

2019 EDELMAN TRUST BAROMETER  
SPECIAL REPORT

# Trust in Brand Germany



#TrustBarometer



# 19<sup>th</sup> ANNUAL EDELMAN TRUST BAROMETER

## Methodology

Online survey in 27 markets

33,000+ respondents total

All fieldwork was conducted between  
October 19 and November 16, 2018



## Special Report: Trust in Brand Germany

1,000 respondents in each of eight markets:  
**Brazil, China, France, Germany, India,  
Mexico, U.K., and U.S.**

All fieldwork was conducted online between  
July 22 and August 5, 2019

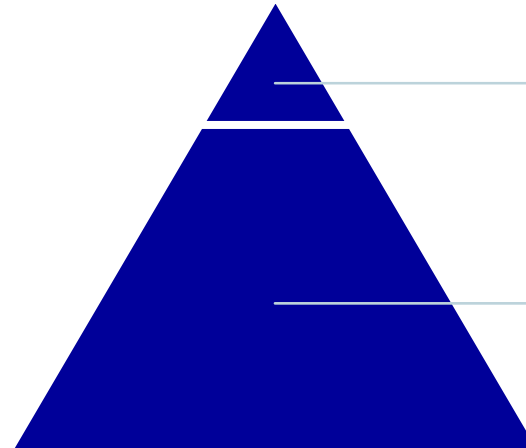
Trust in Brand Germany survey data margin of error: 7-market average +/- 1.2% (N=7,000), Developed markets +/- 1.8% (N=3,000), Emerging markets +/- 1.6% (N=4,000), market-specific data +/- 3.1% (N=1,000).

## General Online Population

1,150 respondents per market

Ages 18+

All slides show general online population  
data unless otherwise noted



## Informed Public

500 respondents in U.S. and China;  
200 in all other markets

Represents 16% of total global population

Must meet four 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 84% of total global population

27-market global data margin of error: General population +/- 0.6% (N=31,050), informed public +/- 1.3% (N=6,000), mass population +/- 0.6% (N=26,000+), half-sample global general online population +/- 0.8 (N=15,525). 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 739, varies by market).

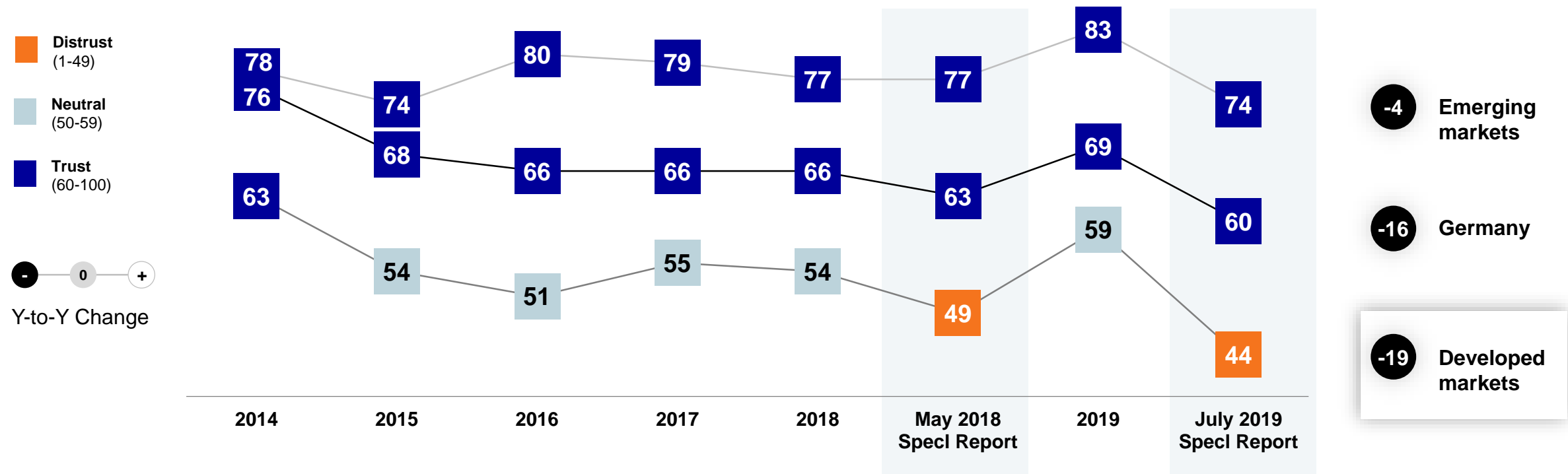


# Brand Germany Tarnished

# 2019 EDELMAN TRUST BAROMETER

## ERODING TRUST IN BRAND GERMANY

Trust in companies headquartered in Germany from 2014 – 2019



2019 Edelman Trust Barometer. TRU\_NAT. Now we would like to focus on global companies headquartered in specific countries. Please indicate how much you trust global companies headquartered in the following countries to do what is right. Use the same 9-point scale where one means that you “do not trust them at all” and nine means that you “trust them a great deal”. 9-point scale; top 4 box, trust. Markets shown to half of the sample. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q1. We would like you to focus on global companies headquartered in specific countries. Please indicate how much you trust global companies headquartered in the following countries to do what is right. Use 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”. 9-point scale; top 4 box, trust. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

Unless otherwise indicated, data for each year was published in January of that year.

