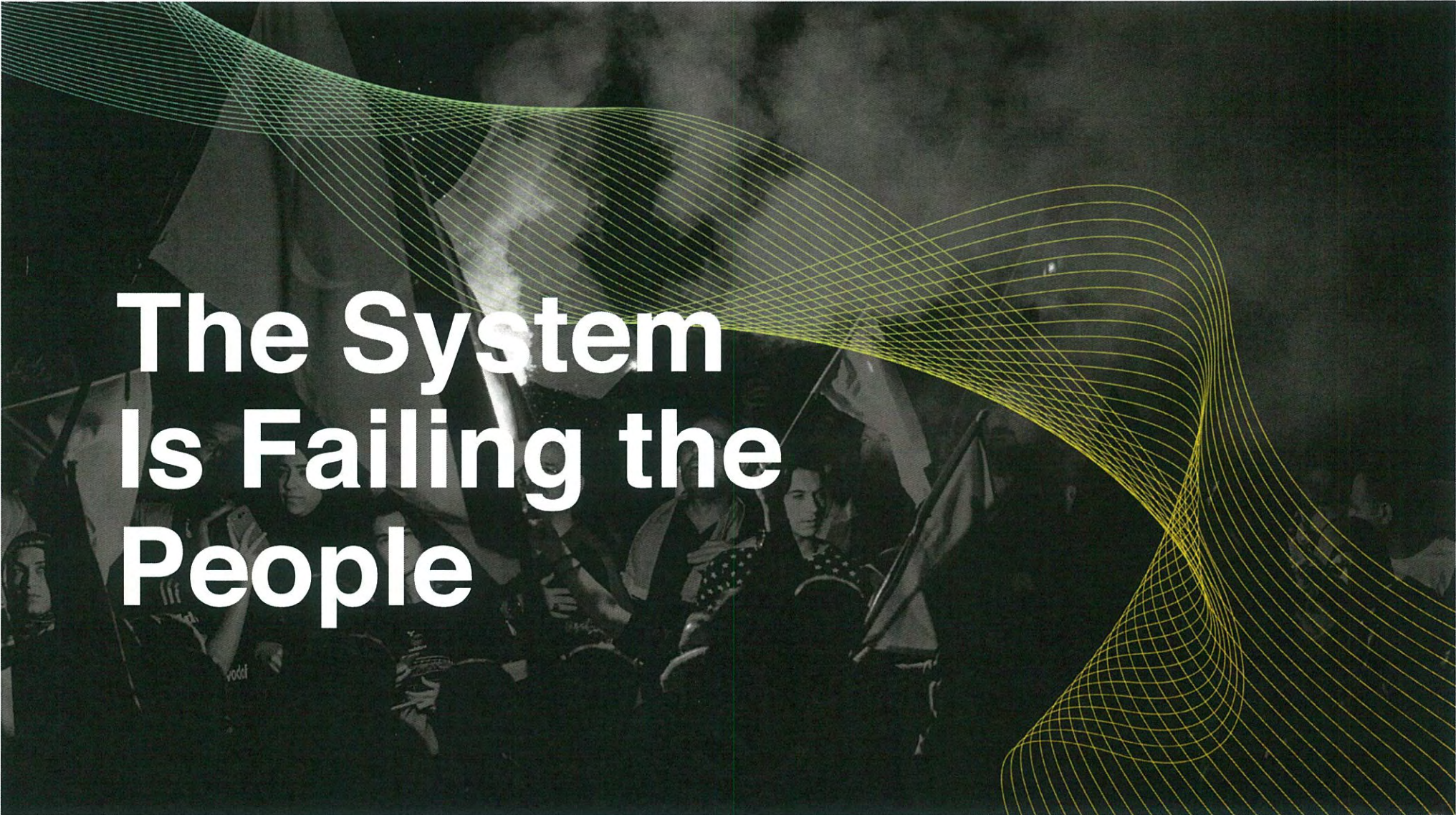
Distrust Neutral Trust
- + Y-to-Y Change



Source: 2017 Edelman Trust Barometer Q11-620. [TRACKING] [MEDIA IN GENERAL] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal." (Top 4 Box, Trust) General Population, 28-country global total. Global totals exclude New Zealand figures



GDP 5 = U.S., China, Japan, Germany, U.K.



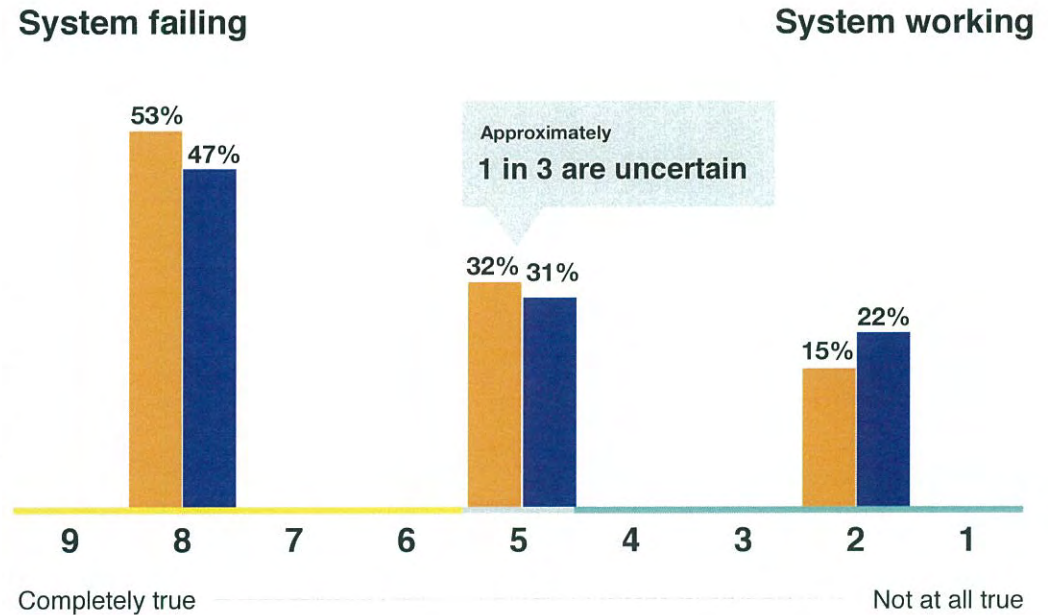
The System Is Failing the People

Nearly Half Believe the System is Failing Them

Global NZ

How true is this for you?

