

Trust In a Time of Uncertainty





The economic impact of the coronavirus threatens to be deep and wide. Leaders are increasingly focused on moving with speed, intelligence, imagination and inclusivity. To endure, brands will have to approach the next months and years in partnership with all their stakeholders.

In this partnership, trust is the one ingredient that's crucial to productive relationships.

Responding in uncertain times requires investing in trust alongside a clear brand purpose and strategy that supports all stakeholders - your workforce, your customers, your leadership and your investors.

In collaboration with Edelman, here are some considerations and data that we hope help corporate leadership for enterprise and small businesses in the vital decision making required during the times ahead.

Trust is Paramount in Uncertain Times

In recent years, people's expectations for brands have evolved, brands now play a larger role in our lives and in our society. Consumers know that brands have the power to effect change, and they place their trust in brands that use that power on their behalf. That trust has a real economic impact on brands. According to a 2019 Edelman report on brand trust,



More than **70%** of consumers link purchase to considerations that historically were tied to trust in corporations, including supply chain, reputation, values, environmental impact and customer before profit.

Source: Edelman Trust Barometer
Special Report: In Brands We Trust

The research shows that, the most trusted brands, the brands that make a difference in consumer's lives and society are rewarded. Betrayals of trust have significant financial consequences. Growing trust, by contrast, improves performance. Trusted businesses are given greater latitude and support to define their direction. This makes trust paramount, especially in uncertain times. Uncertain times are a testing ground for your brand promise. Will your brand back up its brand promise with action when times are tough?

THIS BEGS THE QUESTION:

What increases trust in a brand?

At a macro level, according to the Edelman's 2020 Trust Barometer and a recent Harvard Business Review (HBR) report by Sandra J. Sucher and Shalene Gupta, *The Big Idea: The Trust Crisis*, trust is built on two components.



1. Competence

Brands are evaluated on their ability to create and deliver a product or service. During challenging times, in the absence of communication, a clear purpose and strategy, things can go awry. Business continuity is vital; it supports employment and helps sentiment. To be regarded as a competent brand, your goal is to operate effectively, endure and emerge from this challenging time stronger than before. You do this by shoring up operations, managing communications and having a strong presence with your stakeholders. The two facets of competence are technical and social:

Technical

Can you deliver and innovate?

Social

Do you understand your business environment, and can you respond to change?



2. Ethics

According to Edelman, **ethical drivers are 3X more important to company trust than competence**. Leaders balance stakeholder interests and avoid harming one group in an attempt to benefit another. In uncertain times, by telling and amplifying positive stories, offering factual information and solutions, brands can use their platforms to distribute helpful information and connect stakeholders to resources, countering negative macro sentiment with purposeful and (where possible) optimistic messaging. To evaluate your organization's ethics, helpful questions suggested by the HBR study authors are:

Is your company motivated to serve others' interests as well as its own?


Does your company use fair means to achieve its goals?

Does your company take responsibility for all its impact?



An Opportunity to Lead With Trust: The Wider Purpose of Brands

The mindset shift is the expectation that brands exist to deliver value to all stakeholders - not just shareholders. Underscoring this mindset shift, **87% of Edelman Trust study respondents indicated that stakeholders, not shareholders, are most important to long-term company success.** This news is refreshing and presents an opportunity for leadership.



“ Business must have a wider purpose than simply profit in order to justify their existence. ”

Rob Norman
Senior Advisor
GroupM: the world's largest media agency
Source: Beet.TV

Norman also highlighted that “these are all very easy things to say at times of great prosperity, when the only way is up.” The coronavirus pandemic threatens millions of lives, with many health systems already becoming overwhelmed. In business, the virus is already impacting the economy, healthcare and people. During challenging times, organizations are increasingly assessing whether they are making good on three typical pledges:



“Our people are our most important asset.”

