See things **differently.**

Gustavson Brand Trust Index

2015 Example Brand Report
Trust in authority is at an all-time low, so word-of-mouth matters now more than ever.

Trust in Institutions: 2014 vs. 2015

Source: 2015 Edelman Trust Barometer, based on data from 27 countries

Credibility of Spokespeople:

- NGOs: 66% (2014) vs. 63% (2015)
- Business: 59% (2014) vs. 57% (2015)
- Media: 53% (2014) vs. 51% (2015)
- Government: 45% (2014) vs. 48% (2015)

A CEO: 34%
A Regular Employee: 46%
A Journalist: 54%
An Academic Expert: 70%
But I need to know what actually drives trust in my industry and what I can do about it!

Consumer behaviour correlates with consumers’ trust in a company.
Social media and the Internet amplify & accelerate word-of-mouth—whether your consumers are recommending, or detracting from, your brand.
Recommendation from other people is more trusted than official company communication:

“To what extent do you trust the following forms of advertising?”

- 92% Recommendation from people I know
- 70% Consumer opinion posted online
- 47% Advertising on TV
- 36% Advertising on social networks

Source: Nielsen
A trusted brand can earn consumers' recommendations to other consumers:
Net recommendation is the difference between a brand’s advocates and detractors:

**EXAMPLE:**

**Likelihood of Recommendation**

Survey respondents determine the likelihood of recommending a brand on a scale of 1-7

![Graph showing the likelihood of recommendation]

- **Neutral or Indifferent:** 44%
- **Detractors:** 26%
- **Advocates:** 30%

**Net Recommendation:**

30% - 26% = 4%
Building ADVOCACY & POSITIVE WORD OF MOUTH is not like conventional marketing.

You can’t BUY it, you have to EARN it.

So how do brands earn CONSUMER ADVOCACY?

PETER B. GUSTAVSON
School of Business
Brand Trust Index

The world looks different from here.
So how do brands earn consumer advocacy?

The Gustavson Brand Trust Index measures consumer perceptions against five factors related to brand value:

- Value
- Quality
- Social Equity
- Brand Energy
- Brand Trust

Brand trust shows the strongest correlation with consumer advocacy based on consumer responses to 249 brands in Canada.
The Gustavson Brand Trust Index measures consumer perceptions against five brand constructs:

**BRAND TRUST:**
A composite measure of a brand’s consistency, reliability, authenticity and ethical performance. It is divided into **functional trust** (value, quality for money) and **emotional trust** (honesty, sincerity, care, unselfishness).

**VALUE:**
Good value for money and fair pricing.

**QUALITY:**
Rating for high brand quality.

**SOCIAL EQUITY:**
A composite measure of a brand’s social and environmental performance.

**BRAND ENERGY:**
A composite measure of a brand’s strength in leadership, innovation and dynamism and its differentiation.
Canadians’ trust in a brand or company is correlated to word-of-mouth recommendation:
We use a statistically representative sample of 3,125 consumers to score 249 Canadian companies and brands against 40 attributes.

Measurement is expressed in an index form for each of the categories shown.

An Index of 100 implies that a brand’s performance is average on an attribute.

An Index of 200 implies that a brand performs twice as well on an attribute as the average for all brands in the survey.

Canadian Categories:
- Financial Services
- Beer
- Cars
- Coffee/Tea
- Confectionery/Snack Foods
- Consumer Packaged Goods
- Dairy
- Energy Companies
- Hotels
- Insurance
- Media
- Natural/Health
- Pharmacy
- Restaurants/Takeout
- Retailers (non-drug)
- Soft Drinks/Juices/Waters
- Supermarkets
- Waters
- Technology
- Telecom/Cable
- Travel
- Post/Courier
The Gustavson Index is based on an existing, proven methodology, developed by GoodBrand and Envero across over 20 countries:

- 20+ countries
- 30,000+ respondents
- 2,500+ companies & brands
- 15+ industry sectors
Brands that score highly on net recommendation also score highly on brand trust:

Net recommendation % 2015
Top 20 of all brands rated

<table>
<thead>
<tr>
<th>Brand</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand A</td>
<td>58</td>
</tr>
<tr>
<td>Brand B</td>
<td>57</td>
</tr>
<tr>
<td>Brand C</td>
<td>49</td>
</tr>
<tr>
<td>Brand D</td>
<td>46</td>
</tr>
<tr>
<td>Brand E</td>
<td>46</td>
</tr>
<tr>
<td>Brand F</td>
<td>44</td>
</tr>
<tr>
<td>Brand G</td>
<td>43</td>
</tr>
<tr>
<td>Brand H</td>
<td>42</td>
</tr>
<tr>
<td>Brand I</td>
<td>42</td>
</tr>
<tr>
<td>Brand J</td>
<td>41</td>
</tr>
<tr>
<td>Brand K</td>
<td>40</td>
</tr>
<tr>
<td>Brand L</td>
<td>40</td>
</tr>
<tr>
<td>Brand M</td>
<td>39</td>
</tr>
<tr>
<td>Brand N</td>
<td>39</td>
</tr>
<tr>
<td>Brand O</td>
<td>38</td>
</tr>
<tr>
<td>Brand P</td>
<td>38</td>
</tr>
<tr>
<td>Brand Q</td>
<td>37</td>
</tr>
<tr>
<td>Brand R</td>
<td>37</td>
</tr>
<tr>
<td>Brand S</td>
<td>37</td>
</tr>
<tr>
<td>Brand T</td>
<td>36</td>
</tr>
</tbody>
</table>
If you want to attract more advocates to your brand then you need to understand how your brand stands on the factors of brand trust:

**Net Recommendation and Brand Trust - All Brands**
8 of the Top 20 most trust brands in Canada are regional brands:

<table>
<thead>
<tr>
<th>Gustavson Index 2015 Top 20 Brands</th>
<th>Top 20 (excluding regional brands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand A</td>
<td>Brand A</td>
</tr>
<tr>
<td>253</td>
<td>224</td>
</tr>
<tr>
<td>Brand B</td>
<td>Brand B</td>
</tr>
<tr>
<td>224</td>
<td>189</td>
</tr>
<tr>
<td>Brand C</td>
<td>Brand C</td>
</tr>
<tr>
<td>218</td>
<td>184</td>
</tr>
<tr>
<td>Brand D</td>
<td>Brand D</td>
</tr>
<tr>
<td>210</td>
<td>179</td>
</tr>
<tr>
<td>Brand E</td>
<td>Brand E</td>
</tr>
<tr>
<td>189</td>
<td>178</td>
</tr>
<tr>
<td>Brand F</td>
<td>Brand F</td>
</tr>
<tr>
<td>185</td>
<td>169</td>
</tr>
<tr>
<td>Brand G</td>
<td>Brand G</td>
</tr>
<tr>
<td>184</td>
<td>167</td>
</tr>
<tr>
<td>Brand H</td>
<td>Brand H</td>
</tr>
<tr>
<td>179</td>
<td>165</td>
</tr>
<tr>
<td>Brand I</td>
<td>Brand I</td>
</tr>
<tr>
<td>178</td>
<td>165</td>
</tr>
<tr>
<td>Brand J</td>
<td>Brand J</td>
</tr>
<tr>
<td>177</td>
<td>161</td>
</tr>
<tr>
<td>Brand K</td>
<td>Brand K</td>
</tr>
<tr>
<td>172</td>
<td>161</td>
</tr>
<tr>
<td>Brand L</td>
<td>Brand L</td>
</tr>
<tr>
<td>169</td>
<td>160</td>
</tr>
<tr>
<td>Brand M</td>
<td>Brand M</td>
</tr>
<tr>
<td>167</td>
<td>158</td>
</tr>
<tr>
<td>Brand N</td>
<td>Brand N</td>
</tr>
<tr>
<td>165</td>
<td>156</td>
</tr>
<tr>
<td>Brand O</td>
<td>Brand O</td>
</tr>
<tr>
<td>165</td>
<td>154</td>
</tr>
<tr>
<td>Brand P</td>
<td>Brand P</td>
</tr>
<tr>
<td>164</td>
<td>152</td>
</tr>
<tr>
<td>Brand Q</td>
<td>Brand Q</td>
</tr>
<tr>
<td>164</td>
<td>152</td>
</tr>
<tr>
<td>Brand R</td>
<td>Brand R</td>
</tr>
<tr>
<td>161</td>
<td>152</td>
</tr>
<tr>
<td>Brand S</td>
<td>Brand S</td>
</tr>
<tr>
<td>161</td>
<td>149</td>
</tr>
<tr>
<td>Brand T</td>
<td>Brand T</td>
</tr>
<tr>
<td>160</td>
<td>148</td>
</tr>
</tbody>
</table>
The average commercial brand has almost twice as many advocates as detractors:

**Likelihood of Recommendation**
Commercial average based on over 2,500 companies and brands in more than 20 countries

- **Advocates**: 36%
- **Detractors**: 22%
- **Neutral or Indifferent**: 42%

**Net Recommendation**: 36% - 22% = 14%
But the range is wide!

Distribution of Recommendation - Best Case/Worst Case

- Technology brand in Russia
  - Net Recommendation: 92% - 3% = 89%

- Major bank in Ireland
  - Net Recommendation: 7% - 54% = -47%
Brand X has slightly fewer advocates, and slightly more mild detractors, than the Canadian average:
Relative to the category best-in-class brand, Brand X has fewer advocates and more neutrals and detractors:

Likelihood of Recommendation

Brand X vs. Food Best-in-Class
Looking at those who are very familiar with the brand, Brand X is slightly ahead of average in terms of advocacy profile:

Likelihood of Recommendation
Brand X vs. Canadian Commercial Average of Top 2-rated Familiarity with Brand

![Graph showing likelihood of recommendation]

School of Business
Brand Trust Index
The world looks different from here.
......but there is plenty of scope to improve further:

**Likelihood of Recommendation**

Brand X vs. Food Best-in-Class Top 2-rated Familiarity with Brand

![Graph showing likelihood of recommendation for Brand X vs. Food BIC.]