# BRAND GERMANY NOW DISTRUSTED IN KEY EXPORT MARKETS

Trust in companies  
headquartered in Germany

**Distrust** (1-49)   **Neutral** (50-59)   **Trust** (60-100)

**-** **0** **+** Y-to-Y Change

61%

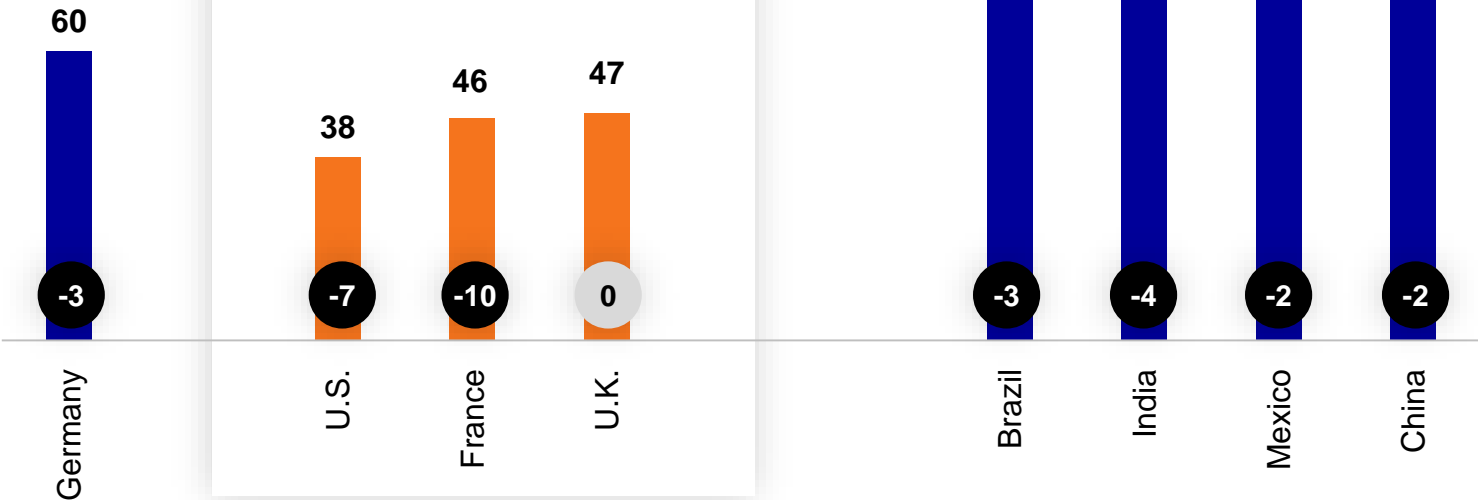
7-Market Average

Developed Markets

44% **-5**  
Average

Emerging Markets

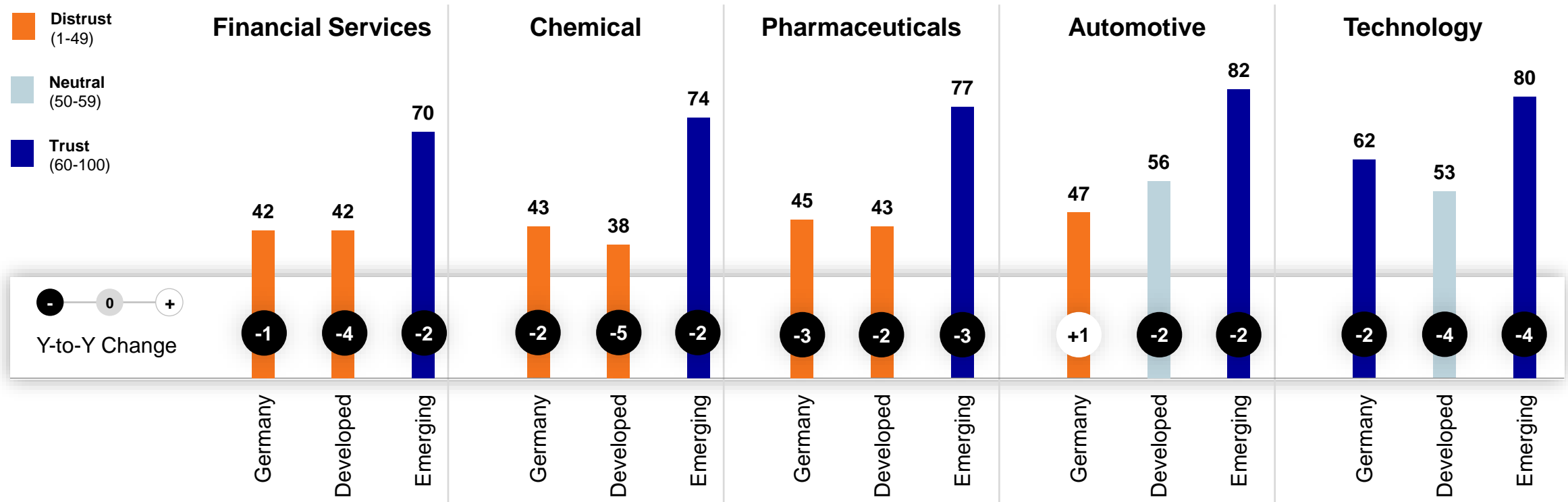
74% **-3**  
Average



2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q1. We would like you to focus on global companies headquartered in specific countries. Please indicate how much you trust global companies headquartered in the following countries to do what is right. Use 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”. 9-point scale; top 4 box, trust. General population, 7-market average, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

# TRUST DECLINES AFFECT ALL GERMAN SECTORS

Percent trust, and 2018 to 2019 percentage point change in trust in German companies in Germany, developed markets and emerging markets



2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q1a. Please indicate how much you trust each of the following to do what is right. Again, please use the same nine-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". 9-point scale; top 4 box, trust. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

