

# 2016 Edelman Trust Barometer

Indonesia Results



# WHAT DETERMINES OUR ACTIONS?



Where do you buy your durians?



# TRUST MATTERS

We use trust every day to determine most of our daily decisions :

- Purchase
- Relationship
- Recommendations

We will go back to what we trust.



# Indonesia – Trust Is A Business Imperative, Mirrors Global Outcomes

Percent who engage in each behavior based on trust

▲ General Population

## Behaviors for Distrusted Companies

47 Refused to buy products/services

40 Criticized companies

34 Shared negative opinions

27 Disagreed with others

22 Paid more than wanted

19 Sold shares

## Behaviors for Trusted Companies

Chose to buy products/services 75

Recommended them to a friend/colleague 74

Shared positive opinions online 59

Defended company 49

Paid more 40

Bought shares 25

#1 most trusted content creators:  
Friends and Family

#1 most trusted media source:  
Online Search Engines



Source: 2016 Edelman Trust Barometer Q371-589. Thinking back over the past 12 months, have you taken any of the following actions in relation to companies that you trust? Please answer yes or no to each action. General Population, Indonesia, question asked of half the sample. Q377-380. Still thinking about the past 12 months, have you taken any of the following actions in relation to companies that you do not trust? Please answer yes or no to each action. General Population, Indonesia, question asked of half the sample.

# TRUST VS REPUTATION?

Reputation is a result of  
your past actions.

It is based on previous  
track record.

It is based on whether  
your promises have  
been fulfilled.



Trust is forward  
looking, and must  
be earned.

Trust leads to  
people giving you a  
chance.

Trust can change  
bad reputation to  
good.

# Methodology



## General Online Population

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



## Informed Public

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- 8 years in 20+ markets
- Represents 15% of total global population
- 500 respondents in U.S. and China; 200 in all other countries

Must meet 4 criteria:

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

## Online Survey in 28 Countries

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- 16 years of data
- 33,000+ respondents total
- All fieldwork was conducted between October 13th and November 16th, 2015

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).

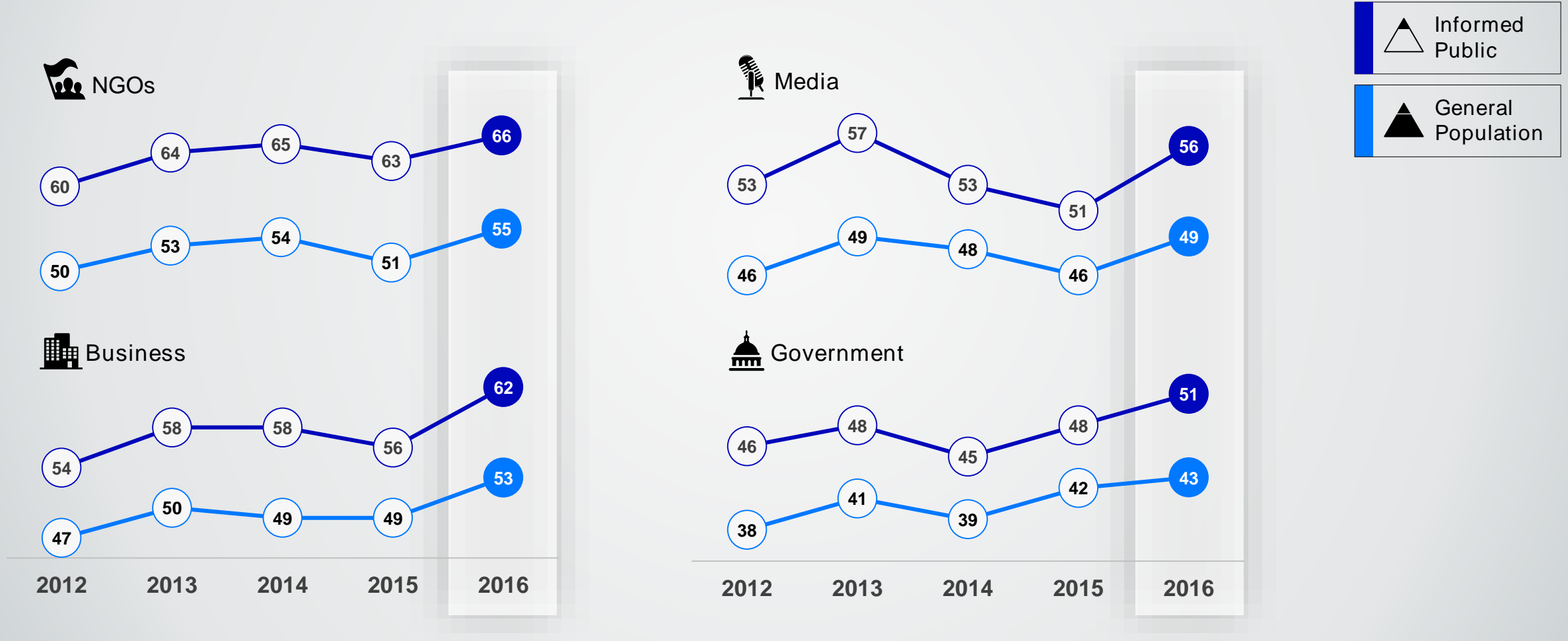




# 1 State of Trust

# Global Results Show Post-Recession Highs

Percent trust in the four institutions of government, business, media and NGOs, 2012 vs. 2016

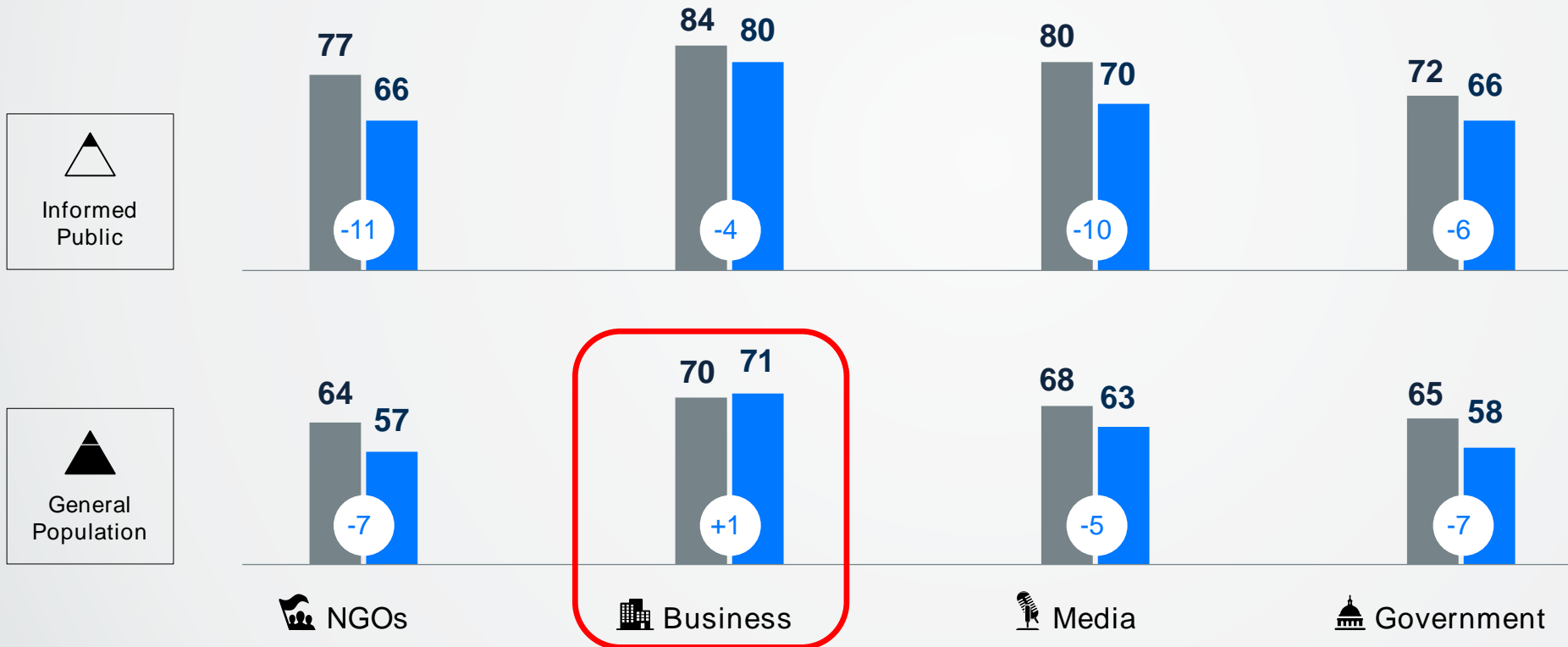


Source: 2016 Edelman Trust Barometer Q11-14. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you “do not trust them at all” and nine means that you “trust them a great deal.” (Top 4 Box, Trust) Informed Public and General Population, 25-country global total.