- Sense of injustice
- Lack of hope
- Lack of confidence
- Desire for change



Source: 2017 Edelman Trust Barometer Q672-675, 678-680, 688-690.
 For details on how the "system failing" measure was calculated, please refer to the Technical Appendix.





Trust Links to Belief in the System

Average trust in institutions

Among those who believe the System is Failing

Trust Index

35

Among those who are

Uncertain

Trust Index

48

Among those who believe the System is Working

Trust Index

57

Trust differentiates those who are uncertain and those who believe the system is failing them

Source: 2017 Edelman Trust Barometer. Q11-Q14. The Trust Index is an average of a country's trust in the institutions of government, business, media and NGOs. General Population, 28-country global total, cut by 'the system is failing segments'.



Even Those at the Top Are Disillusioned

Percent who believe the system is not working



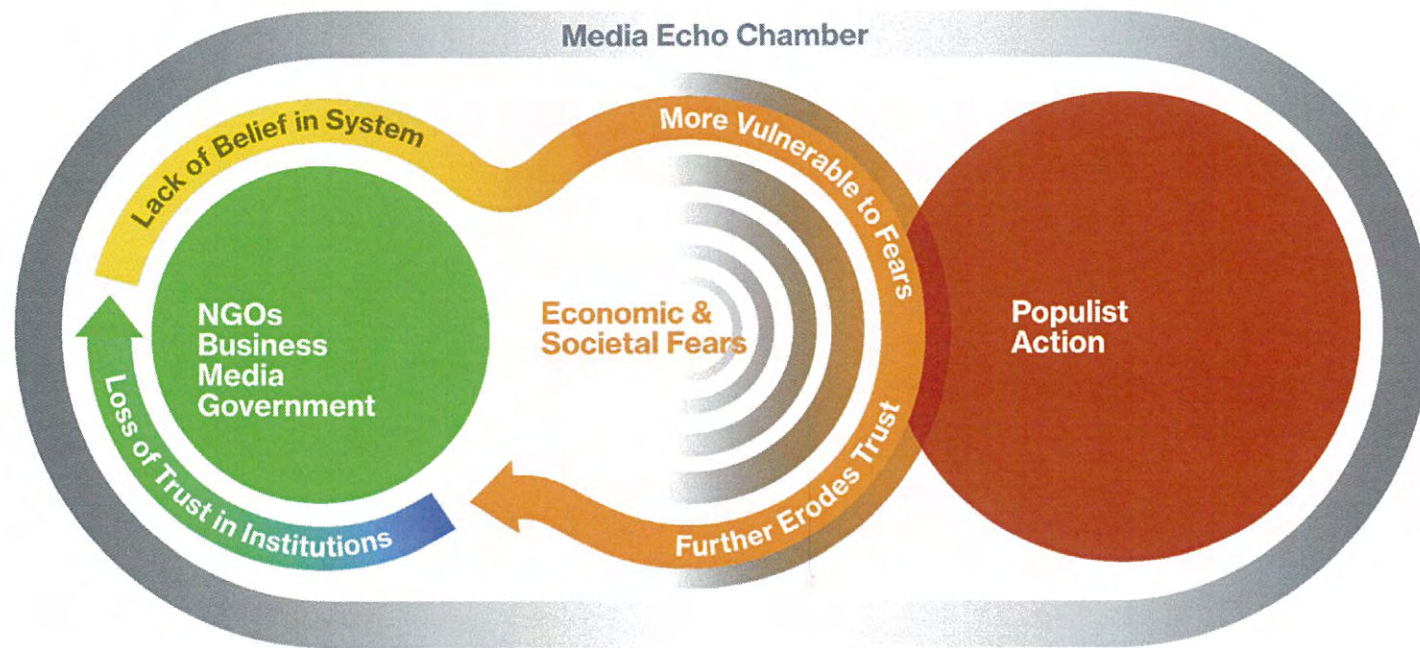
Source: 2017 Edelman Trust Barometer S8. Thinking about your annual household income in 2015, which of the following categories best describes your total household income that year? S7. What is the last grade in school you completed? S9. How often do you follow public policy matters in the news? S10. How often do you follow business news and information? General Population, 28-country global total, cut by 'system failing' measure. For details on how the "system failing" measure was calculated, please refer to the Technical Appendix.



An aerial photograph of a parking lot filled with several Uber self-driving cars. The cars are a mix of white and dark colors, each equipped with a prominent sensor dome on its roof. The cars are parked in rows, and the lot is bordered by a concrete curb and a grassy area. Overlaid on the bottom half of the image is a yellow wireframe grid that appears to be a digital overlay, possibly representing a sensor's field of view or a data visualization. The text "The Breeding Ground of Fear" is superimposed in large white letters across the middle of the image.

The Breeding Ground of Fear

A Model of Distrust



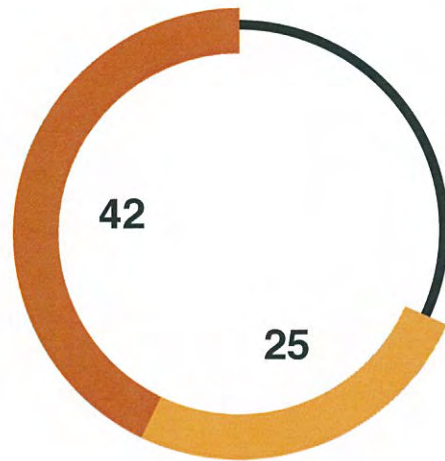
Politicians can appeal to fear

Trust Barometer Supplement: Post-U.S. Election Flash Poll, 1,000+ General Population Respondents, Nov. 28 to Dec. 11, 2016