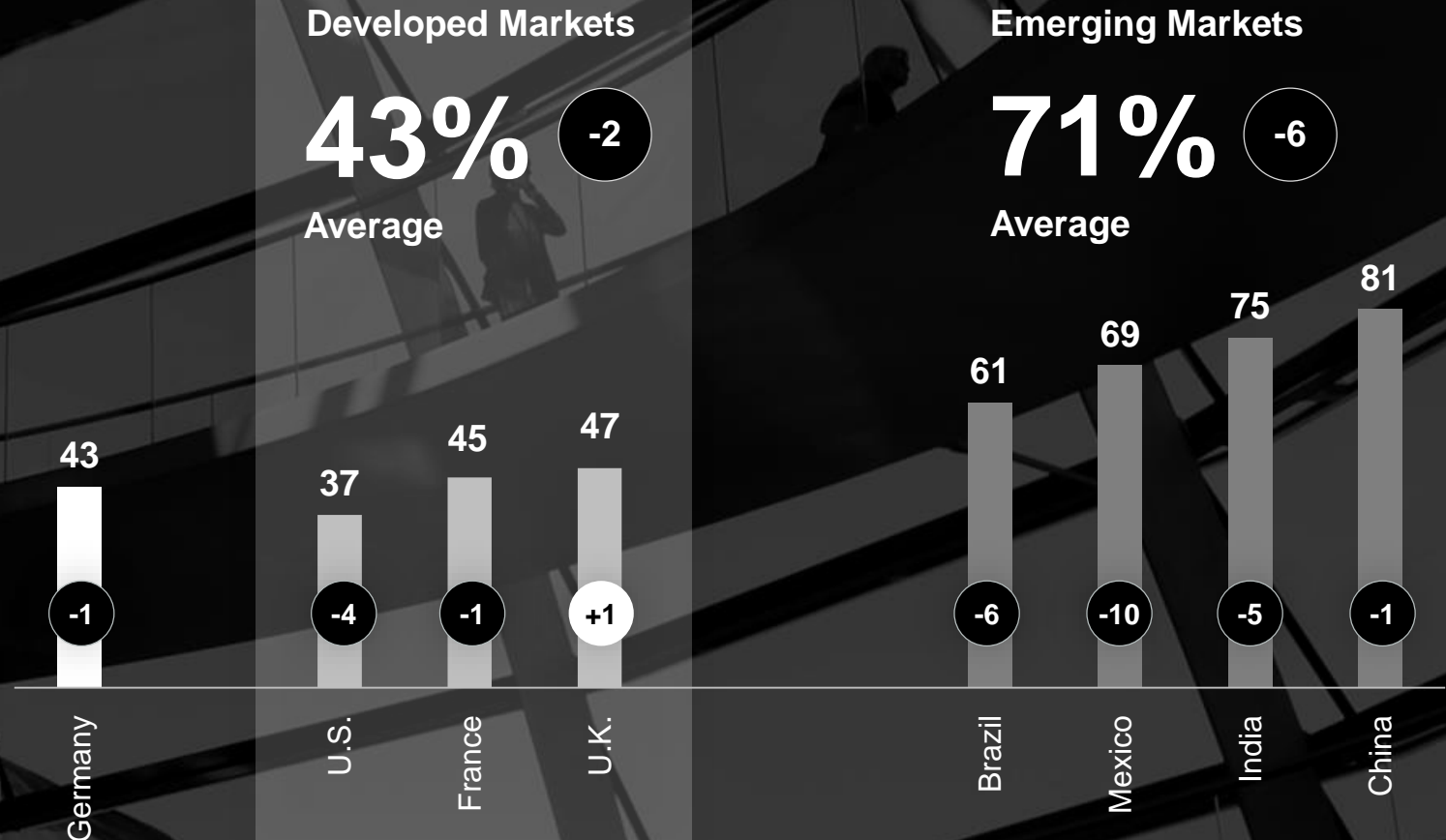


# BRAND GERMANY NOT SEEN AS CORRUPTION-PROOF

Percent who say German companies are doing this well

- 0 + Y-to-Y Change

Have internal controls and policies in place to uncover and prevent corruption

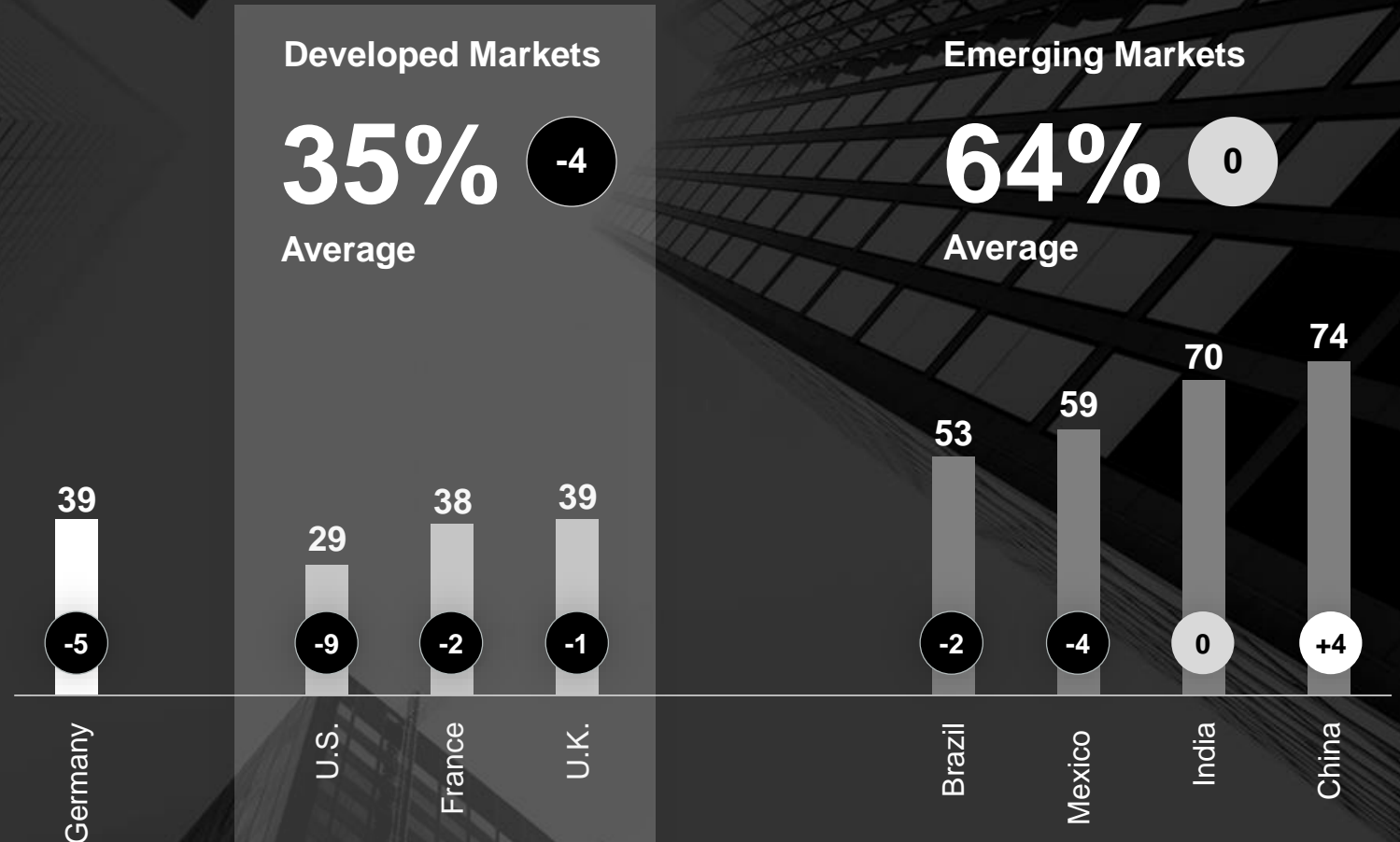


# GERMAN BUSINESS VALUES IN QUESTIONS

Percent who agree

- 0 + Y-to-Y Change

The values and views of most German companies match my own





# GERMAN CEOS HAMPERED BY LACK OF TRUST

Percent who trust German CEOs

**Distrust** (1-49)   **Neutral** (50-59)   **Trust** (60-100)

**German CEOs not trusted in 7 of 8 markets surveyed**

**I trust CEOs of German companies to do what is right**

Developed Markets

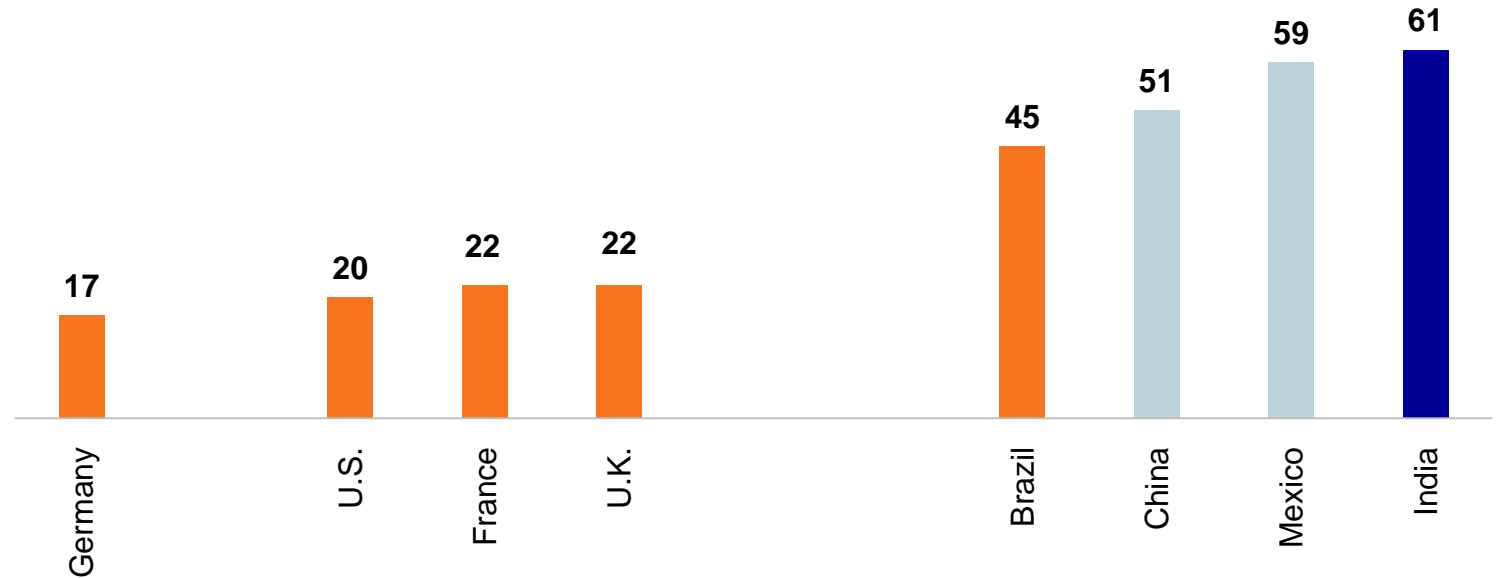
**22%**

Average

Emerging Markets

**54%**

Average



2019 Edelman Trust Barometer Special Report: Trust in Brand Germany. Q5. We would like you to think about the CEOs of German companies. Please indicate how much you trust the following CEOs to do what is right. Use the following nine-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal". 9-point scale; top 4 box, trust. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

\*Excludes those who said they were aware of the fake company, Hambete, at Q4a.

# CONSUMERS BUYING FEWER GERMAN PRODUCTS DUE TO BUSINESS SCANDALS

Percent who say German business scandals have had the following effects on purchasing behavior

## Because of scandals involving German companies...

- I buy fewer German products
- I only buy German products when I have no other option
- I am actively boycotting German products



Developed Markets

37%

Average

Emerging Markets

41%

Average

The background features a dark, monochromatic architectural scene with curved, ribbed structures resembling modern buildings or industrial components. Overlaid on this is a series of bright blue, wavy, concentric lines that create a sense of motion and depth, resembling a stylized signal or a complex wave pattern.