# Indonesia Trust Falling

Percent trust in the four institutions of government, business, media and NGOs, 2015 vs. 2016

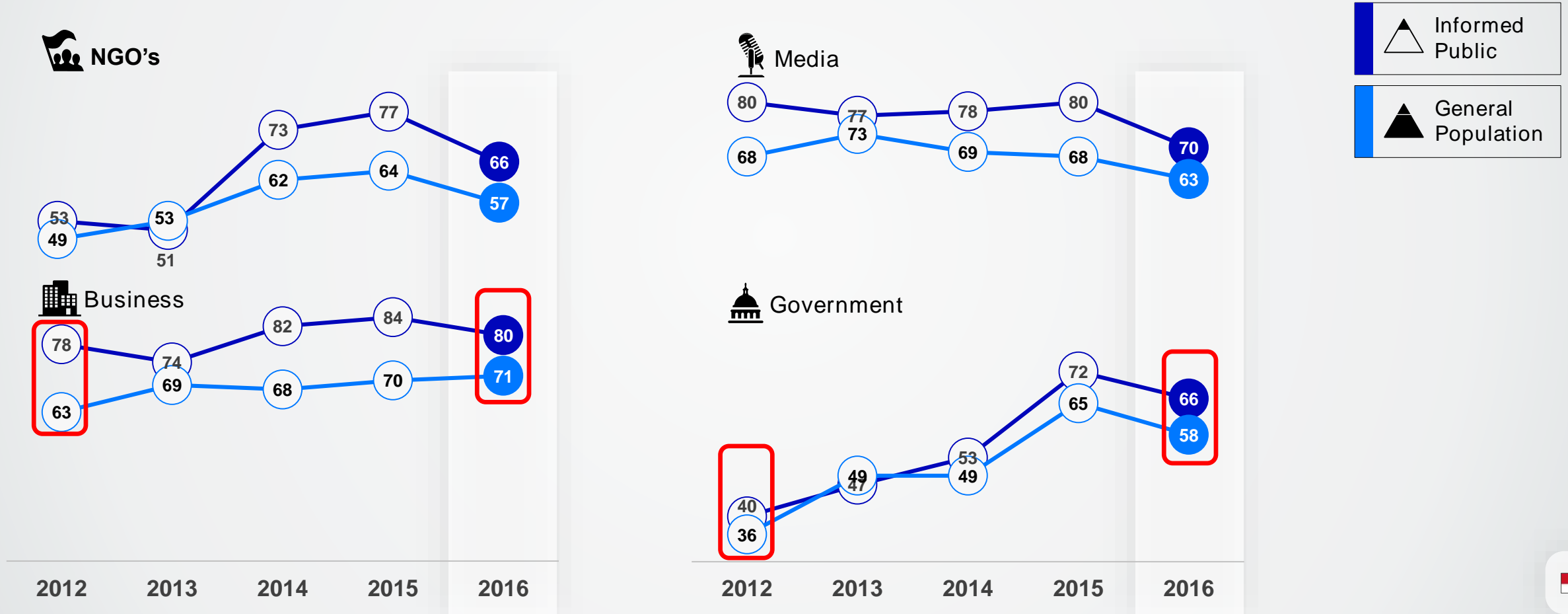


Source: 2016 Edelman Trust Barometer Q11-14. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you “do not trust them at all” and nine means that you “trust them a great deal.” (Top 4 Box, Trust) Informed Public and General Population, Indonesia.



# Indonesia 5 Year Trend Shows Government & NGO Trust Up, But Still Behind Business & Media

Percent trust in the four institutions of government, business, media and NGOs, 2012 vs. 2016



Source: 2016 Edelman Trust Barometer Q11-14. 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) Informed Public and General Population, Indonesia.



2

Leadership in a Divided World:

# An Opportunity for Business



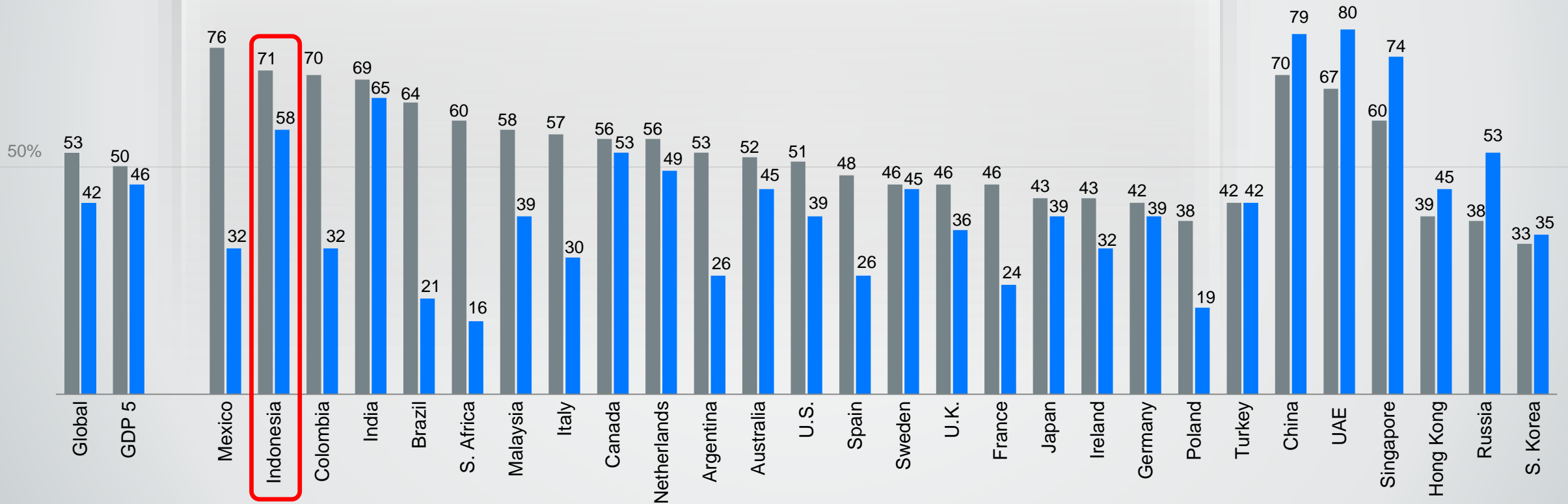
# Indonesia Comparison - Business vs. Government