System Failing and Fearful Fearful



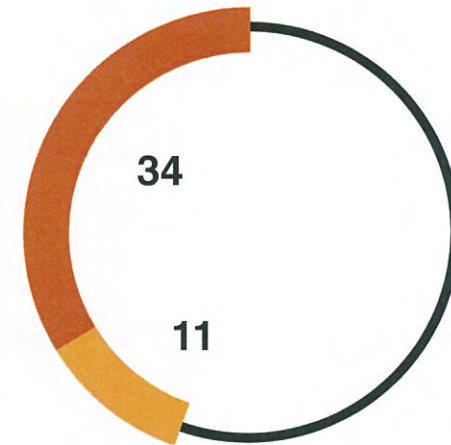
Trump Voters



67%
are fearful



Clinton Voters



45%
are fearful

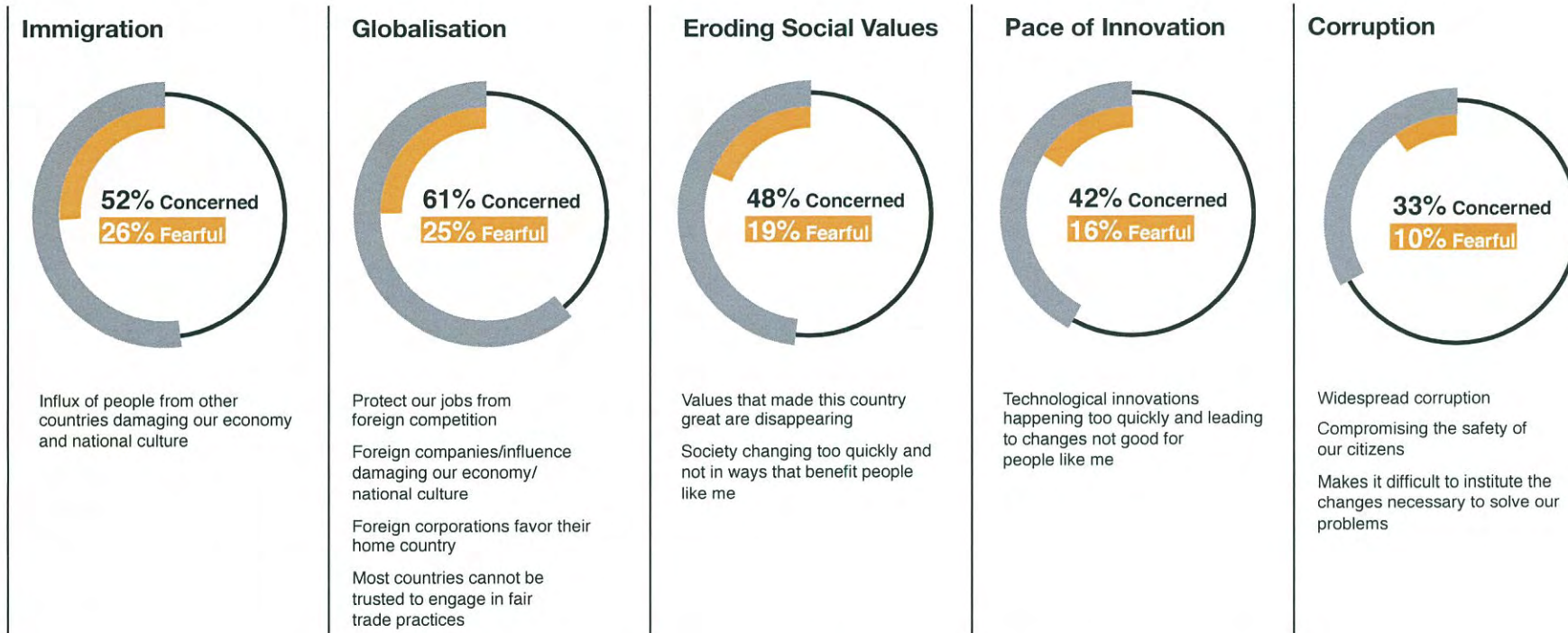
Source: 2017 Edelman Trust U.S. Flash Poll Q14. Who did you vote for? Audience: U.S. General Population, grouped by "system failing" segments and level of fear from the Trust Barometer. For details on how systemic distrust and societal fears were measured, please refer to the Technical Appendix. Respondents were labeled as "fearful" if they were fearful of at least one of the following societal issues: corruption, immigration, globalization, eroding social values, and pace of innovation.





Concerns Have Become Fears

Percent of respondents who are concerned or fearful regarding each issue



Source: 2017 Edelman Trust Barometer. Corruption Q685-687, Globalization Q681-684, Eroding social values Q676 and Q758, Immigration Q685, Pace of innovation Q677.

For details on how the societal fears were measured, please refer to the Technical Appendix.





Support for Anti-Business Policies

Protectionism

37% agree

“We should not enter into free trade agreements because they hurt our country’s workers.”

Protectionism

66% agree

“We need to prioritise the interests of our country over those of the rest of the world.”

Slower Growth

62% agree

“The government should protect our jobs and local industries, even if it means that our economy grows more slowly.”

Source: 2017 Edelman, Trust Barometer Q709-718 For each of the statements below, please indicate how much you agree or disagree. (Top 4 Box, Agree) General Population, 28-country global total.





The Echo Chamber in Action

Facts matter less

28% agree

"I would support politicians I trust to make things better for me and my family even if they exaggerated the truth"

