Trust in Business:

A GlobeScan Insight

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Business' social license to operate is eroding in developed markets, but trust persists in emerging markets

There is a growing divide between developed and emerging markets in terms of people's trust in business to act in society's best interest. Those in developed markets are losing trust in global companies, while people in emerging markets remain generally more trusting of business.

Trust in big business has fallen in recent years in the OECD member countries that GlobeScan has tracked over time. In Germany, fewer people than ever in our two-decade time series now say that global companies operate in the best interest of society. In contrast, trust in business remains significantly higher in emerging non-OECD markets. Younger people also tend to be more trusting of business generally.

Other results of GlobeScan's most recent *Radar** public opinion poll confirm that many view business as not having the best interests of society in mind. Fewer than half of those in the 25 countries believe that large companies pay their fair share of taxes. However, people in Asia and Africa are more likely to agree that companies pay a fair share of taxes than those residing in Europe and North America. People in France, Germany, and Spain are the least likely to think that companies are paying their fair share, reflecting the very low levels of trust in business to operate in society's best interest in these countries.

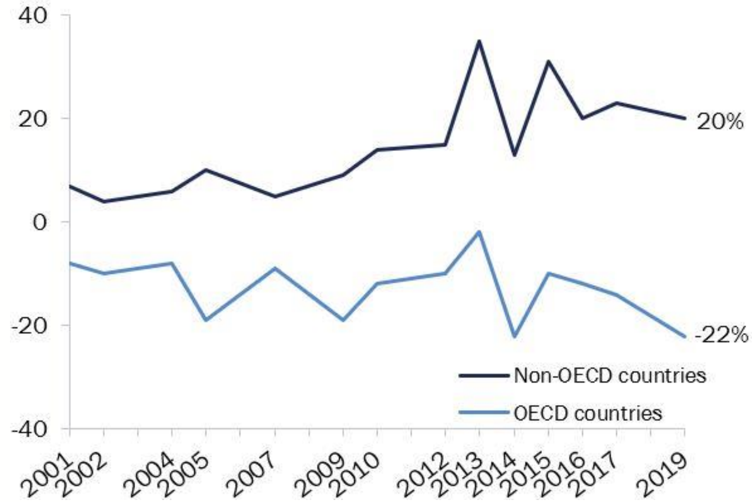
There is also strong and growing agreement that governments should create laws that require companies to go beyond their business interests and contribute to a better society. This suggests that people do not believe companies will do so on their own. In the United States, a majority now believe that the government should regulate corporate responsibility.

These results may signal that big business will face ongoing challenges to its social license, with people being receptive to regulation, tax reform, and increased minimum wages. People in the OECD markets are also likely to remain particularly cynical about attempts by large companies to appear responsible or purpose-driven.

Individual corporate reputations will be influenced by the macro context of low trust in business. Understanding stakeholder views and expectations, and responding effectively, has never been more important for companies.

Trust in Global Companies

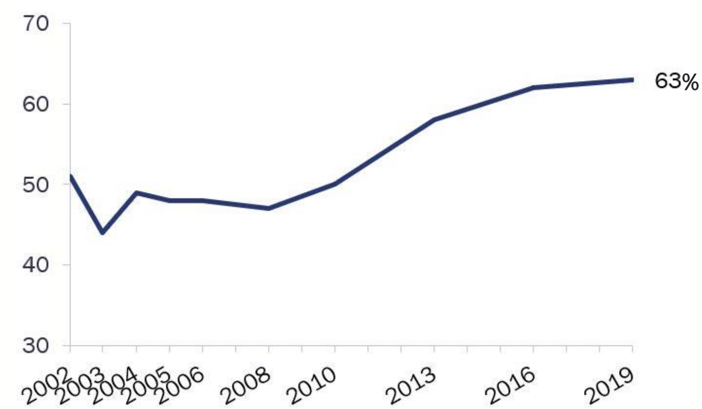
Net Trust,* OECD vs Non-OECD Countries,** 2001–2019



* "A lot of trust" and "Some trust" minus "Not much trust" and "No trust at all"
**OECD countries include Australia, Canada, France, Germany, Mexico, South Korea, Spain, Turkey, UK, and USA. Non-OECD countries include Brazil, China, India, Indonesia, Kenya, Nigeria, and Russia. Not all countries were asked in all years. This question was previously asked using an in-person and telephone methodology.

Governments Should Require Large Companies to Work toward a Better Society

"Agree" ("Strongly Agree" and "Somewhat Agree"), Average of 18 Countries,* 2002–2019



*Includes Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Mexico, Nigeria, Russia, South Korea, Spain, Turkey, UK, and USA.
Not all countries were asked in all years. This question was previously asked in GlobeScan's Radar research programme, using an in-person and telephone methodology.

**GlobeScan Radar is a global survey conducted online among samples of 1,000 adults per country in each of 25 countries, weighted to reflect general population census data. The research was conducted during April and May of 2019.*

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