

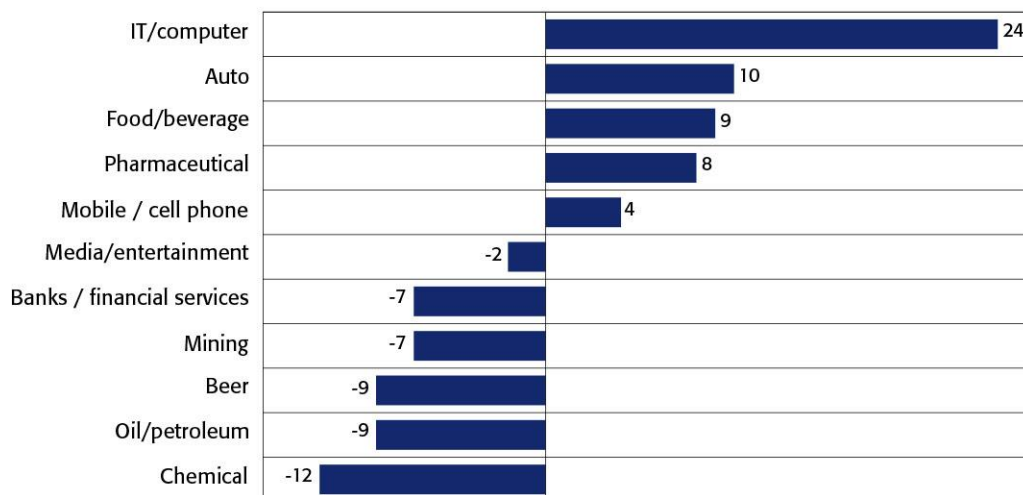
GlobeScan Radar 2016: Finance eBrief

October 2016

Low public trust in banks but some positive shifts

‘Thick’ trust is present when a company achieves social trust that goes beyond the transactional and includes acting in broader societal interest. Results from [GlobeScan’s 2016 Radar research](#) confirm that ‘thick’ trust in banks and financial services companies remains low, despite eight years having passed since the financial crisis of 2008. Globally, net trust in the sector remains in the negative – meaning that people across the 25 countries surveyed are more likely to distrust banks and financial services companies than they are to trust them. Whereas other consumer-facing sectors such as food and beverage or automobile tend to be more trusted than distrusted, the banking and finance industry has trust ratings on par with extraction industries like mining and oil.

Net Trust* in Industry Sectors
Average of 25 Countries, 2016



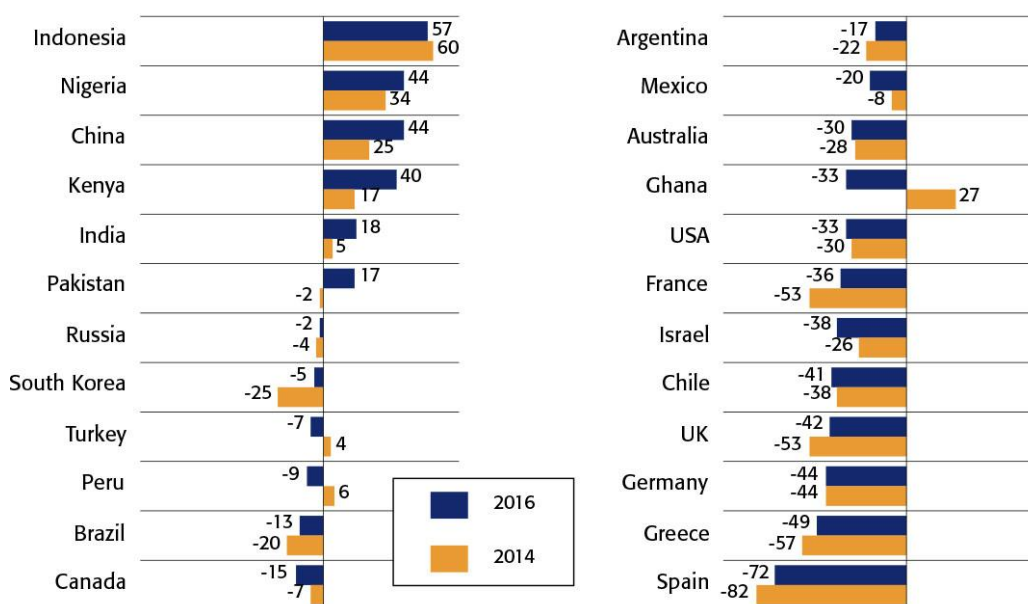
*High trust (4+5) minus Low trust (1+2)