Bias is the filter

56%

Do not regularly listen to people or organizations with whom they often disagree

Nearly

4x more likely

to ignore information that supports a position they do not believe in

No humans needed

More likely to believe

61%
Search Engines

39%
Human Editors

47% Never or rarely change their position on important social issues

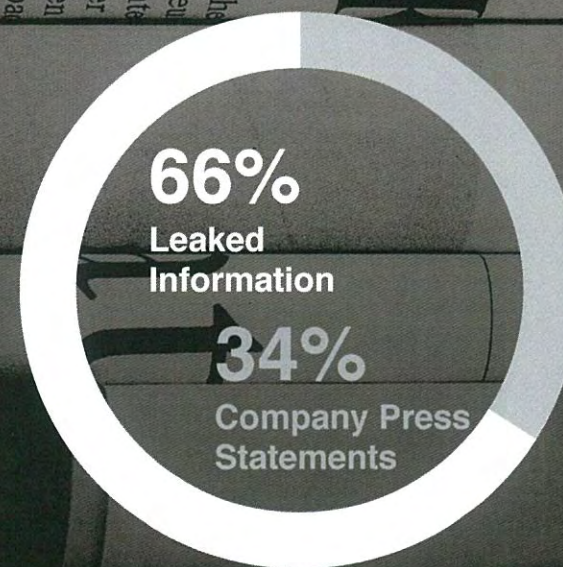
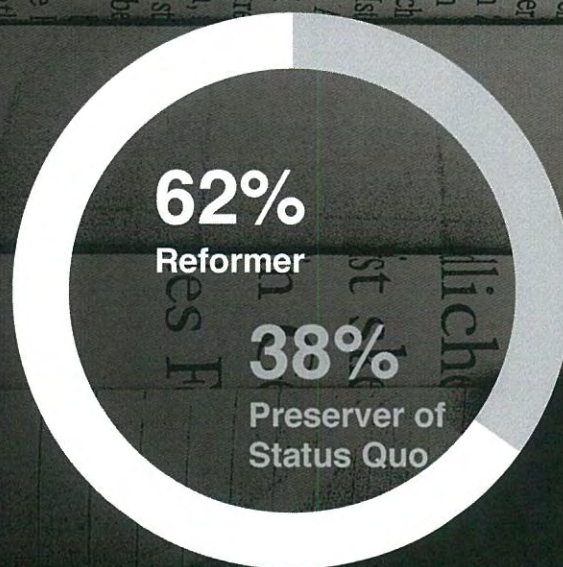
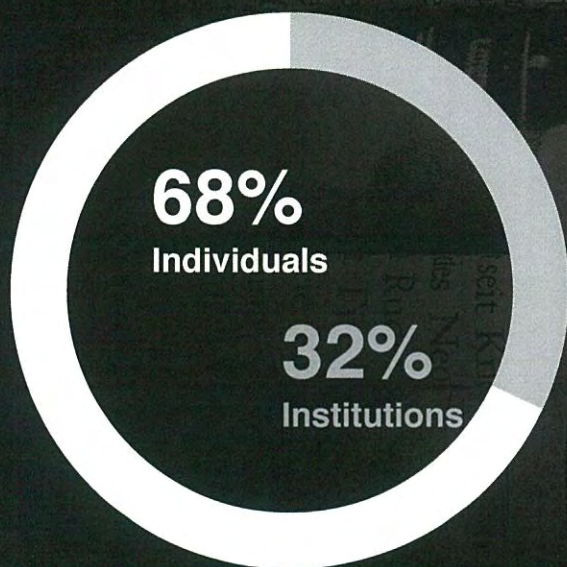
Source: 2017 Edelman Trust Barometer Q709-718. For each of the statements below, please indicate how much you agree or disagree. (Top 4 Box, Agree) Q755 Have you ever changed your position on an important social issue? (Sum of "Yes, but rarely," "No, never") General Population, 28-country global total. Q749. When someone you know provides you with some information that supports a position that you do NOT believe, which of following do you typically do with it? Q752. How often do you read or listen to information or points of view from people, media sources or organizations with whom you often disagree? (Sum of "Never," "Almost Never," "Several Times a year," "Once or Twice a Month") Q754. You are about to see a series of two choices. Each choice describes a different source of information, a different format for presenting information, or a different style of communicating information. For each pair, we want you to choose the one that you are more likely to believe is giving you the truth. While we know that some of these choices may not be easy, please do your best to select only one of the two options given--the one that is most likely to be true most often. General Population, 28-country global total, question asked of half the sample.