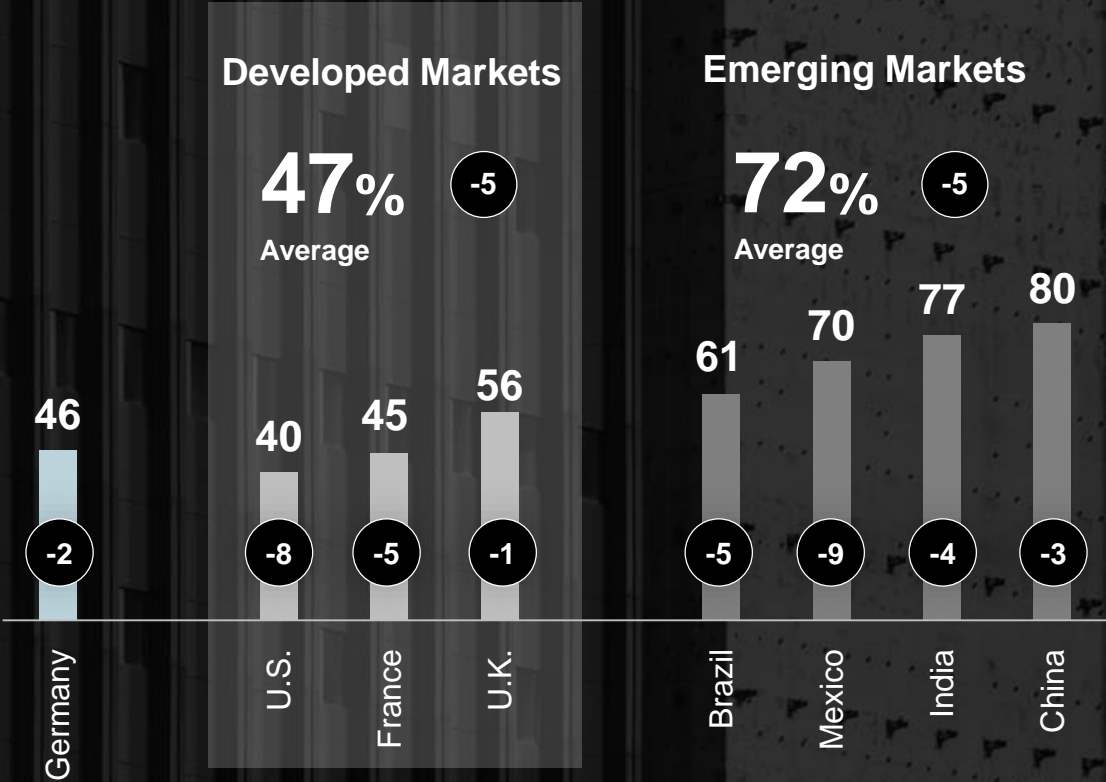
# The Impact of Eroding Trust



# NOT SEEN AS CARING FOR EMPLOYEES

- 0 + Y-to-Y Change

German companies treat employees well (% agree)



Companies that are unwilling to invest in their employees do not deserve my business



2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q2. Please rate global companies headquartered in Germany on how well you think they are performing in general on each of the following attributes. Use a nine-point scale where one means they are “performing extremely poorly” and nine means they are “performing extremely well”. 9-point scale; top 4 box, performing well. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

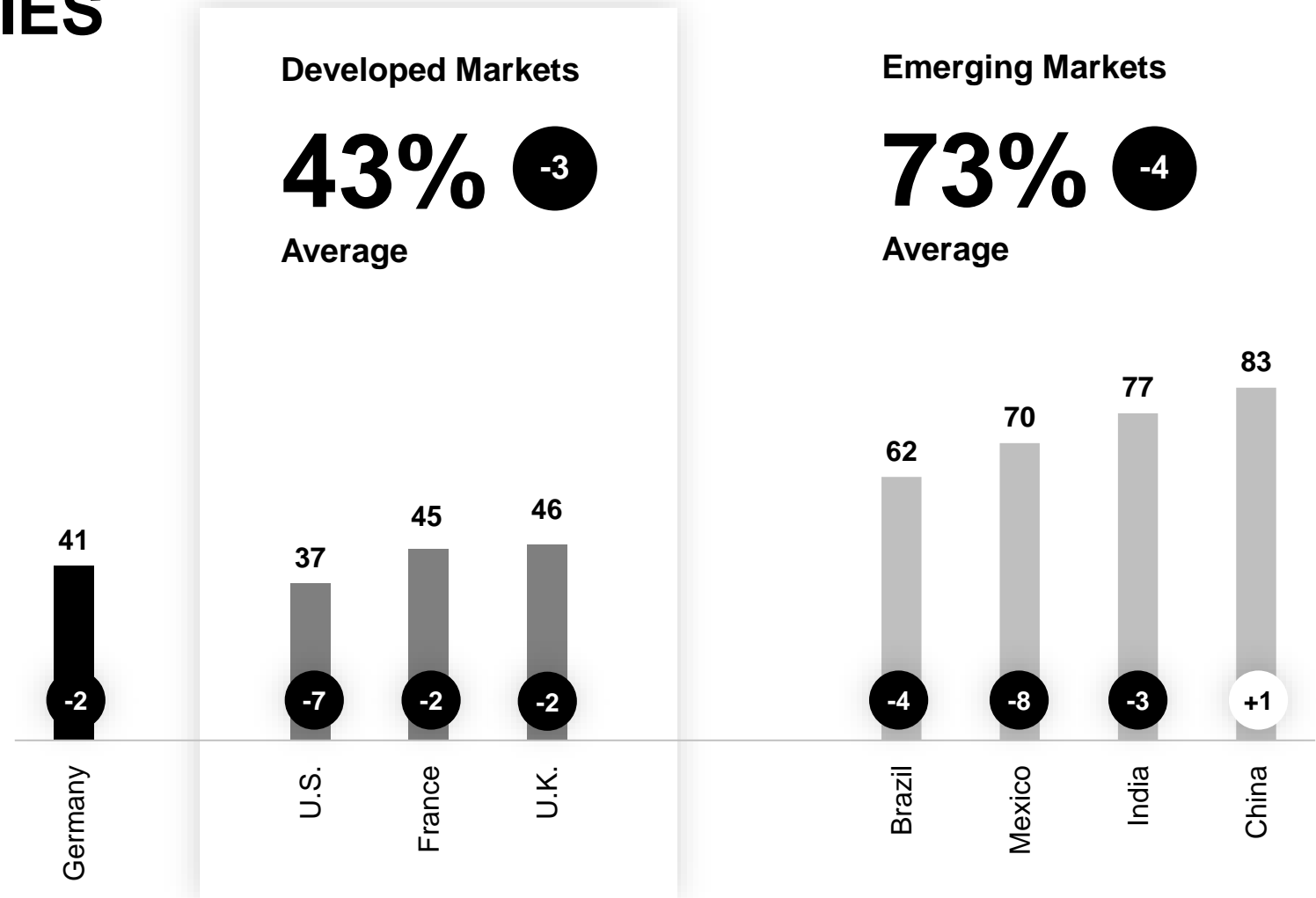
2019 Edelman Trust Barometer. TMA\_SIE\_SHV. Please indicate how much you agree or disagree with the following statements. 9-point scale; top 4 box, agree. Question asked of half of the sample. General population, 7-market average.