Percent trust in business vs. government, 2016, ranked by trust in business

▲ General Population

Business Government

## Higher trust in business in 21 countries

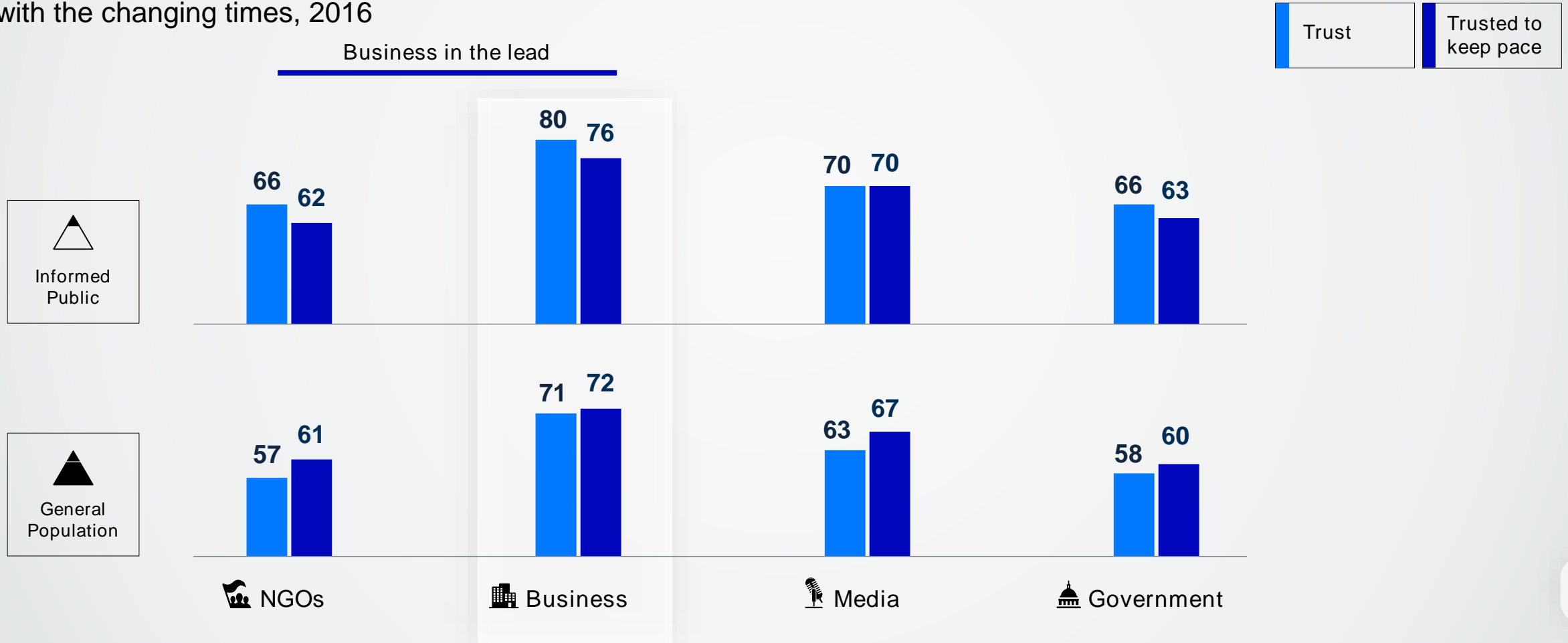


Source: 2016 Edelman Trust Barometer Q11-14. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale where one means that you "do not trust them at all" and nine means that you "trust them a great deal." (Top 4 Box, Trust) General Population, 28-country global total.

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

# Indonesians Place Even More Trust in Business to Keep Pace

Percent trust, and percent who trust each institution to keep up with the changing times, 2016

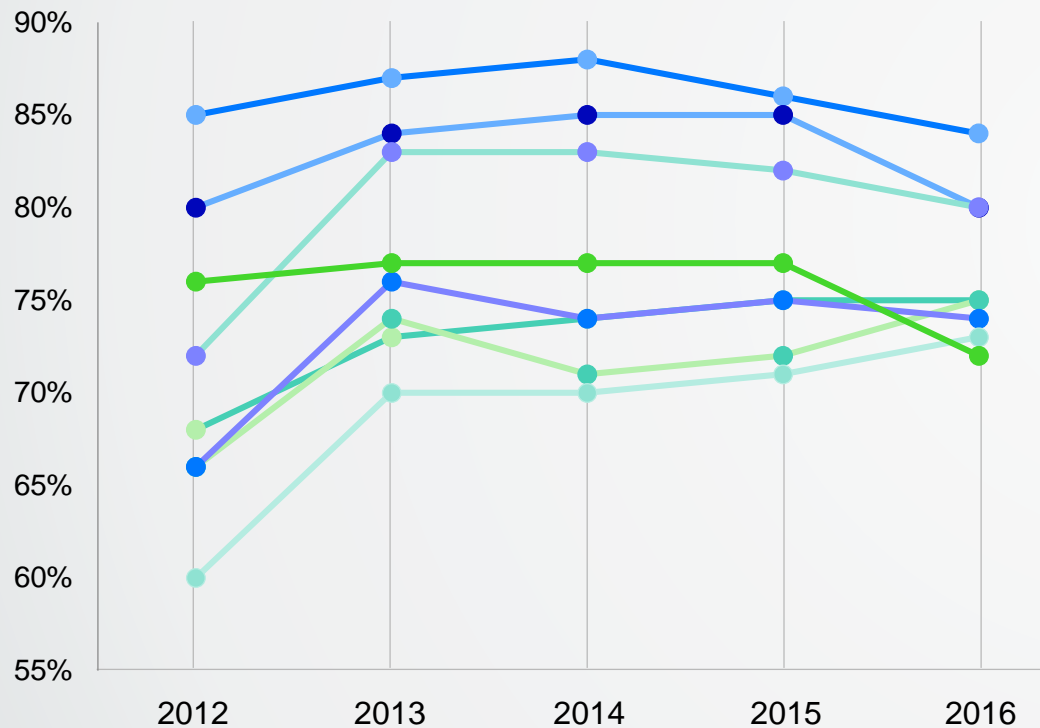


Source: 2016 Edelman Trust Barometer Q11-14. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you “do not trust them at all” and nine means that you “trust them a great deal.” (Top 4 Box, Trust) Q441-444 Below is a list of institutions. For each one, please indicate how much you trust that institution to keep up with the changing times using a 9-point scale where one means that you “do not trust them at all to keep up with change” and nine means that you “trust them a great deal to keep up with change”. (Top 4 Box, Trust) Informed Public and General Population, Indonesia..

# Sector Trends: In Indonesia, CPG & Financial Services See Biggest Rebound

Trust in each industry sector, 2012 - 2016

▲ General Population



Industry	2012	2013	2014	2015	2016	5 yr. Trend
Technology	85%	87%	88%	86%	84%	▼ 1
Automotive	80%	84%	85%	85%	80%	0
Telecommunications	72%	83%	83%	82%	80%	▲ 8
Food & Beverage	68%	73%	74%	75%	75%	▲ 7
Financial Service	66%	74%	71%	72%	75%	▲ 9
Energy	66%	76%	74%	75%	74%	▲ 8
Consumer packaged goods	60%	70%	70%	71%	73%	▲ 13
Pharmaceutical	76%	77%	77%	77%	72%	▼ 4

Source: 2016 Edelman Trust Barometer Q45-429. Please indicate how much you trust businesses in each of the following industries to do what is right. Again, please 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”. (Top 4 Box, Trust) General Population, Indonesia.

\*From 2012-2014, Pharma included as subsector(Q61f-65f).

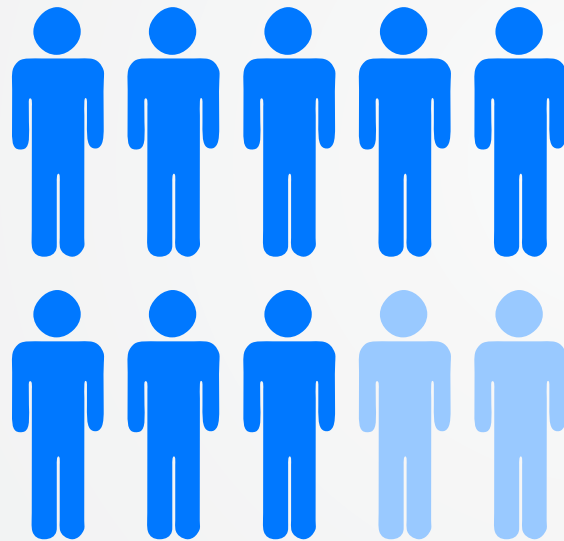
\*\*From 2012-2015, Pharma included as an industry sector (Q43-60). 2012-2014 data recalibrated as a sector.





# Indonesians Also Believe Business Must Lead to Solve Problems

▲ General  
Population



81% 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: 2016 Edelman Trust Barometer Q249. Please indicate how much you agree or disagree with the following statement? (Top 4 Box, Agree). General Population, Indonesia, question asked of half the sample.

# Societal Expectations Vary

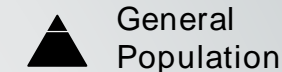
Most important issue for business to address in each country



Source: 2016 Edelman Trust Barometer Q561-573 Thinking about businesses in your country, how important is it that they play a role in solving each of the following societal issues? Please use a nine-point scale where one means that it is "not at all important" and nine means that it is "extremely important". (Top 4 Box, Importance) General Population, 28-country global total, question asked of one quarter the sample.