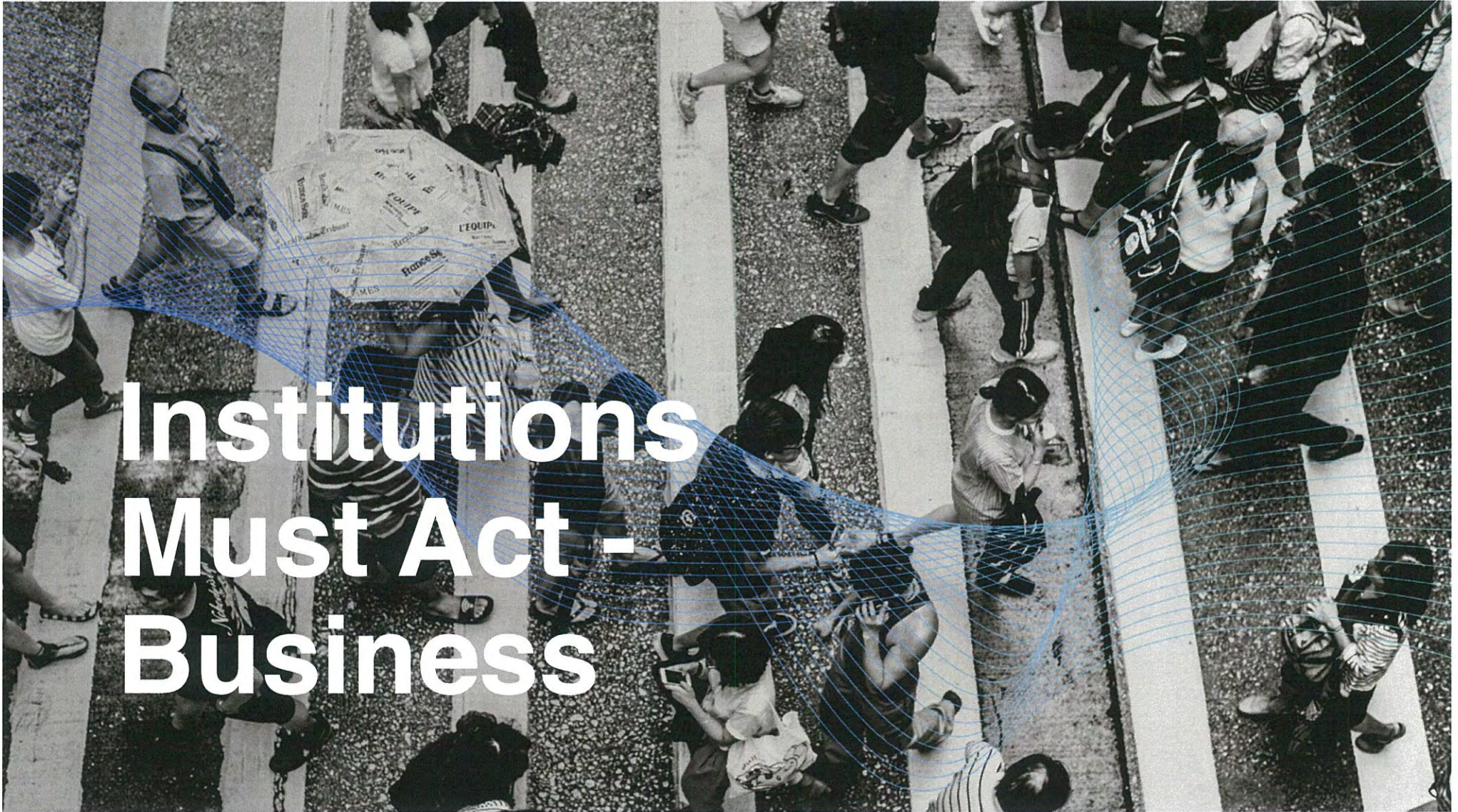


Reliable sources?

Percent who find each source more believable than its pair



Source: 2017 Edelman Trust Barometer Q754. You are about to see a series of two choices. Each choice describes a different source of information, a different format for presenting information, or a different style of communicating information. For each pair, we want you to choose the one that you are more likely to believe is giving you the truth. While we know that some of these choices may not be easy, please do your best to select only one of the two options given--the one that is most likely to be true most often. General Population, 28-country global total, choices shown to half the sample.



**Institutions
Must Act -
Business**

Business Expected to Lead

75% agree



“A company can take specific actions that both increase profits and improve the economic and social conditions in the community where it operates.”

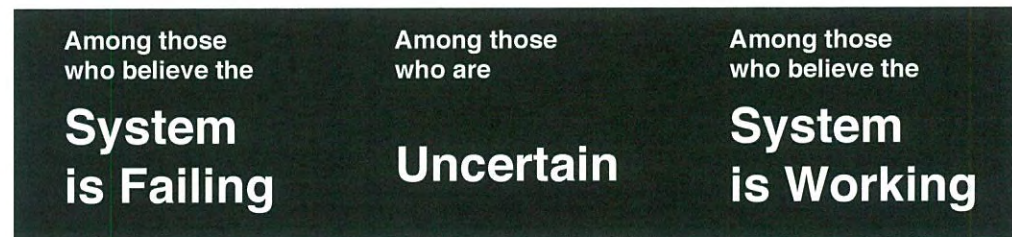
Source: 2017 Edelman Trust Barometer Q249-757. Please indicate how much you agree or disagree with the following statements. (Top 4 Box, Agree). General Population, 28-country global total, question asked of half the sample.





Business Most Trusted by the Uncertain

■ Distrust ■ Neutral ■ Trust



% trust in each institution

NGOs
Business
Media
Government

50 ■ Most Trusted
37 ■
23 ■
32 ■

52 ■
53 ■ Most Trusted
35 ■
51 ■

56 ■
64 ■
37 ■
70 ■ Most Trusted

Business is the most trusted among the 1 in 3 who are uncertain about the system

Source: 2017 Edeiman Trust Barometer Q11-620. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a 9-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". (Top 4 Box, Trust) General Population, 28-country global total, cut by "the system is failing" segments. Q672-675, 678-680, 688-690. For details on how the "system failing" measure was calculated, please refer to the Technical Appendix.





First, Do No Harm

Actions business can take that would most damage trust in a better future (top 5 most-selected)

1.

Pay executives hundreds of times more than workers

2.

Overcharge for products that people need to live

3.

Move profits to other countries to avoid taxes

4.

Move jobs from this country to cheaper labour markets

5.

Pay bribes to government officials to win contracts

Source: 2017 Edelman Trust Barometer. Q732. What can businesses do that would cause the most damage to your trust in a better future? (Please select up to five.) General Population, 28-country global total, question asked of half the sample.

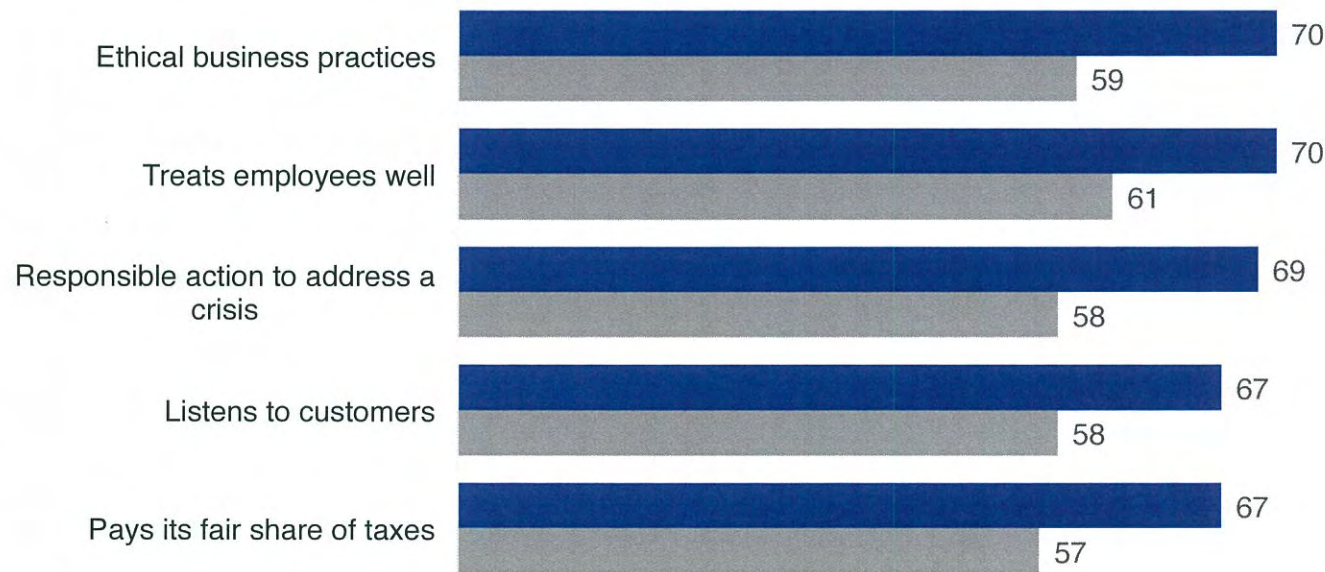




When the System is Failing, Companies Must Do More

Percent who rate each attribute as important in **building trust in a company** (top 5 most important shown)