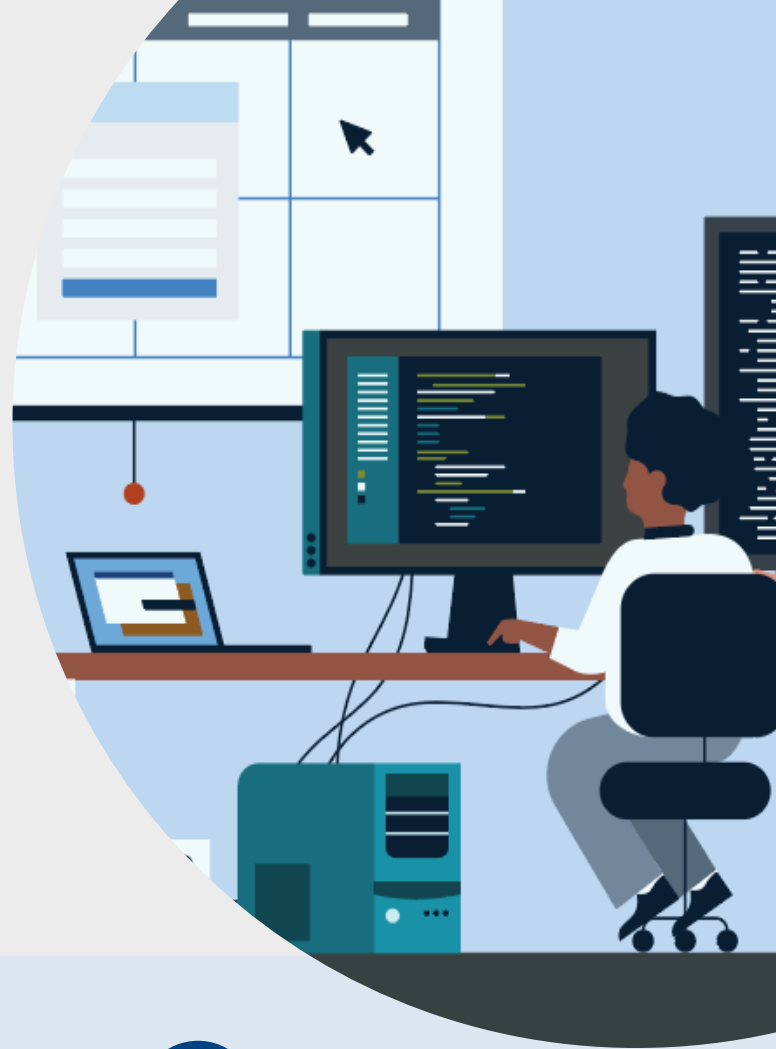
“We serve all constituents, not just shareholders.”

“We are a purpose-driven business supporting our community.”

According to Norman,

“If we fight to only minimize investor losses, the consequential loss in other parts of the business and eventually to the underlying assets, will be catastrophic.”

Increasingly, organizations are considering how to protect their stakeholders: employees, customers, leaders and investors.



1

Your Workforce

The people that work for you are your top priority. Where possible, take steps to support and protect them.

2

Your Customers

Reassure clients and prospects that you are there to help. Your message: “this is unprecedented AND we will be here to help you.”

3

Your Executive Leadership

Be mindful and lead with care. Leadership in times of uncertainty often requires sacrifices. Remember that this is a human issue first. In all you do, check in on your workforce and on each other.

4

Your Investors

Finally, take care of your investors, they are now making sacrifices due to market volatility.

Competent and Ethical Brands Are Players, Not Spectators

In times of uncertainty, our stakeholders seek greater clarity on the challenges they can expect to face and how to best minimize them. In the article, *Coronavirus: Business Must Be a Player Not a Spectator*, Richard Edelman and Dr. David Nabarro, cite the vital contribution to economic and social continuity that businesses make by doing their best to maintain operations through uncertainty.

“ Businesses can help their employees and customers stay well-informed by providing access to reliable, science-based information that stakeholders can adapt to their own circumstances. ”



IT BOILS DOWN TO THIS:

People look for
leadership
in times of uncertainty.