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Developing countries in Asia and Africa have higher trust levels in banks generally, with the exception of Latin American countries, where consumers express lower trust levels. North Americans have net negative trust levels in banks, while Europeans remain the most distrustful of the financial sector.

However, in several key markets – both emerging and industrialized – there are signs of a rebuilding of trust in banks and financial services companies among consumers. In the emerging markets of Argentina, Brazil, China, India, Kenya, Nigeria, and Pakistan, trust in the industry has increased over the past two years. Similarly, trust in banks has improved in Greece, France, Spain, and the UK, although trust levels in those countries remain very low. Trust levels in banks have declined since 2014 in a number of countries including Canada, Ghana, Israel, Mexico, Peru, and Turkey.

Net Trust* in Banks / Financial Services Companies
By Country, 2014–2016



*High trust (4+5) minus Low trust (1+2)

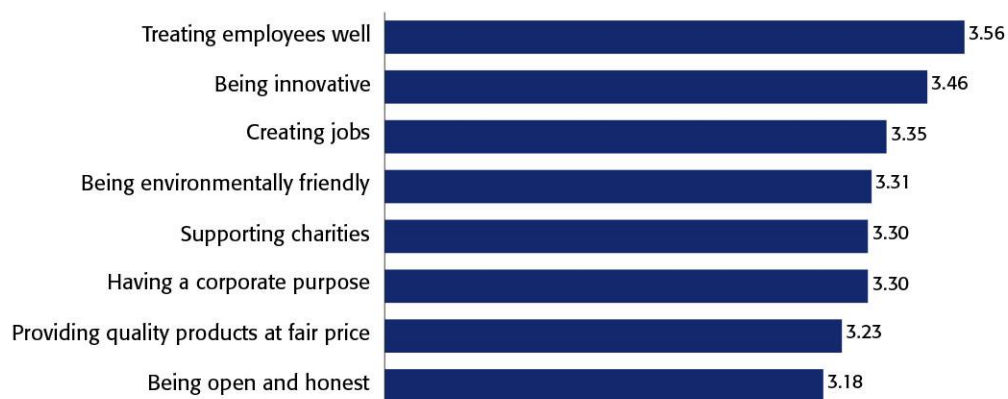
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So why do banks and financial services companies continue to suffer from low trust in important countries around the world? Our research shows that when asked to rate banks and financial services companies on several attributes, people tend to award the lowest ratings to these types of companies on their ability to be open and honest. The banking and financial services sector is seen as treating their workers well and being innovative, but lacking in the area of transparency and integrity.

GlobeScan’s advanced analysis has found that openness and honesty are the most powerful drivers of trust in banks and financial services companies, along with having a corporate purpose to make a positive difference in society through their products, services, and operations. Our [research from 2014](#) also confirmed that consumers think that operating ethically is the most important issue that the banking and financial services industry needs to address, again emphasizing how integrity lies at the core of the trust deficit.

Performance of Banks / Financial Services Companies

Mean Score,* Average of 25 Countries, 2016



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*On a scale of 1 to 5, where 1 means “a very poor job” and 5 means “an excellent job”

It is clear that the banking and financial services industry needs to improve in the areas of transparency and honesty in order to rebuild public trust. But banks and financial services companies need to go beyond disclosure and not only better define what they stand for, but also engage the public more proactively about how their companies make a positive contribution to society in order to continue the recent momentum toward rebuilding ‘thick’ trust.

About GlobeScan

GlobeScan is a strategy consultancy specializing in stakeholder intelligence and engagement in the areas of reputation, sustainability and purpose. We help global companies, multilateral organizations and international NGOs build stronger, more trusting relationships with their stakeholders to deliver long-term success.

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