System Failing
General Population



On average
+7 pts
higher expectations

Among those who have lost faith in the system, expectations are higher across the board

Source: 2017 Edelman Trust Barometer Q80-639. How important is each of the following attributes to building your TRUST in a company? Use a 9-point scale where one means that attribute is "not at all important to building your trust" and nine means it is "extremely important to building your trust" in a company. (Top 2 Box, Importance) Data displayed is mean Top 2 Box rating for the listed items. Items were included if they were considered important by 50% or more of those who believe the system is failing. General Population and cut by "the system is failing segments", 28-country global total. Q672-675, 678-680, 688-690. For details on how the "system failing" measure was calculated, please refer to the Technical Appendix.

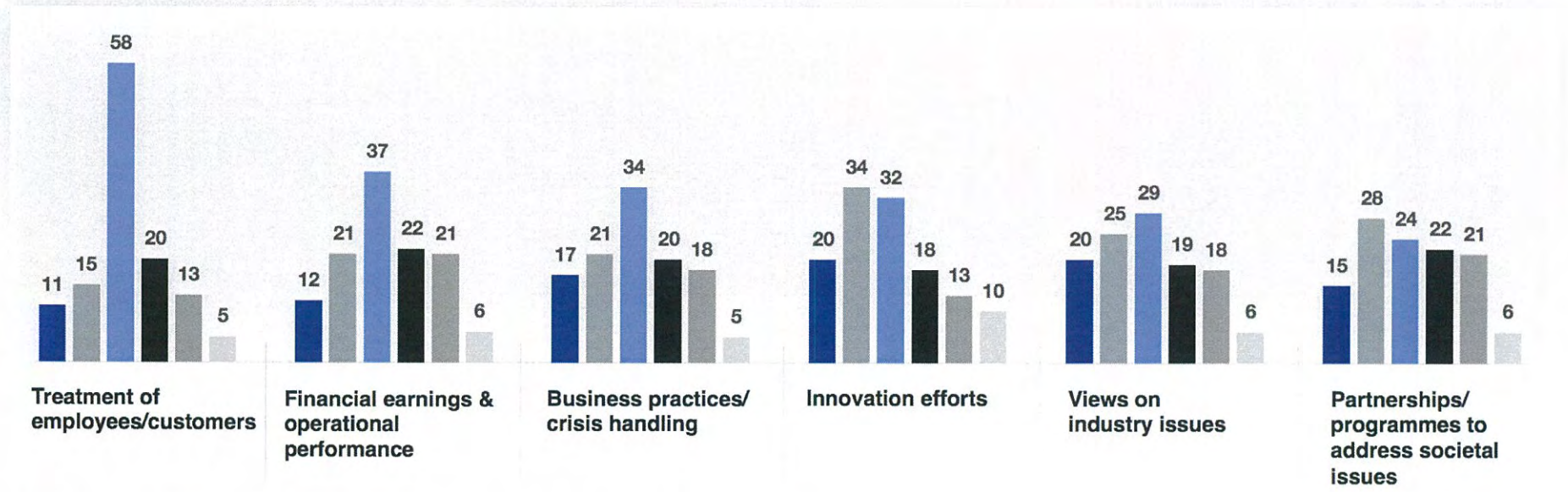




Employees Most Credible

Most trusted spokesperson to communicate each topic

- Company CEO
- Senior executive
- Employee
- Activist consumer
- Academic
- Media spokesperson

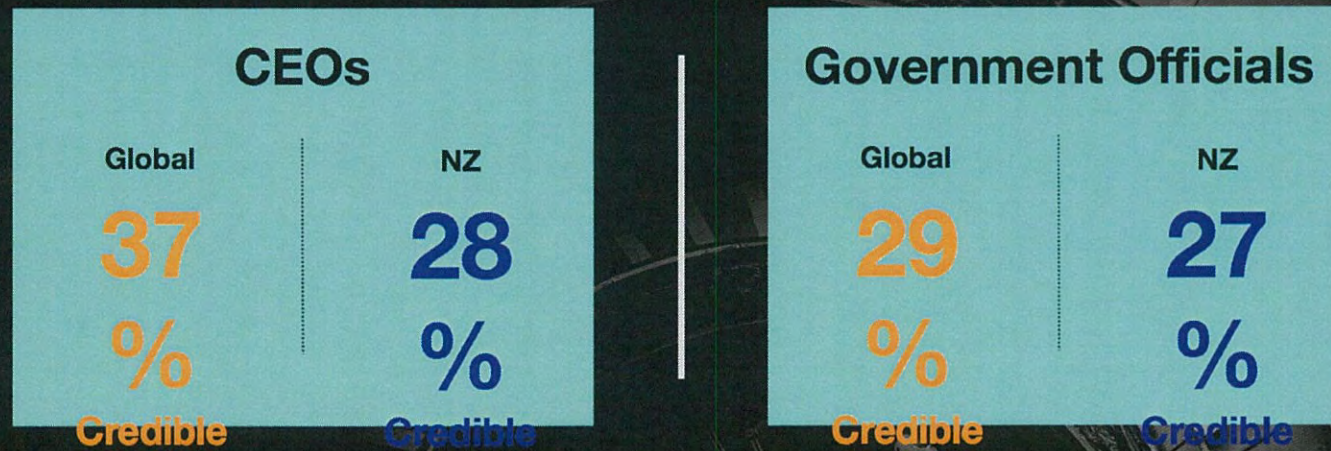


Source: 2017 Edelman Trust Barometer Q610. Who do you trust MOST to provide you with credible and honest information about a company's financial earnings and operational performance, and top leadership's accomplishments? Q611. A company's business practices, both positive and negative, and its handling of a crisis? Q612. A company's employee programs, benefits and working conditions, and how a company serves its customers and prioritizes customer needs ahead of company profits? Q613. A company's partnerships with NGOs and effort to address societal issues, including those to positively impact the local community? Q614. A company's innovation efforts and new product development? Q615. A company's stand on issues related to the industry in which it operates? General Population, 28-country global total, question asked of one-quarter of the sample.