# Indonesia - Trust Drivers

## Company Importance vs. Performance



	% Importance	% Performance	Gap
<b>Integrity</b>	53	38	15
Has Ethical Business Practices	55	38	17
Takes Responsible Actions To Address An Issue Or A Crisis	52	39	13
Has Transparent And Open Business Practices	52	38	14
<b>Engagement</b>	53	38	15
Treats Employees Well	55	39	16
Listens To Customer Needs And Feedback	55	40	15
Places Customers Ahead Of Profits	50	38	12
Communicates Frequently And Honestly On The State Of Its Business	50	35	15
<b>Products</b>	50	41	9
Offers High Quality Products Or Services	55	43	12
Is An Innovator Of New Products, Services Or Ideas	45	39	6
<b>Purpose</b>	46	35	11
Works To Protect And Improve The Environment	52	38	14
Creates Programs That Positively Impact The Local Community	52	39	13
Addresses Society's Needs In Its Everyday Business	50	38	12
Partners With NGOs, Government And Third Parties To Address Societal Issues	31	26	5
<b>Operations</b>	35	32	3
Has Highly-Regarded And Widely Admired Top Leadership	31	28	3
Ranks On A Global List Of Top Companies, Such As Best To Work For Or Most Admired	37	33	4
Delivers Consistent Financial Returns To Investors	37	34	3

Source: 2016 Edelman Trust Barometer Q80-95 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) Q114-129 Please rate businesses in general on how well you think they are performing on each of the following attributes. Use a 9-point scale where one means they are "performing extremely poorly" and nine means they are "performing extremely well". (Top 2 Box, Performance) General Population, Indonesia.





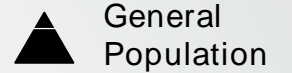
An aerial, high-angle photograph of a large, diverse crowd of people gathered on a cobblestone plaza. The people are seen from above, creating a pattern of various shapes and colors. The lighting is somewhat dim, giving the image a somber or contemplative feel. The crowd is spread across the frame, with some denser clusters and some more open spaces.

3

Leadership in a Divided World:

# Building Trust

# Indonesia - Leaders Seen As Underperforming, But Across Different Attributes



General  
Population

Importance vs. performance of 16 trust-building leadership attributes

	Company Importance	Business Performance	Gap
Integrity	53	36	17
Exhibits highly ethical behaviors	54	35	19
Takes responsible actions to address an issue or crisis	55	42	13
Behaves in a way that is transparent and open	51	33	18
Engagement	50	35	15
Treats employees well	52	38	14
Listens to customer needs and feedback	52	38	14
Places customer ahead of profits	48	33	15
Communicates frequently and honestly on the state of their company	46	32	14
Products	50	43	7
Places a premium on offering high quality products or services	53	44	9
Is focused on driving innovation and introducing new products/services/ideas	47	42	5
Purpose	45	34	11
Is dedicated to protecting and improving the environment	51	34	17
Ensures that the company creates programs that positively impact the local community in which it operates	50	42	8
Ensures that the company addresses society's needs in its everyday business	47	34	13
Ensures that the company partners with NGOs, government and third parties to address societal issues	32	27	5
Operations	39	33	6
Attracts and retains a highly-regarded and widely admired top leadership team	35	31	4
Is ranked on a global list of top CEOs, such as "The Best Performing CEOs in The World"	39	30	9
Manages the company in a way that delivers consistent financial returns	42	37	5

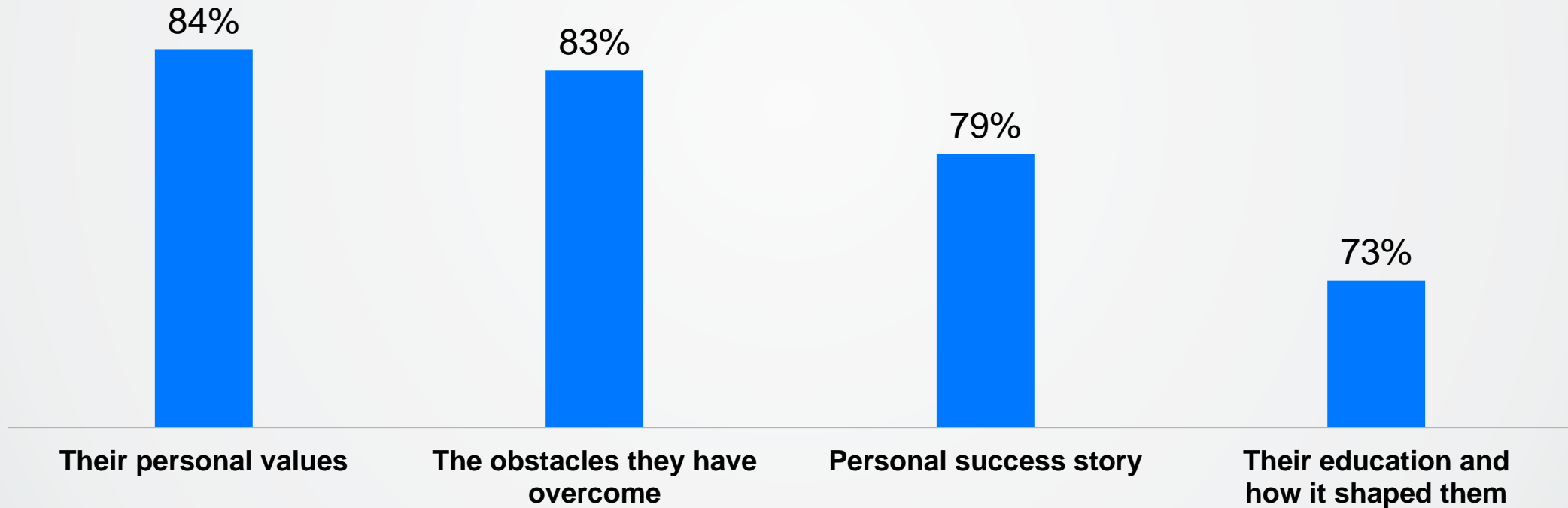
Source: 2016 Edelman Trust Barometer. Q462-478 How important is each of the following attributes to building your trust in CEOs? (Top 2 Box, Important) Q479-495 Please rate CEOs on how well you think they are performing on each of the following attributes. Use a 9-point scale where one means they are "performing extremely poorly" and nine means they are "performing extremely well." CEO questions use the same scales as the business questions. (Top 2 Box, Performance) General Population, Indonesia.



# Indonesia - Personal Values and History Matter

▲ General Population

Percent who agree that each type of information is important in building trust in a CEO



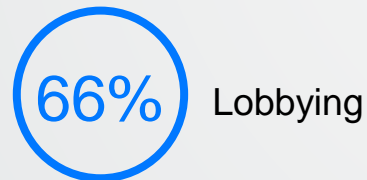
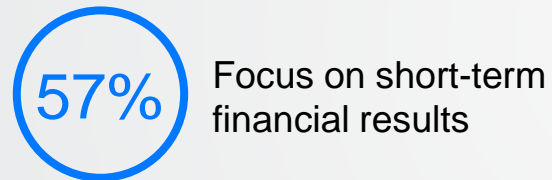
Source: 2016 Edelman Trust Barometer Q507-514. Thinking about how a CEO communicates with a variety of groups and individuals, how important are each of the following activities a CEO could engage in? Please use a 9-point scale where one means that attribute is “not at all important to building your trust” and nine means it is “extremely important to building your trust”. (Top 4 Box, Important) General Population, 28-country global total, question asked of half the sample. [Media Engagement net = Q507 ‘Interviews with the media,’ and ‘Q512 ‘Sharing their views on a blog or on social media.’ Direct Engagement net = Q508 ‘Communications with employees,’ and ‘Participation in industry conferences.’] Q516-524. For you to trust a CEO, how important is it that you have information on each of the following aspects of the CEO’s personal life outside of their business? Please 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”. (Top 4 Box, Important) General Population, Indonesia, question asked of half the sample.