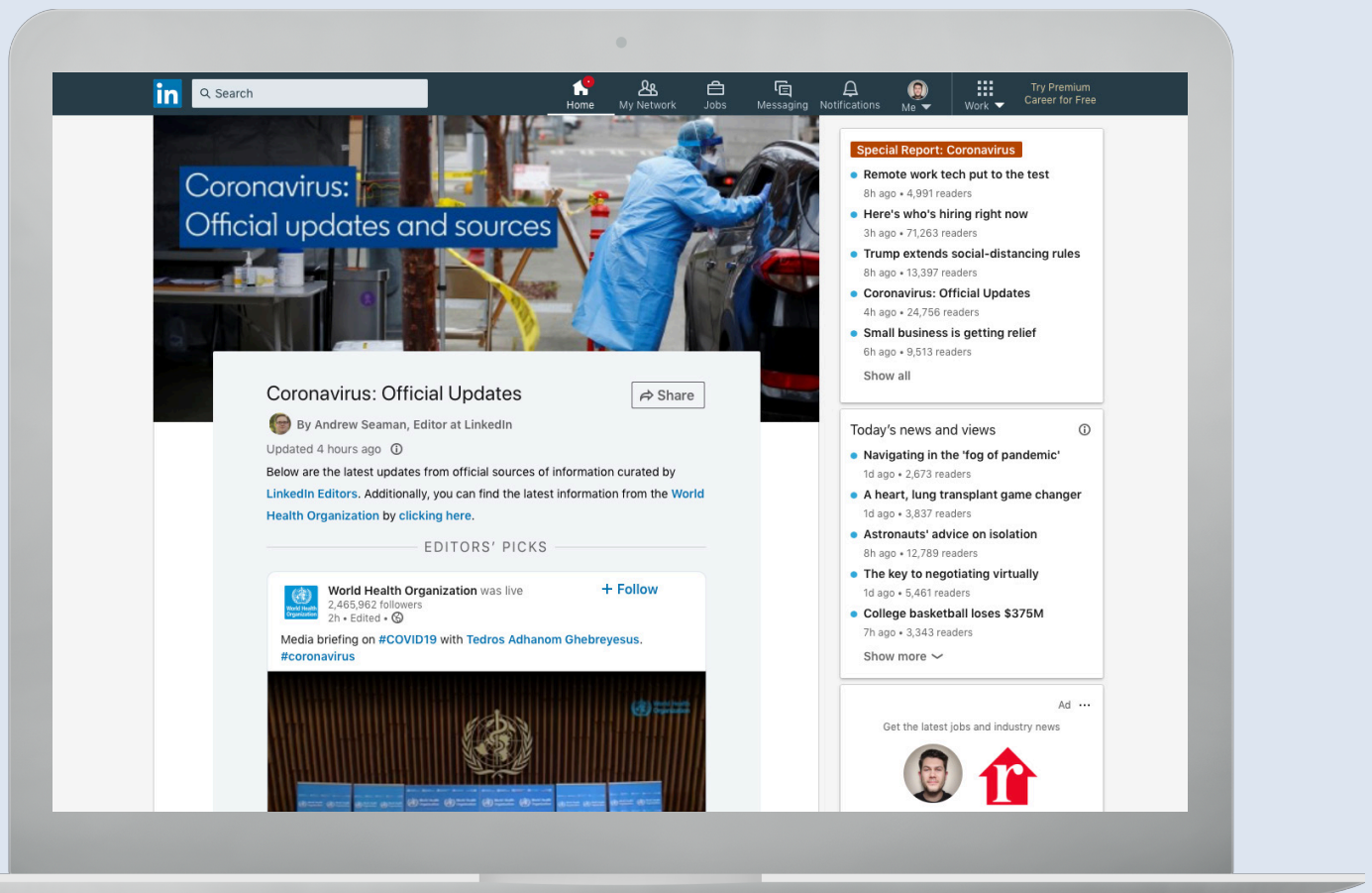
According to the Edelman Trust Barometer Special Report on COVID-19, fielded on March 6-10, 2020, employees are looking for guidance from their employers.