Credibility of leaders is questionable

Percent who rate each spokesperson as very/extremely credible



Source: 2017 Edelman, Trust Barometer Q130-747 Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/Extremely Credible) General Population, 28-country global total, question asked of half the sample.



Globally, Peers Now as Credible as Experts

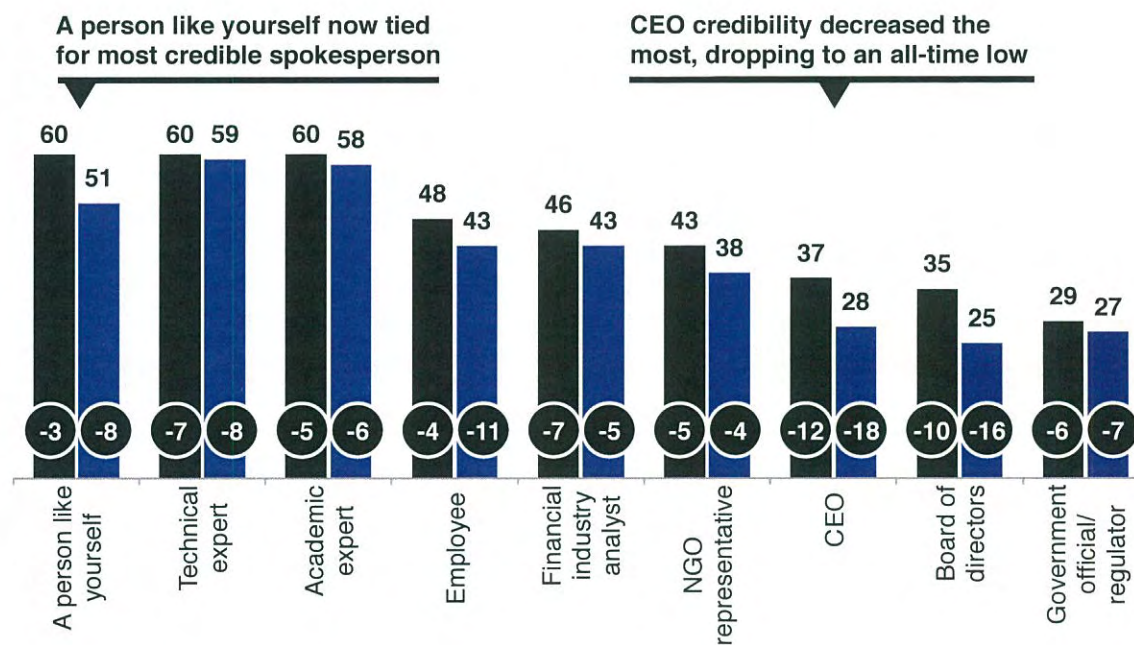
Percent who rate each spokesperson as extremely/very credible, and change from 2016 to 2017

Global 2017 NZ 2017

– + Y-to-Y Change

“People in this country have had enough of experts.”

– Michael Gove, Member of Parliament, U.K.



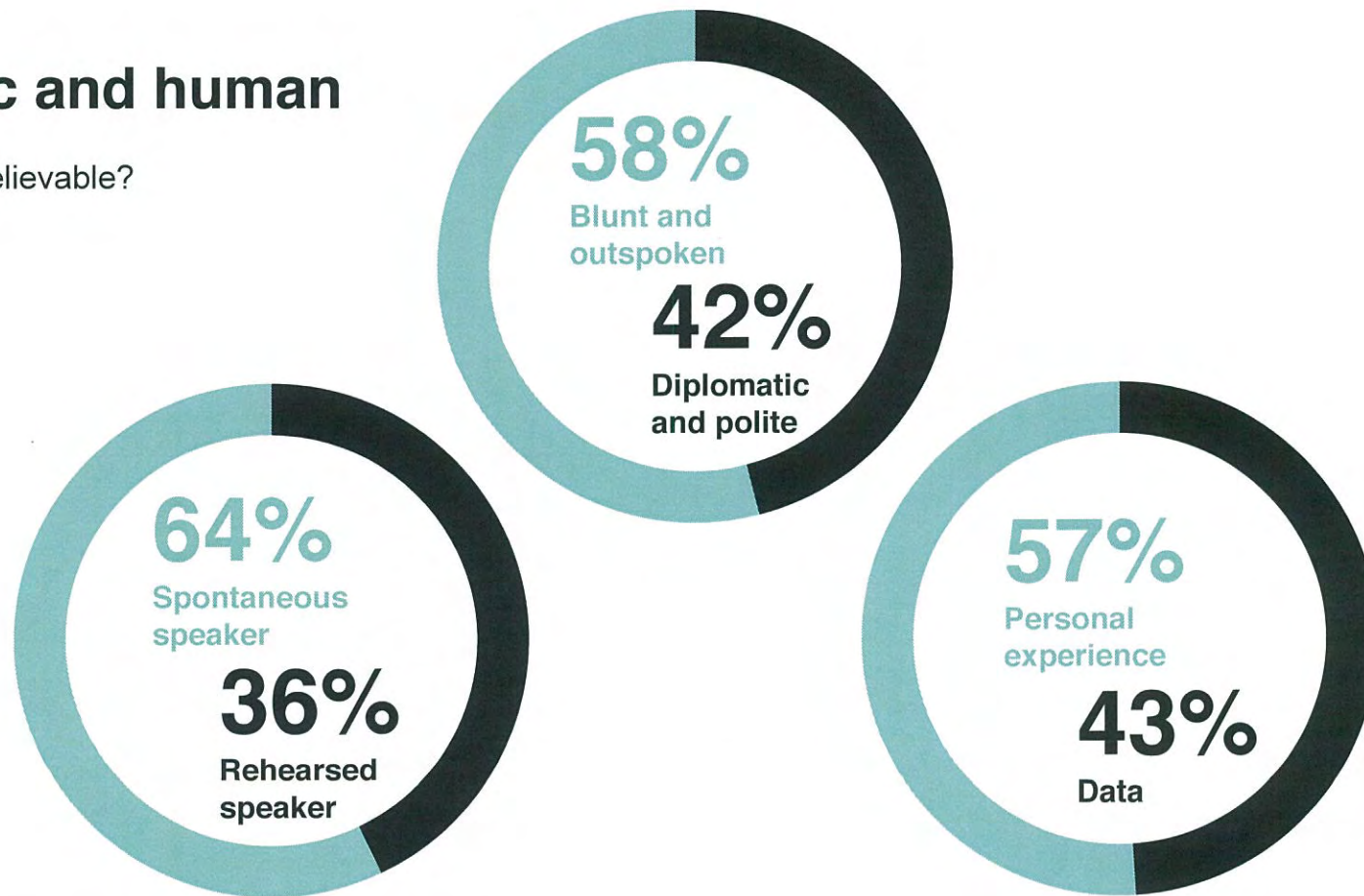
Source: 2017 Edelman Trust Barometer Q130-747 Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/Extremely Credible) General Population, 28-country global total, question asked of half the sample.