# NOT SEEN AS COMMITTED TO LOCAL COMMUNITIES

Percent who say German companies are doing this well

Create programs that **positively impact** the local communities in which they operate

● — 0 — ● Y-to-Y Change



2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q2. Please rate global companies headquartered in Germany on how well you think they are performing in general on each of the following attributes. Use a nine-point scale where one means they are "performing extremely poorly" and nine means they are "performing extremely well". 9-point scale; top 4 box, performing well. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

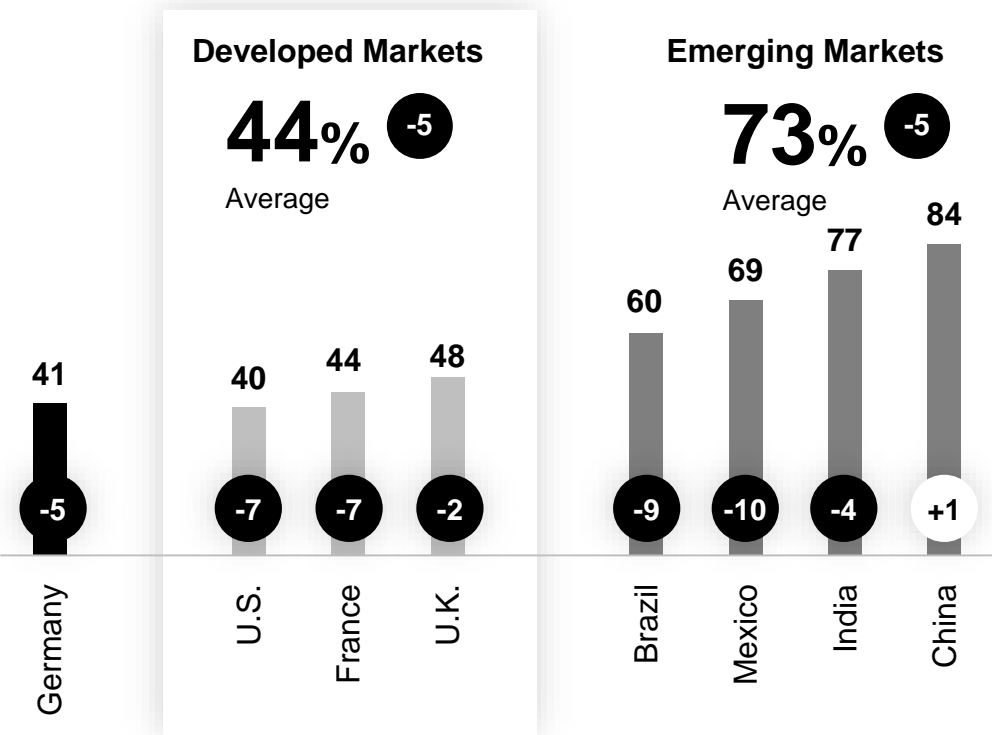


# NOT SEEN AS LEADING ON GLOBAL ISSUES

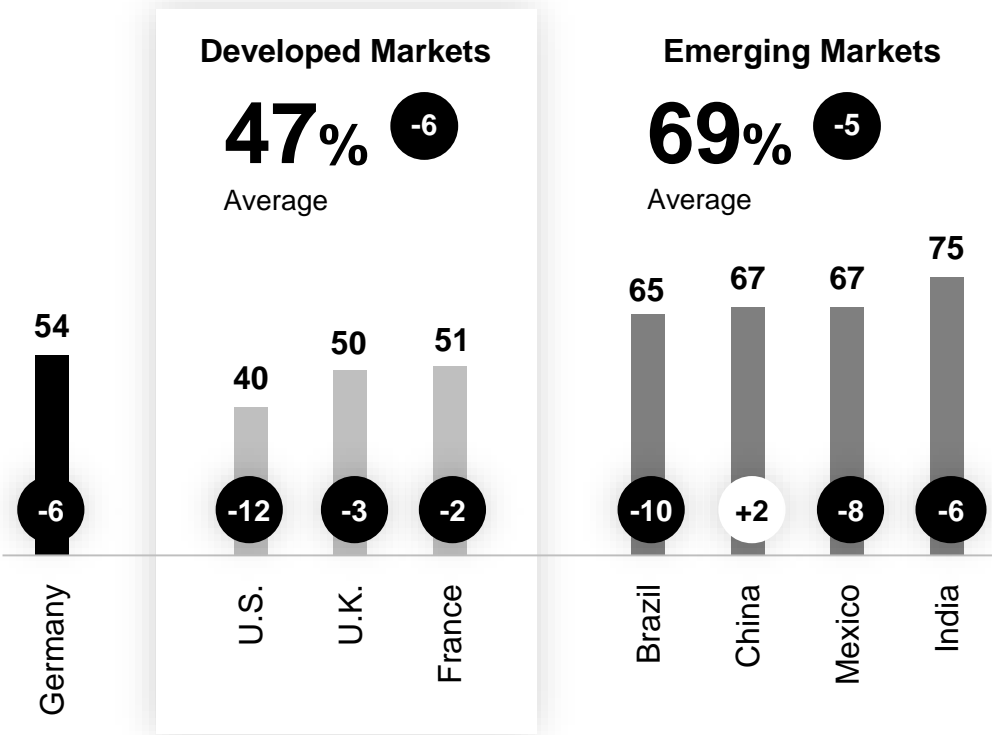
**-** **0** **+** Y-to-Y Change

Percent who say German companies are doing this well

## Protect and improve the environment



## Germany is a good global citizen



2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q2. Please rate global companies headquartered in Germany on how well you think they are performing in general on each of the following attributes. Use a nine-point scale where one means they are “performing extremely poorly” and nine means they are “performing extremely well”. 9-point scale; top 4 box, performing well. Q9. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement using a nine-point scale where one means “strongly disagree” and nine means “strongly agree”. 9-point scale; top 4 box, agree. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.