---

School of Business
Brand Trust Index

The world looks different from here.
Brand X is just below category average on Brand Trust, and well below the top 10 Food brands:

Brand Trust Index Performance
Brand X vs. Top 10 Food brands

Ranked no. 88 of 249 Brands
However, amongst those who are very familiar with each brand, Brand X does relatively better:

**Brand Trust Index Performance**

*Brand X vs. Top 10 Food with Top 2-rated Familiarity with Brand*

 Ranked no. 38 of 249 Brands
Brand trust is both functional and emotional:

**FUNCTIONAL TRUST**
- Brand hygiene factors
- Product delivers
- Consistency

**EMOTIONAL TRUST**
- Honesty
- Consumer care
- Authenticity

Most brands deliver **functional trust**.
Positively advocated brands deliver **emotional trust** as well.
On functional trust, Brand X is well below category average:

Ranked no. 142 of 249 Brands
But amongst those who are very familiar with the brand, Brand X again does better:

Functional Trust Performance
Brand X vs. Top 10 Food with Top 2-rated Familiarity with Brand

Ranked no. 74 of 249 Brands
On emotional trust Brand X does much better—just outside the Top 10 food brands, and achieving the Top 30 commercial brands overall.

**Emotional Trust Performance**

**Brand X vs. Top 10 Food brands**

- Brand A: 155
- Brand B: 146
- Brand C: 142
- Brand D: 135
- Brand E: 135
- Brand F: 134
- Brand G: 131
- Brand H: 131
- Brand I: 131
- Brand J: 130
- Brand X: 128
- Food: 100

**Ranked no. 29 of 249 Brands**
And, amongst those who are very familiar with the brand, Brand X is second amongst food brands:

### Emotional Trust Performance

**Brand X vs. Top 10 Food with Top 2-rated Familiarity with Brand**

<table>
<thead>
<tr>
<th>Brand</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand A</td>
<td>179</td>
</tr>
<tr>
<td>Brand X</td>
<td>155</td>
</tr>
<tr>
<td>Brand B</td>
<td>143</td>
</tr>
<tr>
<td>Brand C</td>
<td>140</td>
</tr>
<tr>
<td>Brand D</td>
<td>129</td>
</tr>
<tr>
<td>Brand E</td>
<td>128</td>
</tr>
<tr>
<td>Brand F</td>
<td>127</td>
</tr>
<tr>
<td>Brand G</td>
<td>124</td>
</tr>
<tr>
<td>Brand H</td>
<td>124</td>
</tr>
<tr>
<td>Brand I</td>
<td>124</td>
</tr>
<tr>
<td>Food</td>
<td>78</td>
</tr>
</tbody>
</table>

 Ranked no. 12 of 249 Brands

**Peter B. Gustavson**

School of Business

Brand Trust Index

The world looks different from here.
Brand X is just outside the Top 10 Food brands for social equity, although Food as a whole does relatively poorly. The Top 5 Food brands are all relevant benchmarks for Brand X.
However, amongst those who are very familiar with the respective brands, Brand X does much better, although other brands perform even more strongly:

Social Equity Performance
Brand X vs. Top 10 Food with Top 2-rated Familiarity with Brand

Ranked no. 26 of 249 Brands
Brand X comes in just below commercial average for quality:

**Quality Performance**

*Brand X vs. Top 10 Food brands*

Ranked no. 88 of 249 Brands

![Bar chart showing quality performance of various food brands, with Brand X ranked 88th.](chart-image)
But again the brand does better amongst those who know it well:

**Quality Performance**

*Brand X vs. Top 10 Food with Top 2-rated Familiarity with Brand*

Ranked no. 37 of 249 Brands
For consumer advocacy, there are brands inside and outside the category, in Canada and elsewhere, that could be benchmarks for Brand X:

**Net recommendation best-in-class benchmarks for Brand X**

- Brand X: 5
- Food Avg: 16
- Food best in country: 53
- FMCG best in country: 53
- Commercial best in country: 91
The same holds true for brand trust... 

**Brand trust best-in-class benchmarks for Brand X**

- **Brand X**: 94
- **Food Avg**: 107
- **Food best in country**: 174
- **FMCG best in country**: 220
- **Commercial best in country**: 249
And last, holds true for social equity...

Social equity best-in-class benchmarks for Brand X

<table>
<thead>
<tr>
<th>Category</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand X</td>
<td>93</td>
</tr>
<tr>
<td>Food Avg</td>
<td>69</td>
</tr>
<tr>
<td>Food best in country</td>
<td>184</td>
</tr>
<tr>
<td>FMCG best in country</td>
<td>415</td>
</tr>
<tr>
<td>Commercial best in country</td>
<td>757</td>
</tr>
</tbody>
</table>
See things differently.

Gustavson Brand Trust Index

2015 Example Brand Report