About Trust & Expectations in the Time of COVID-19
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COVID-19 forced itself on an unsuspecting world with tragic consequences. As global leaders in tailored, integrated research on reputation and drivers of behavior, Echo Research sought to assess the pandemic’s impact on trust among business leaders and the general public.

A clear way of viewing reputation is as a simple formula based on Reputation = Performance less Expectations, \((R=P-E)\). As such, we believe that understanding the changing world of expectations is fundamental to managing reputation, determining risks and ensuring successful outcomes ahead.

Clearly, COVID-19 has been an accelerator of many things – from accelerated awareness and sensitivities to glaring inequalities, through to accelerated demands for systemic focus on climate change and sustainability. The promises of all things digital, AI and automation excite, for good and bad. While the focus on ethics and health have risen to the top.

In this age of reset and renew, we aim to see the patterns, trends and conversations without bias or judgement.

We are pleased to share some of the main insights for you as building blocks for your strategies and narrative of change as you aim for better ahead.

Sandra Macleod
Group Chief Executive
Echo Research
HOW THE STUDY WAS DONE

Global reputation research specialists, Echo Research, conducted an integrated study of trust and expectations amid the coronavirus pandemic that consisted of:

- 300 FTSE c-suite business leaders and financial analysts (Britain’s Most Admired Companies study, July-October 2020)
- 1,000 members of the general public in UK and US (Online survey, Lucid panel, November 2020)
- Global social listening to assess trends, media sentiment and key influencers on Covid and Business (Echo Sonar, 7.1m social media and online posts based appearing in Australia, Singapore, UK, USA, January - November 2020)

The research was carried out from July to November 2020, with a retrospective view from social and online media platforms going back to January 2020. Where useful, comparisons are made to Echo’s trust research from 2019.

This report summarises key findings from business leaders, general public and global social listening elements of this research.

Echo developed the research program and this report in support of its Annual Summit on Trust and Reputation for its clients and prospects. The findings are offered freely to all interested parties.
Key Findings

• COVID-19 has dented the general public’s perceptions of trust in the US and the UK. While down on 2019, some 65% of people still trust small businesses, way ahead of Government which remains at a consistently low 32%.

• Few trust the Government to get COVID right, with Americans at 33% slightly more supportive of the Trump administration’s COVID management than Briton’s 27% belief in Boris Johnson’s government’s handling of the crisis.

• Gen-Z (those aged 18-24) in the UK are by far the least trusting of the Government at 17% compared to 38% among their US cohorts, perhaps reflecting anger of the UK’s A-level results mismanagement.

• 49% of UK adults say they are confused about the rules of COVID compliance, compared to 31% across the US.

• COVID combines with climate change as the majority of adults agree that they are changing their behaviour to lessen their impact on the environment – 62% of adults in the US and 52% of adults in the UK.

• And nearly half (47%) of all UK business leaders surveyed say they are addressing climate change actions.

• Although companies have put culture as the number one learning from the pandemic, most people disagree that employers are thinking of people more – just under half (48%) in the US agree that that employers are thinking of people more, while only 36% in the UK feel that way.

• While the flexibility of remote working has been welcomed, the fairness of furlough continues to be questioned in online discussions and media.

• 44% of Gen Z are more worried about the economy than their health as they face an uncertain future ahead.

• And finally, as a challenge to us all, nearly two thirds of adults polled do not believe that society will change for the better as a result of COVID-19. There is much to be done.
COVID IMPACT ON TRUST

Small Business vs. Big Government

As COVID impacts everyone’s life around the world, it has further dented the general public’s perceptions of trust in the private and public sectors across the US and the UK.

65% of people trust small businesses, down from our 2019 study, yet significantly ahead of trust in Government which remains at a steadfastly low 32%.

Few trust the Government to get COVID right, with Americans at 33% slightly more supportive of the Trump administration’s COVID management than Briton’s 27% belief in Boris Johnson’s government’s handling of the crisis.

Gen-Z (18-24 year-olds) in the UK are by far the least trusting of the Government at 17% compared to 38% among their US cohorts, perhaps reflecting anger of the UK’s A-level results mismanagement.

Finally, 49% of all UK adults say they are confused about the rules of COVID compliance, compared to 31% across the US.

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**2019 % trust**

<table>
<thead>
<tr>
<th></th>
<th>Small businesses</th>
<th>Your employer</th>
<th>Big businesses</th>
<th>Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK general public</td>
<td>70%</td>
<td>47%</td>
<td>37%</td>
<td>30%</td>
</tr>
<tr>
<td>US general public</td>
<td>74%</td>
<td>51%</td>
<td>38%</td>
<td>32%</td>
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**2020 % trust**

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<thead>
<tr>
<th></th>
<th>Small businesses</th>
<th>Your employer</th>
<th>Big businesses</th>
<th>Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK general public</td>
<td>63%</td>
<td>44%</td>
<td>30%</td>
<td>32%</td>
</tr>
<tr>
<td>US general public</td>
<td>68%</td>
<td>38%</td>
<td>32%</td>
<td>31%</td>
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‘I trust the government to get it right’ % agree

- Gen Z (18-24): 38% (2019: 17%)
- Millennials (25-39): 37% (2019: 27%)
- Gen X (40-54): 33% (2019: 25%)
- Baby boomers (55-74): 34% (2019: 26%)
- Retired (75+): 42% (2019: 27%)

Source: 1000 US and UK adults
COVID AND COMPANIES

Amazon and Tesco Shine

Although small businesses are most trusted, the most admired recognition goes to those corporate giants who have made significant and meaningful efforts in their COVID responses.