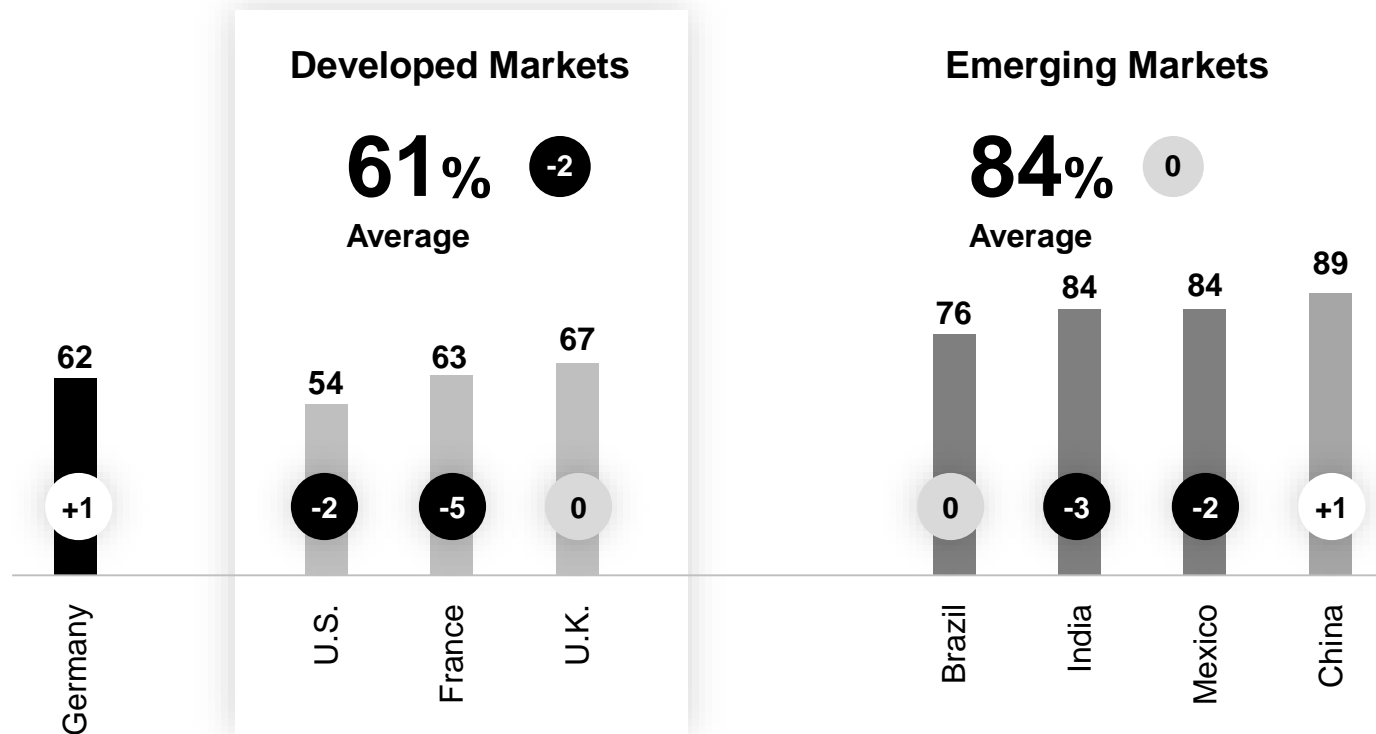
# Reclaiming Trust in Brand Germany

# REINFORCE AND BROADEN PERCEPTIONS OF GERMAN QUALITY

Percent who say German companies are doing this well

- 0 + Y-to-Y Change

- German products are **well-engineered**
- German companies **offer high-quality products and services**



## Strategies

- Remind consumers of your quality
- Extend quality perceptions beyond manufactured goods
- Broaden perceptions of quality from your products to the companies that produce them

2019 Edelman Trust Barometer: Special Report: Trust in Brand Germany. Q2. Please rate global companies headquartered in Germany on how well you think they are performing in general on each of the following attributes. Use a nine-point scale where one means they are "performing extremely poorly" and nine means they are "performing extremely well". 9-point scale; top 4 box, performing well. General population, Germany, emerging (Brazil, China, India, Mexico) and developed (France, U.K., U.S.) markets.

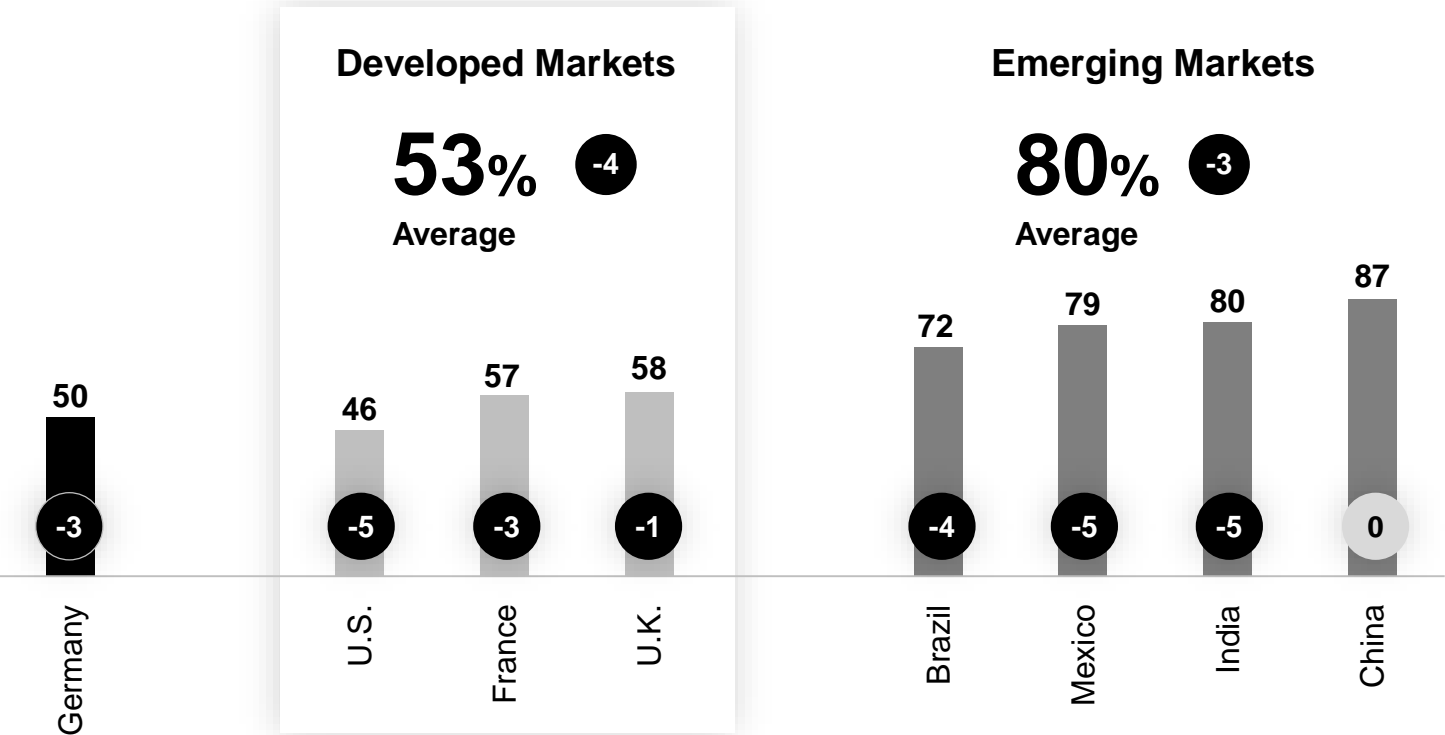
Average across "Offer high quality products or services" and "Their products are well engineered".