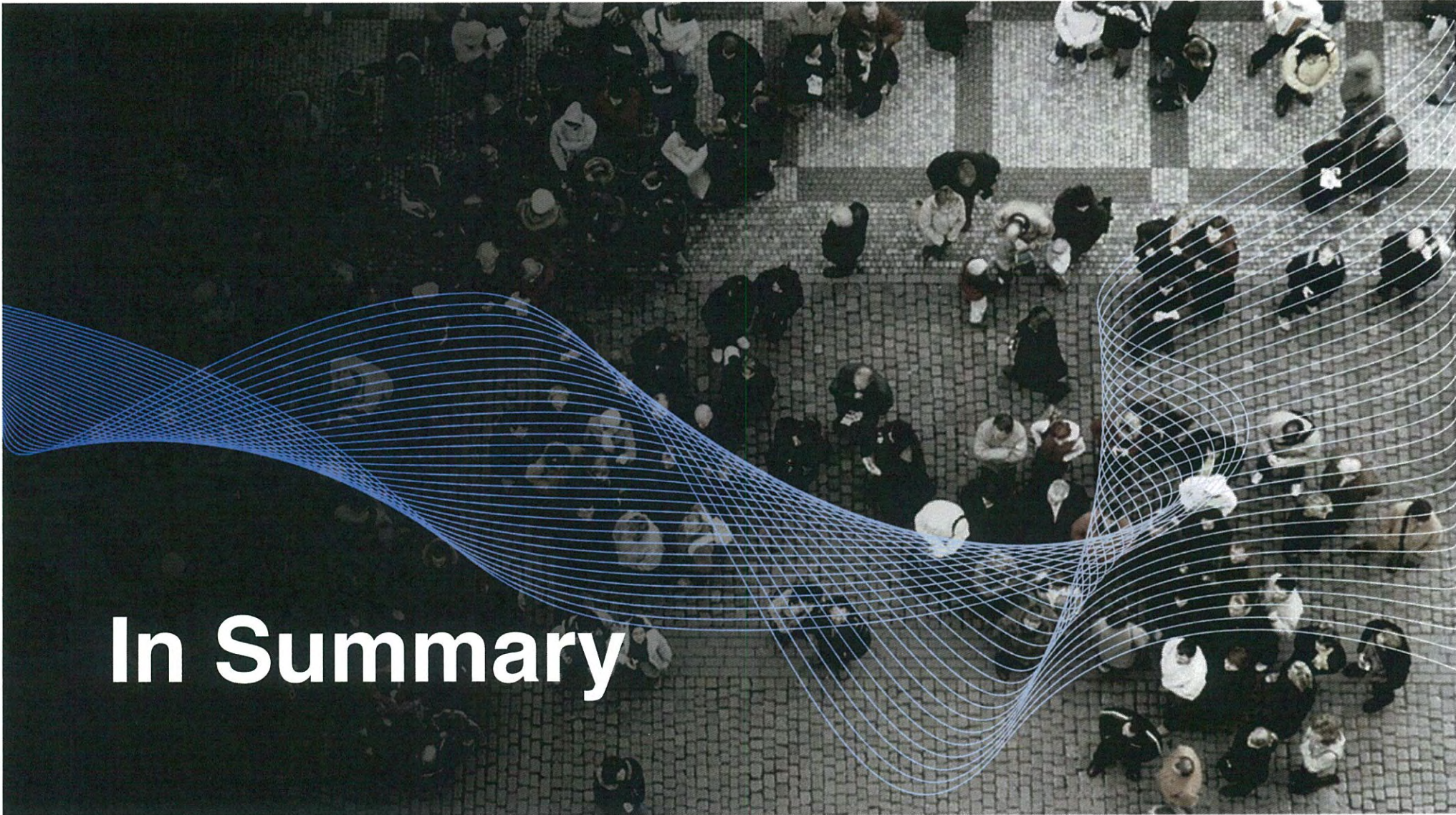
Authentic and human

Which is more believable?



Source: 2017 Edelman Trust Barometer Q754. You are about to see a series of two choices. Each choice describes a different source of information, a different format for presenting information, or a different style of communicating information. For each pair, we want you to choose the one that you are more likely to believe is giving you the truth. While we know that some of these choices may not be easy, please do your best to select only one of the two options given—the one that is most likely to be true most often. General Population, 28-country global total, choices shown to half the sample.





In Summary

Considerations of Trust

1

Business has the licence to act

4

Trust has moved to individuals

2

Fears are our context

5

Employees as spokespeople and ambassadors

3

Academia and engagement

6

Spontaneous and personal experience