Here, food retailers, the tech industry, pharmaceutical companies and individual insurers and breweries are singled out with specific praise for pivoting, focusing on customer care, driving innovation and rapidly escalating their digital offerings.

Amazon impresses on both sides of the Atlantic. While in the UK, top marks are given to Tesco among both business leaders and the general public.

Britain’s Most Admired Business leaders said of their top five choices:

“Tesco has shown strong sector leadership throughout the crisis and adapted quickly to the ever changing needs of consumers e.g. rapidly increasing online capacity.”

“AstraZeneca are trying to bring a vaccine against COVID-19 onto the market at cost price.”

“Morrisons have adapted really well to the situation generally - they took care of customers, their supply chain, suppliers etc.”

“Admiral’s returning motor policy premiums – simple and very helpful for customers.”

“Brewdog have been very innovative: had to shut all their pubs but carried on crating and selling direct to customers; they also converted a lot of their breweries to making hand sanitiser.”

The Forbes Corporate Responders study assessed how the 100 largest listed employers responded to the public health crisis, by analyzing their policies from relaxed attendance policies to community relief funds. Forbes asks whether the policy changes brought about by COVID-19 will be temporary or will have a lasting impact on corporate America.

Companies most admired for response to COVID-19

<table>
<thead>
<tr>
<th>Business leaders</th>
<th>General public</th>
<th>General public</th>
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<tbody>
<tr>
<td>1</td>
<td>TESCO</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>AstraZeneca</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Morrisons</td>
<td>3</td>
</tr>
<tr>
<td>4=</td>
<td>Admiral</td>
<td>4=</td>
</tr>
<tr>
<td>4=</td>
<td>Brewdog</td>
<td>4=</td>
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Source: 300 business leaders and city commentators
Source: 1000 US and UK adults
LEARNING FROM ADVERSITY

Culture and ‘Putting People First’

It’s often been said that culture eats strategy for breakfast. If that’s the case, business leaders universally recognize the critical value of having a culture that can and wants to adapt, pivot and change.

Asked what has been the most significant learning from the pandemic, business leaders put culture and people top:

“The value of culture. So many companies were stuck in the mud / unable to operate at pace due to their culture. Others were able to operate at pace to protect the company and jobs.” Director, business services group

“Inspirational leadership and a strong culture for inclusion and flexibility and trusting our people. Resilience and passion of our frontline workers.” CHRO, top 50 global company

One Board Member of a leading outsourcing company summed up: “[COVID made us realize] just how important key workers are to the physical and economic health of our nation.”

Although companies have put culture as the number one learning from the pandemic, most people disagree that employers are thinking of people more – just under half at 48% in the US feel that that employers are thinking of people more, while only 36% in the UK feel that way.

<table>
<thead>
<tr>
<th>Business leaders’ most significant learning from the pandemic</th>
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<tbody>
<tr>
<td>1. Having the culture and capacity to adapt / pivot</td>
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<td>2. Attention to people first issues (mental health, wellbeing, working from home)</td>
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<tr>
<td>3. Operational and technological resilience</td>
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<td>4. Soundness of financials</td>
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<tr>
<td>5. Value of crisis preparedness</td>
</tr>
<tr>
<td>6. Ability to manage / appetite for risk</td>
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<tr>
<td>7. Transparency in stakeholder engagement</td>
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<tr>
<td>8. Relevance/effectiveness of government interventions</td>
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<td>9. Extent of reputational challenges</td>
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Source: 300 business leaders and city commentators

‘Employers are thinking of people more’ % agree

48% (US)  36% (UK)

Source: 1000 UK and US adults
COVID AND WORK

Fear, Fairness and Furlough

During the early stages of the pandemic, we tracked online and media conversations express everything from joy to fear as it impacted people differently. With fear initially on the rise, we see the move to greater anger and frustration as lockdown and further restrictions are announced.

Conversations and coverage about the workplace appeared in near equal measure to discussions around furlough – though far more favorably. The flexibility of remote or hybrid working appears to have been well received by many employees and business leaders alike.

Conversely, discussions about furlough – while welcomed – tend to be far more negative focusing on those who are disadvantaged, unable to qualify, or those who may abuse the system.

Emotions around COVID in business context

Source: Echo Sonar online news and social media coverage n=7.1m

‘Workplace’ & ‘Furlough’ – volume

Source: Echo Sonar online news and social media coverage n=2.2m
Remote working and focus on public health drive positive conversations about the workplace while lack of fairness for small businesses and abuse of furlough form the bulk of criticisms (n=1.2m).