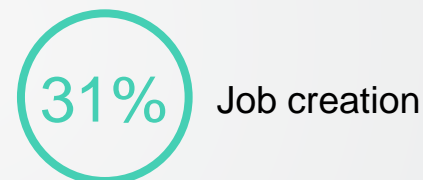
# Indonesia - CEO Focus Misplaced

Percent who agree with each statement about CEOs

## Too Much



## Not Enough



Source: 2016 Edelman Trust Barometer Q451-461. Thinking about CEOs, how strongly do you agree or disagree with the following statements? ['CEOs do too much lobbying,' 'Given that the average tenure of CEOs is just 4 years, CEOs aren't in their role long enough to make a positive impact,' (Top 4 Box, Agree) 'CEOs are too focused on short-term financial results,' 'CEOs can be trust to create jobs'] (Bot 5 Box, Do not agree) General Population, Indonesia.

# Indonesia - Purpose and Profits Matter

Percent who agree that CEOs should be personally visible in discussing...

▲ General Population



- Income inequality
- Public policy discussions
- Personal views on societal issues

Source: 2016 Edelman Trust Barometer Q496-506. How visible do you think a CEO should personally be in these different types of business situations? Please use a 9-point scale where one means that it is “not visible at all” and nine means that it is “extremely visible”. (Top 4 Box, Visible) General Population, Indonesia, question asked of half the sample.

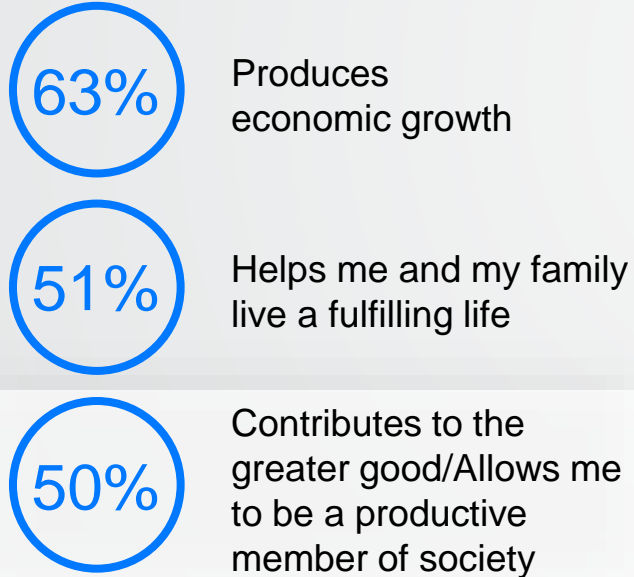


# Indonesia - Purpose Impacts Trust

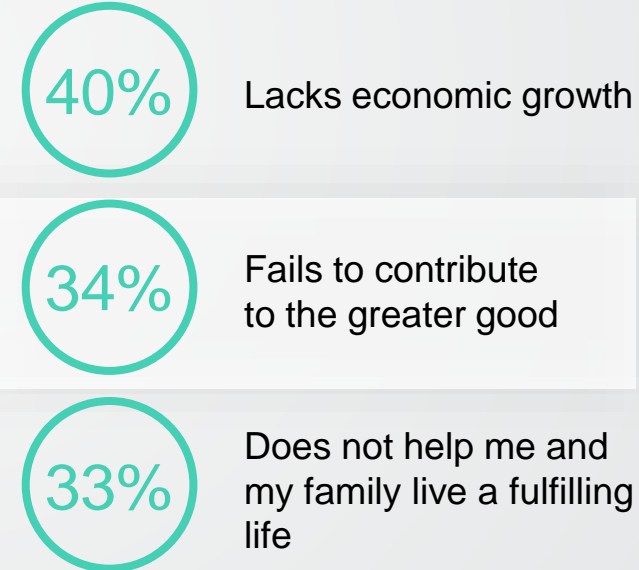
Percent who cite each as a reason for why their trust in business has increased or decreased

▲ General Population

## Reasons Trust in Business Has Increased



## Reasons Trust in Business Has Decreased



Source: 2016 Edelman Trust Barometer Q328-329. For which of the following reasons, if any, has your trust in each institution listed below increased over the past year? Q330-331. For which of the following reasons, if any, has your trust in each institution listed below decreased over the past year? General Population, Indonesia.





# Indonesia - Employee Advocacy Increases With Societal Issue Engagement

Percent who agree with each statement, comparing those who work at companies/for CEOs involved in addressing broader societal issues vs. those who do not

▲ General Population

Company **NOT** engaged in societal issues

Company engaged in societal issues



Source: 2016 Edelman Trust Barometer Q527-529. Does your company and your company's CEO get involved in addressing broader societal issues beyond the core business, through programs or relationships with other companies? Thinking about your current company, please indicate how much you agree with each of the following statements using a 9-point scale where one means that you "strongly disagree" and nine means that you "strongly agree". (Top 4 Box, Agree) General Population, Indonesia, question asked of half the sample.





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Leadership in a Divided World:

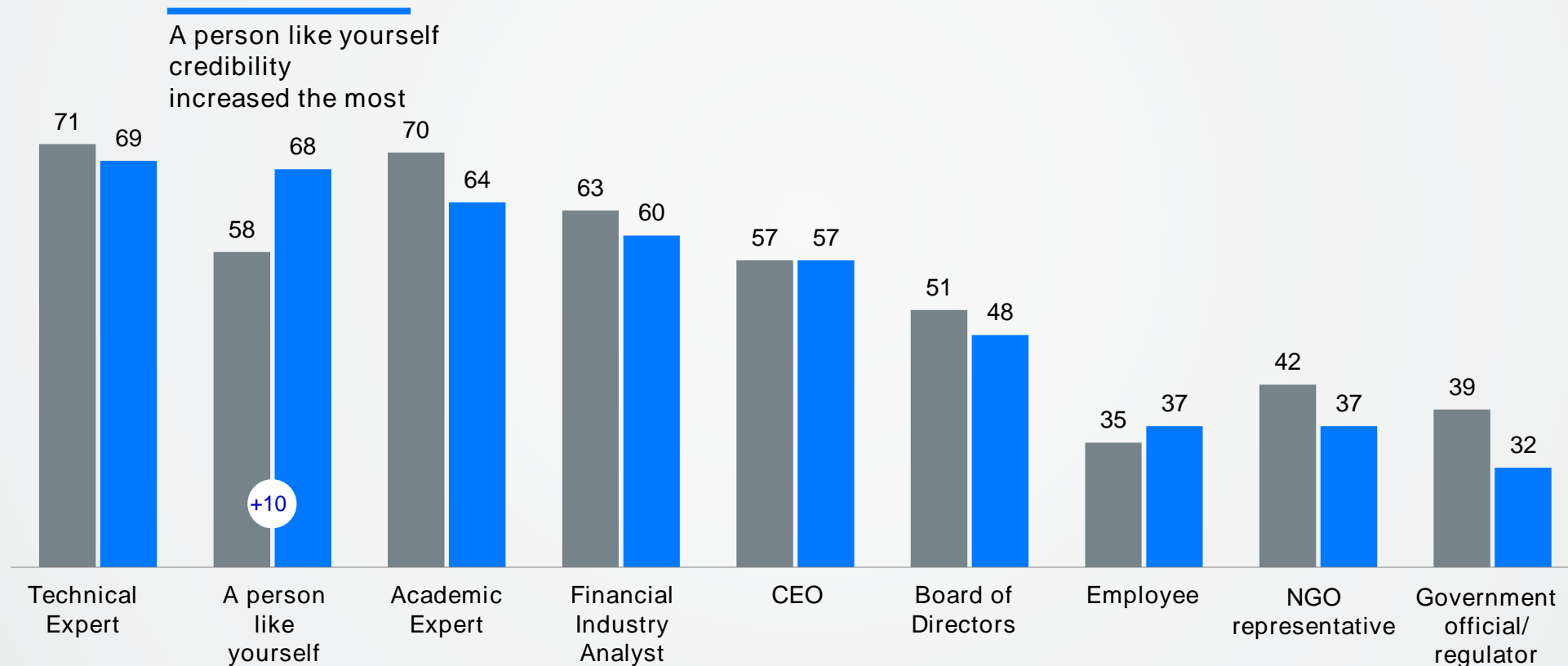
# Trusted Spokesperson, Media Channels

# In Indonesia, Peers & Experts More Credible than Leaders

▲ General Population

Percent who rate each spokesperson as extremely/very credible

2015 2016

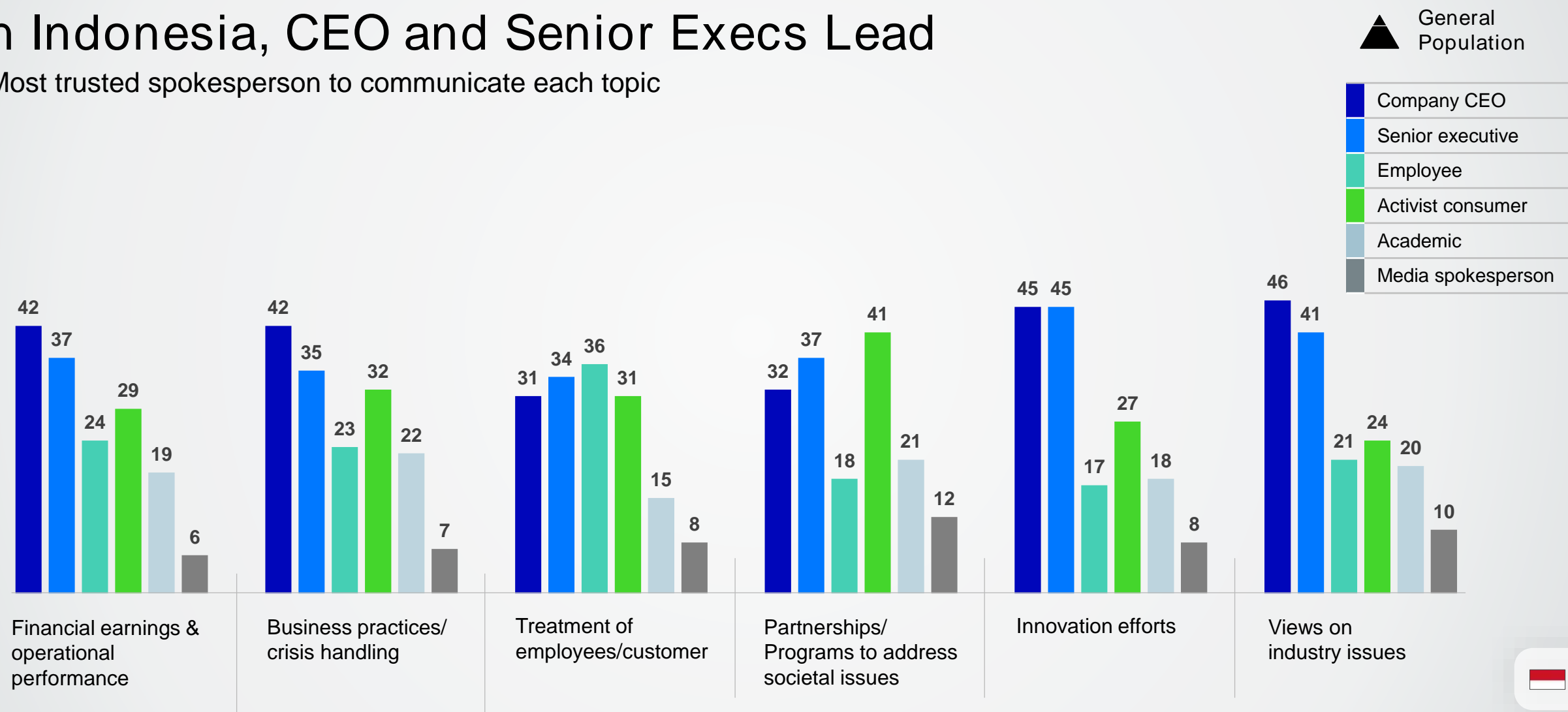


Source: 2016 Edelman. Trust Barometer Q130-587. Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box, Very/Extremely Credible) General Population, Indonesia, question asked of half the sample.



# In Indonesia, CEO and Senior Execs Lead

Most trusted spokesperson to communicate each topic



Source: 2016 Edelman Trust 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 and handling of a crisis: Who do you trust MOST to provide you with credible and honest information about a company's business practices, both positive and negative, and its handling of a crisis? Q612 Who do you trust MOST to provide you with credible and honest information about 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 Who do you trust MOST to provide you with credible and honest information about a company's partnerships with NGOs and effort to address societal issues, including those to positively impact the local community? Q614 Who do you trust MOST to provide you with credible and honest information about a company's innovation efforts and new product development? Q615 Who do you trust MOST to provide you with credible and honest information about a company's stand on issues related to the industry in which it operates? General Population, Indonesia, question asked of half the sample.

