

# A Roadmap for Trust in Asia Pacific, Middle East and Africa

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In the 2014 Edelman Trust Barometer, Asia Pacific and the Middle East remains the most optimistic and trusting region; our newest addition to the study, South Africa, looks more skeptical and “European” in its trust profile. Overall, trust in these regions has gone up marginally this year, though that was largely driven by a noticeable increase in trust in NGOs.

The 2014 Edelman Trust Barometer is the firm’s 14th annual trust and credibility survey. The survey was produced by research firm Edelman Berland and consisted of 20-minute online interviews conducted Oct. 16, 2013 – Nov. 29, 2013. The 2014 Edelman Trust Barometer online survey sampled 27,000 general population respondents with an oversample of 6,000 people ages 25-64 across 27 countries. All participants 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 business, APACMEA remains the most trusting region – a result no doubt driven by the economic benefits it has brought in one generation to millions of people. In fact, six of the top seven most trusting countries for business are in APACMEA, with UAE and Indonesia business posting significant gains and leading the world with 82 percent of survey respondents trusting the institution in both markets.

In India, since the financial crisis began roiling the global economy in 2008, trust in business has been steadily high. No major Indian company suffered and no Indian banks collapsed as fallout of the downturn – both facts inspiring confidence in Indian business. Indians’ trust in business reflects their hope in an institution they see as offering not only the assurance of employment, but also providing a chance to fulfill their aspirations for a better, more efficient lifestyle.

However, the rest of the world does not trust businesses headquartered in our biggest markets. Chinese companies, for example, should heed the lessons of their global counterparts and brace for increased public scrutiny both at home and abroad. There is clearly still plenty of work to do in meeting global demand for transparency and accountability. While 76 percent of Chinese respondents trust companies headquartered in China, that number drops to only one in five when we look to levels of trust in Chinese companies in the U.S. Meanwhile, Australian trust in companies headquartered in China – Australia’s largest two-way trading partner – is also very low at 26 percent. Chinese businesses can and must rise to the challenge of operating against the drivers of trust as they look abroad for new growth opportunities.

The region is also different to the rest of the world in the trust it confers on various types of business. In Europe and North America, family businesses are the most trusted, at 76 percent and 85 percent, respectively, whilst in Asia they are the least trusted. Family businesses that are seen to have strong values in the West are perhaps seen as nepotistic and sometimes even corrupt in Asia. Conversely, a publicly traded business appears to be conferred with the benefits of transparency and global business practice – and is probably viewed as a much better place to pursue a career – and so scores the highest at 74 percent. Australians, on the other hand, prefer family-owned and small to medium enterprises the most while they trust big business and ASX-listed companies the least.

Overall, our study indicates a way forward for business: to build trust through establishing context. Engagement and integrity are critical. Do you treat your people well? Do you have ethical business practices? Are you transparent? This is where we see the biggest gaps between expectation and performance from our respondents. But businesses don't measure engagement and integrity – that is the job of public relations.

As illustrated in our infographic included here, we know that if companies in this region ensure quality products, listen to customers' needs and feedback, and take responsible actions to address an issue or crisis, they will have the greatest impact on building trust within the region. How do you lose trust? Have unethical business practices, be disengaged from employees, and misrepresent the company.

It is the moment for businesses to lead in the establishment of the context necessary to create change. Businesses must now work to increase profits while improving economic and social conditions in the communities in which they operate. 



## Reputation Risk

The attributes that people see as being most important in building trust in business

The top two chosen attributes from each country are represented. In some cases countries have 2 or 3 equally chosen attributes