Source: Echo Sonar online news and social media coverage n=2.2m
Believing and Behaving Better

COVID-19 hasn’t pushed climate change to the ‘back burner’ – as many feared, in fact quite the opposite. If anything, the pandemic has reminded us how we are all linked and in this together, and that changing behavior and acting decisively is not a cost but a necessary investment.

The majority of adults agree that they are changing their behaviour to lessen their impact on the environment – 62% of adults in the US and 52% of adults in the UK. But less than half (47%) of all UK business leaders say they are taking measures to address climate change.

According to the latest from Pew Research Center, “people around the world are still concerned by the threat of global climate change. A median of 70% across 14 countries surveyed over the summer say climate change is a major threat to their country. A similar median, 69%, say the same of the spread of infectious diseases…. Relatively few say climate change is not a threat: Only in the United States do more than one-in-ten hold this view.”

Echo’s study backs up that view with a look at online and media discussions about climate change, where only the US has more criticism and denials – often split across partisan lines - than recognition and concern.

Finally, a Stanford University study published in Resources for the Future found that “whereas more than 80% of people think governments, businesses, and people should be doing at least a moderate amount to deal with climate change, far fewer believe that these groups are actually doing that much... From brands donating to support local and national causes, to businesses advocating for climate justice, Americans increasingly expect the companies they patronize to not only supply goods, but to work toward the common good.”

Sustainability and climate change sentiment

Source: 1000 UK and US adults, 300 business leaders and city commentators

Source: Echo Sonar online news and social media coverage n=407.6K
BUILDING BACK BETTER

WFH, Digitization, DE&I, Climate Action

When asked to consider what they are planning to do ahead, 73% of business leaders put reducing travel at the top of their list, closely followed by reducing office space/encouraging WFH (working from home) at 67%.

“Supporting flexible working, including more remote working (rather than reducing office space).” General Counsel, FTSE100

Acceleration seems to be the name of the game with investment in IT and technology sited by 60%. “Focusing on remaining relevant and useful to customers. Speeding up innovation.” CEO, digital disruptor

While the appeal of going back to normal as quickly as possible remains, one leader commented: “Rather than ‘Going back to normal’, it’s about embedding the changes we adopted at pace into how we work going forward in a positive and productive way.” Director, engineering leader

The fragility or risks inherent in the supply chain are also of concern, with a third (33%) of business leaders claiming that they are aiming to review their supply chain links and management: “I think the pandemic has made everybody, including those outside of the industry realize, how fragile the supply chain is. The industry has possibly surprised itself as to how quickly it’s adapted with its speed of response.” Financial analyst

Greater focus on climate action and Diversity, Equity and Inclusion policies ranked highly at 47% and 39% respectively:

“We can already start seeing how the coronavirus pandemic may influence the pace and nature of climate action, and how climate action could accelerate the recovery by creating jobs, driving capital formation, and increasing economic resiliency.” McKinsey

“I think there should be a big emphasis on diversity at leadership level.” CEO, digital challenger

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<thead>
<tr>
<th>Looking ahead are you...</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Cutting travel</td>
<td>73%</td>
</tr>
<tr>
<td>Reducing office space / supporting remote working</td>
<td>67%</td>
</tr>
<tr>
<td>Accelerating investment in technology and IT</td>
<td>60%</td>
</tr>
<tr>
<td>Recovering / going back to normal as quickly as possible</td>
<td>58%</td>
</tr>
<tr>
<td>Ensuring greater attention on risk</td>
<td>47%</td>
</tr>
<tr>
<td>Addressing climate change actions</td>
<td>47%</td>
</tr>
<tr>
<td>Revising diversity and inclusion policies</td>
<td>39%</td>
</tr>
<tr>
<td>Reviewing supply chain</td>
<td>33%</td>
</tr>
<tr>
<td>Reviewing leadership and governance</td>
<td>24%</td>
</tr>
<tr>
<td>Changing strategic direction</td>
<td>19%</td>
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Source: 300 business leaders and city commentators
MIND THE GAPS

Areas for Leaders to Consider

**Employees**
Although leaders claim to be putting people first, that is not how many employees are feeling.

**Empathy**
Concerns around mental health, long hours, juggling home and work environments and worry over health and economic well-being dominate conversations which leaders need to be mindful of.

**Equity**
Fairness and equity in relation to Diversity & Inclusion, equal pay and opportunity are now firmly on the agenda and good leaders are building mentoring and development programs to ensure this is addressed.

**Ethics**
The main focus of criticism of businesses at this time has tended to be on ethics – encompassing furloughs, dividends, bonuses, redundancies, taxation.

**Expectation for change for the better**
People are unsure about COVID’s impact on society as a whole, although over a third hope it will be positive. Be it through greater care of our planet, of each other, of our communities and well being, the opportunity is there for leaders to make a marked difference going forward, building in measures of success as we aim for better.
Echo Research is an independent, global leader in communications, brand and reputation research. We undertake qualitative / quantitative research and media content analysis globally and provide actionable insights into reputation and brand to drive strategic outcomes.

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