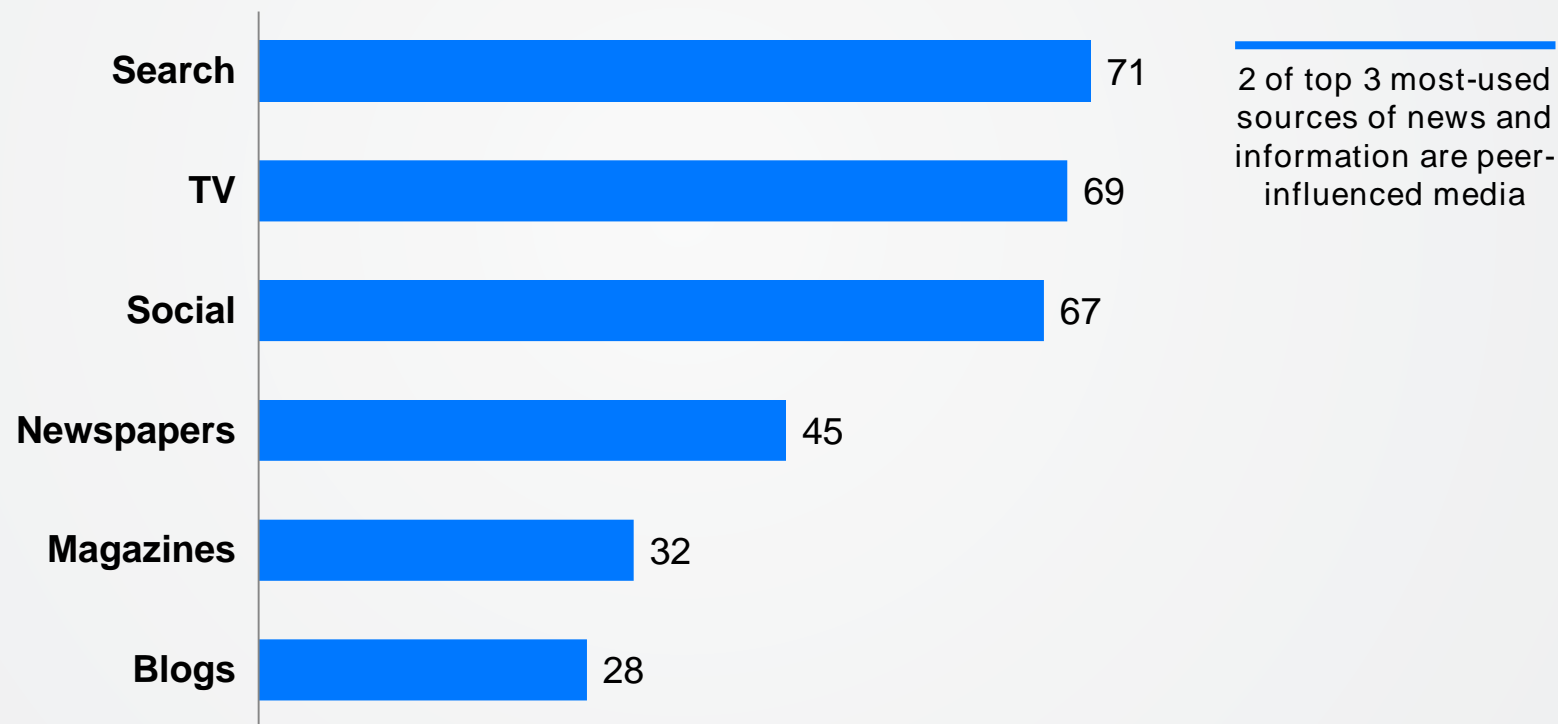




# Global Average - Influence of Peer-Driven Media

Percent who use each media source several times a week or more

▲ General Population

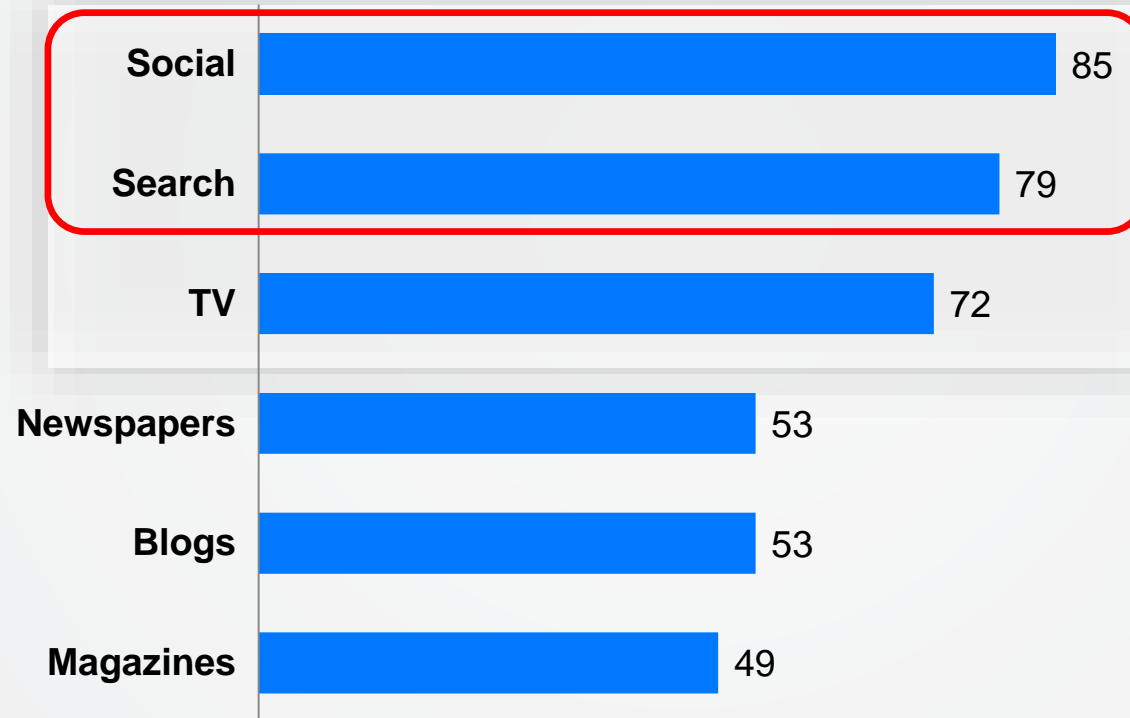


Source: 2016 Edelman Trust Barometer - How often do you read, view, click on or engage with the following types of content, media or information sources? Online search engines, such as Google... (Q285), Television news and information (Q287), Social networking sites, such as Facebook, LinkedIn, Instagram, Twitter, etc.(Net of Q278 Social Networking, Q279 Blogs, Q289 Online message boards, forums or newsgroups), articles in printed newspapers (Q284), articles in printed magazines(Q283), Blogs (Q279) (Several times a week+) General Population, 28-country global total, question asked of half the sample.

# Indonesia - Influence of Peer-Driven Media

Percent who use each media source several times a week or more

▲ General Population



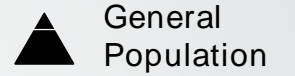
2 of top 3 most-used sources of news and information are peer-influenced media

Source: 2016 Edelman Trust Barometer - How often do you read, view, click on or engage with the following types of content, media or information sources? Online search engines, such as Google... (Q285), Television news and information (Q287), Social networking sites, such as Facebook, LinkedIn, Instagram, Twitter, etc.(Net of Q278 Social Networking, Q279 Blogs, Q289 Online message boards, forums or newsgroups), articles in printed newspapers (Q284), articles in printed magazines(Q283), Blogs (Q279) (Several times a week+) General Population, Indonesia, question asked of half the sample.

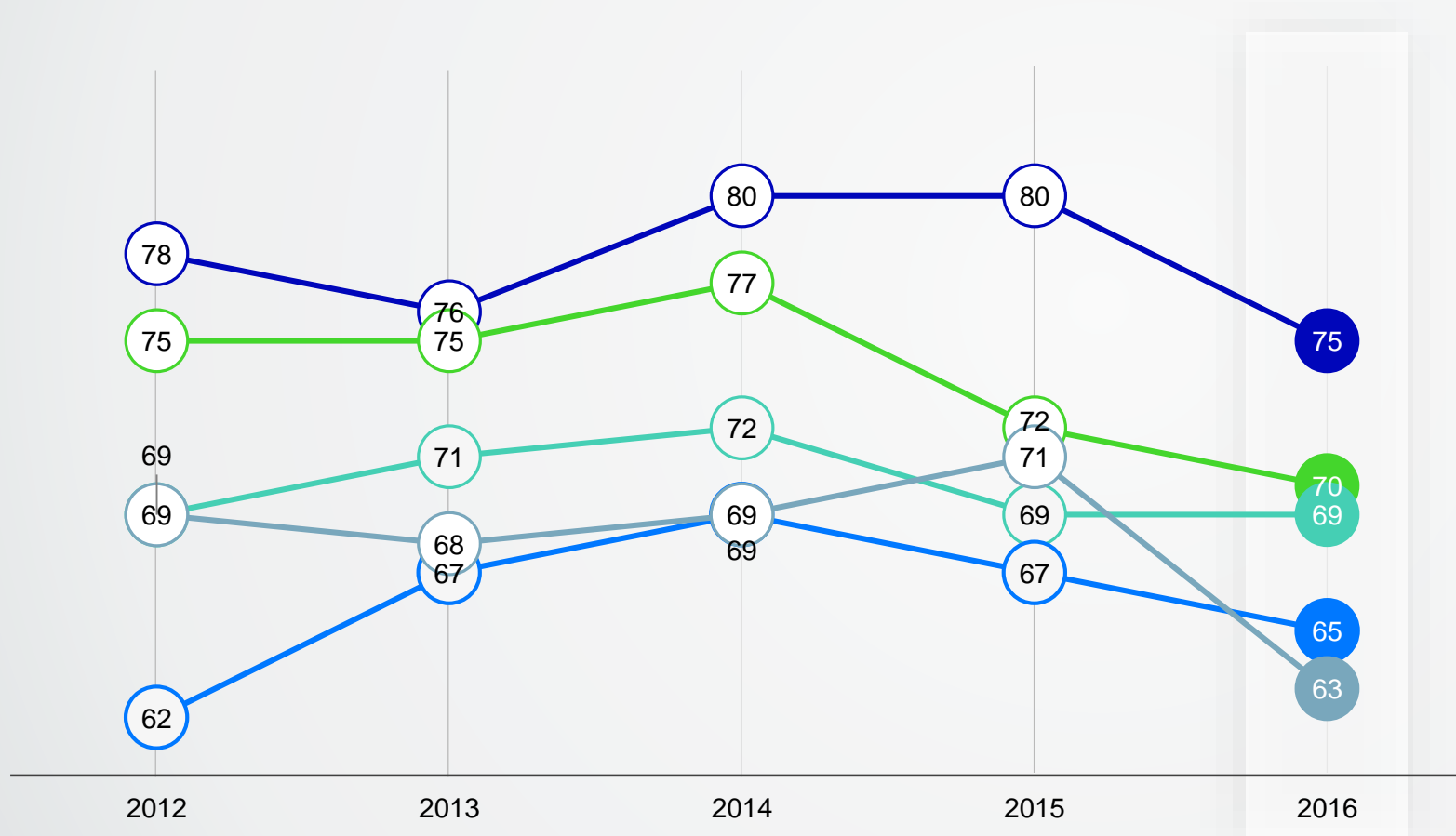


# Indonesia - Transformed Media Landscape

Percent trust in each source for general news and information



General Population



Industry	Millenials	Gap
Search Engines*	75%	0
Traditional Media	71%	▲ 1
Online-only Media**	69%	0
Owned media	68%	▲ 3
Social media	64%	▲ 1

Source: 2016 Edelman Trust Barometer Q178-182. When looking for general news and information, how much would you trust each type of source for general news and information? Please use a nine-point scale where one means that you “do not trust it at all” and nine means that you “trust it a great deal.” (Top 4 Box, Trust) General Population and Millennials, Indonesia, question asked of half the sample.