# DEFINE YOUR VALUE BEYOND JUST PRODUCTS

Percent who say German companies are doing this well

**-** **0** **+** Y-to-Y Change

German products and services **are a good value for the money**



## Strategies

- Recognize that value now extends beyond product to meeting expectations for citizenship and ethical practices
- Create a halo effect by focusing consumers on your efforts to lead beyond the business

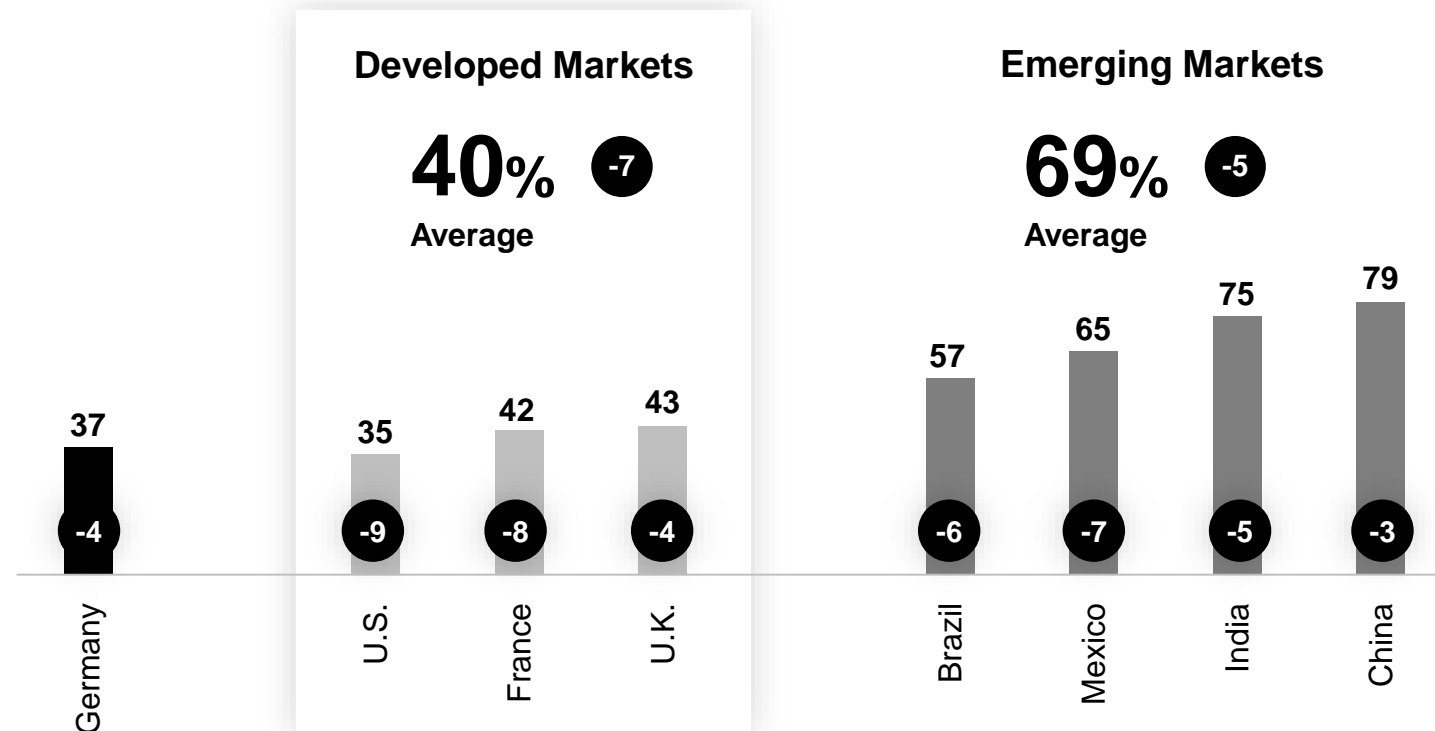
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# GERMAN CEOS MUST BE SEEN TO LEAD

Percent who say German companies are doing this well

- 0 + Y-to-Y Change

German CEOs are **leaders in the broader community** beyond their business



## Strategies

- Ensure your CEO is front and center in conversations about communities where the business operates
- Lead a conversation about values and ethical behavior in business, and follow through with policies and programs
- Have the courage to take a controversial view on an issue if it aligns with your values
- Activate your employees with a top-down *and* bottom-up approach



# RECLAIMING TRUST IN BRAND GERMANY: NEXT STEPS

Use communication to reset perception

## Products and Practices

- Be clear about internal controls
- Communicate your high quality standards
- Be transparent

## Employees

- Demonstrate how you treat employees well
- Communicate your employee value proposition and your investment in employees

## CEOs

- Make your CEO more visible and vocal
- Your CEO must lead beyond the business

## Local Communities

- Demonstrate to the communities where you operate that you care about them
- Make collaboration with local leaders a priority
- Be more vocal in local communities

## Values and Social Change

- Emphasize your commitment to ethics
- Live by your values
- Address societal issues that aren't directly connected to your business