\*From 2012-2015, we included Online Search Engines as a media type. In 2016, we changed to Search Engines.

\*\*From 2012-2015, we included Hybrid as a media type. In 2016, we changed this over to Online-Only.



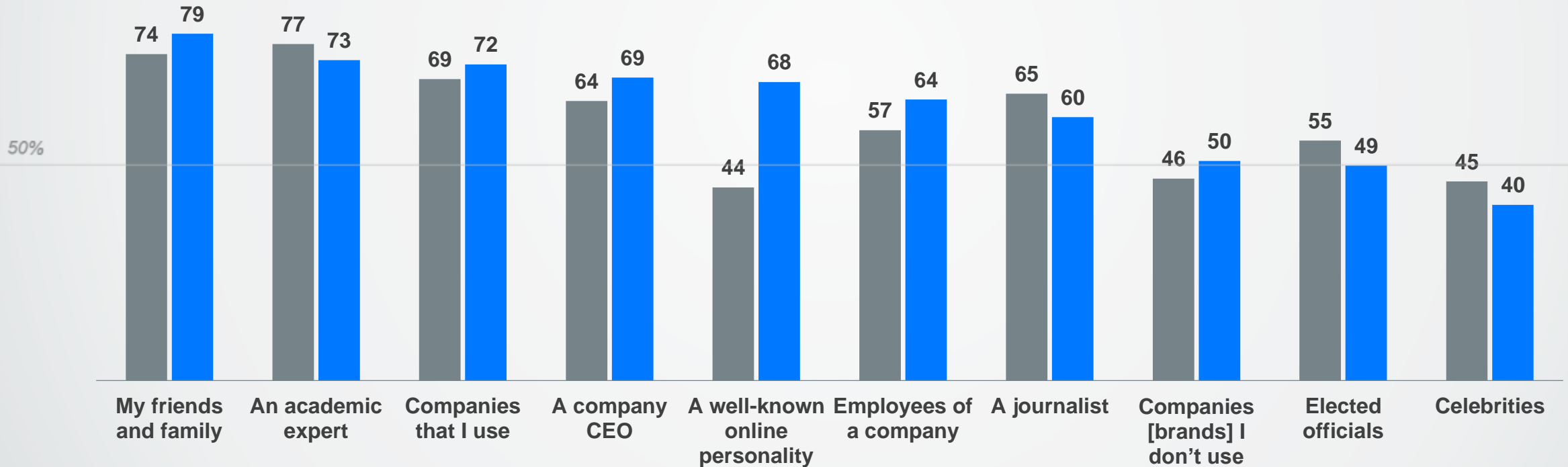
# Indonesia - Every Voice Matters

Percent who trust information created by each author on social networking sites, content sharing sites and online-only information sources, 2015 vs. 2016

▲ General Population

2015

2016



Source: 2016 Edelman Trust Barometer Q598-609. Thinking about the information you consume, how much do you trust the information from each of the following authors or content creators? General Population, Indonesia, question asked of half the sample.



# The Path Ahead

5



# Trust Is A Tangible Asset, It Is A Business Imperative

▲ General Population

Percent who engage in each behavior based on trust

## Behaviors for Distrusted Companies

47 Refused to buy products/services

40 Criticized companies

34 Shared negative opinions

27 Disagreed with others

22 Paid more than wanted

19 Sold shares

## Behaviors for Trusted Companies

Chose to buy products/services 75

Recommended them to a friend/colleague 74

Shared positive opinions online 59 #1 most trusted media source: Online Search Engines

Defended company 49

Paid more 40

Bought shares 25

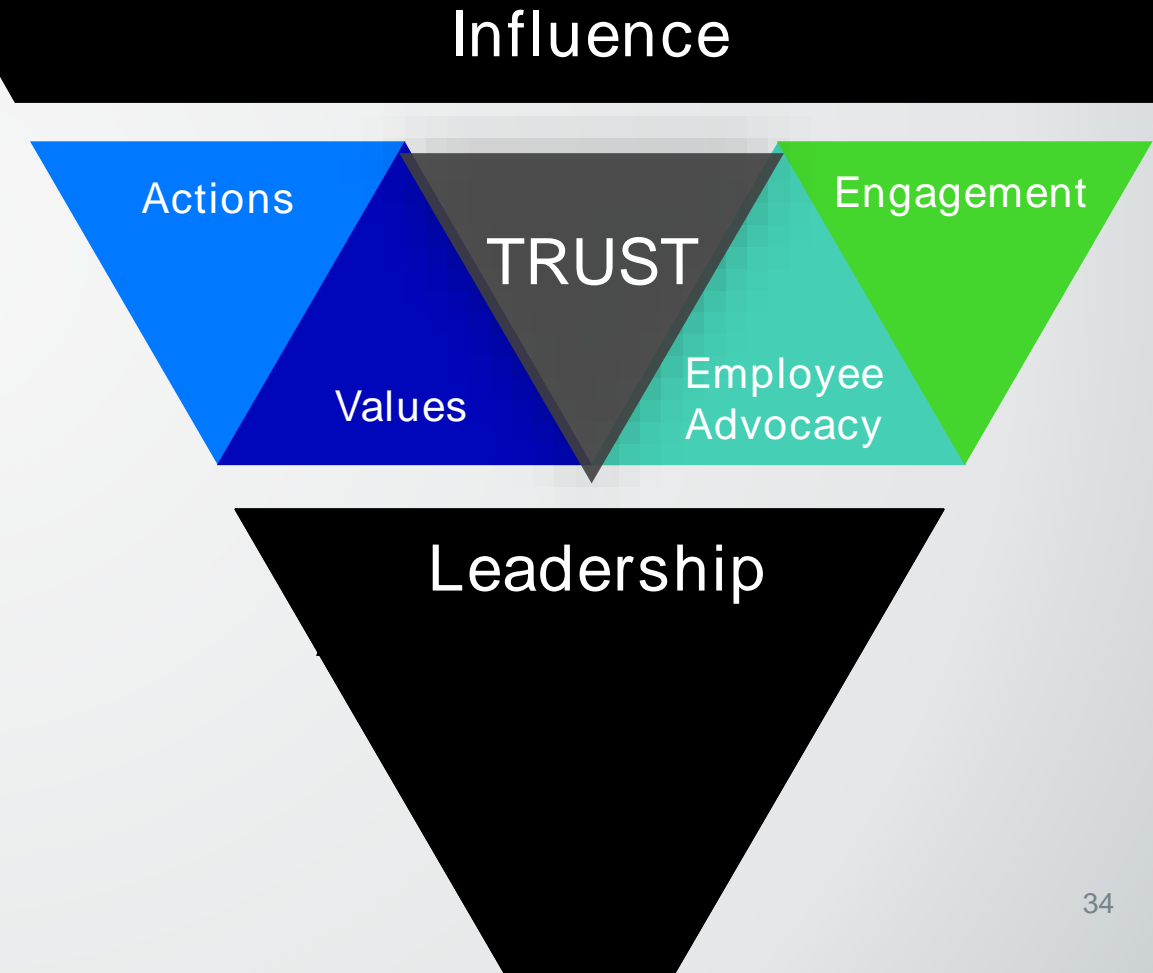
#1 most trusted content creators: Friends and Family

Source: 2016 Edelman Trust Barometer Q371-589. Thinking back over the past 12 months, have you taken any of the following actions in relation to companies that you trust? Please answer yes or no to each action. General Population, Indonesia, question asked of half the sample. Q377-380. Still thinking about the past 12 months, have you taken any of the following actions in relation to companies that you do not trust? Please answer yes or no to each action. General Population, Indonesia, question asked of half the sample.



# Embracing the New Reality of Influence to Address Trust Inequality

- ▶ Create societal impact in addition to profits through purposeful action
- ▶ Express your values through honest, ethical engagement in which you share your story
- ▶ Ignite your most powerful advocate, your employees
- ▶ Engage cross channel to meet stakeholders, where they are, about what most interests/concerns them





# Edelman

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