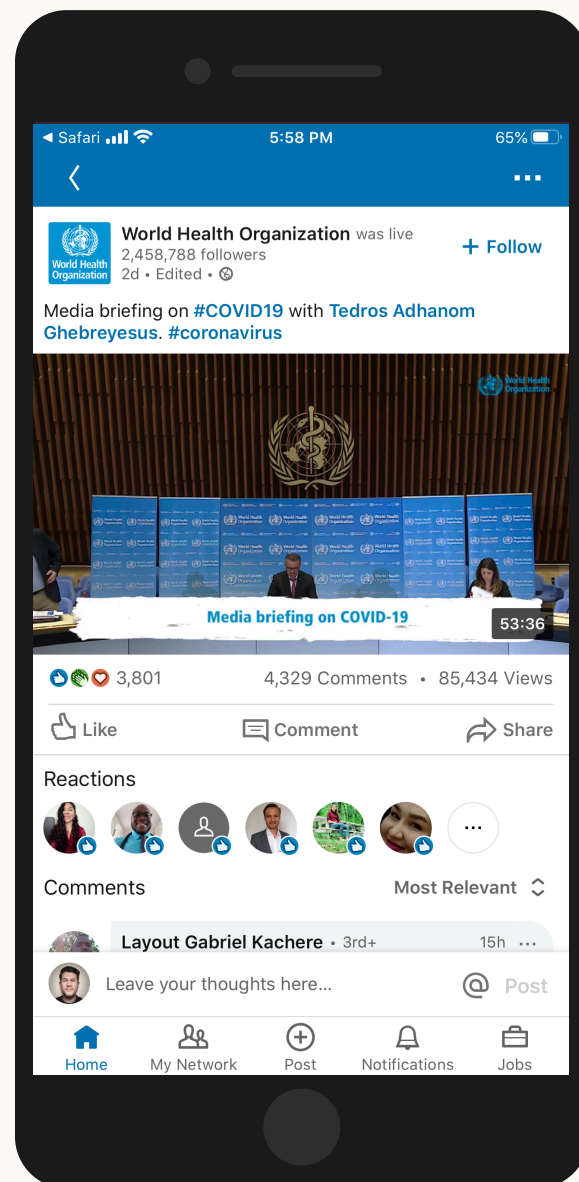
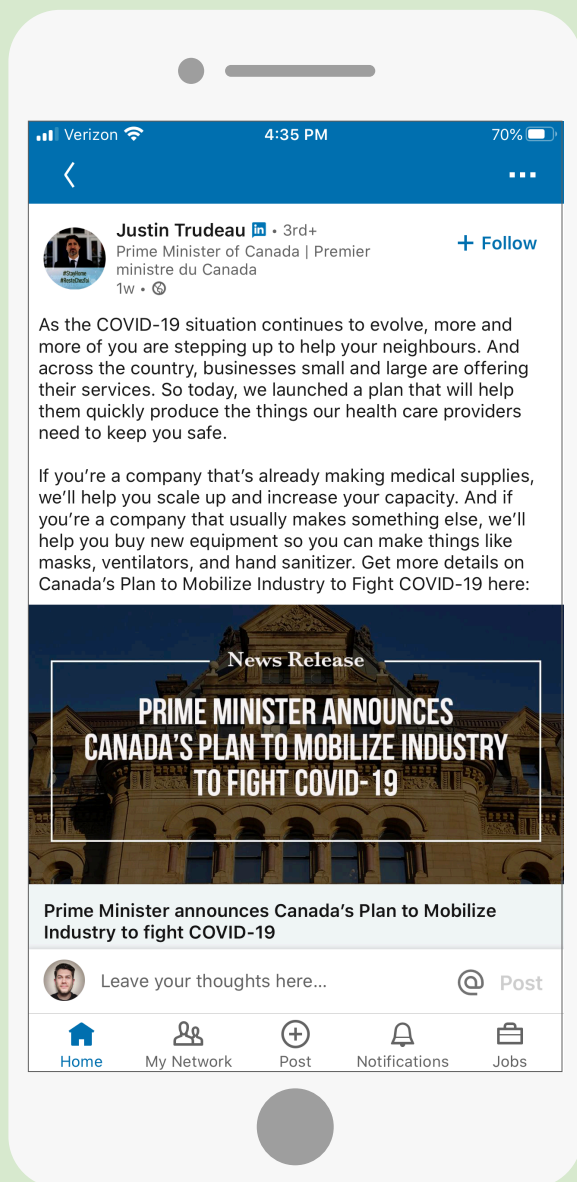
63% of employees look to their employer for daily updates about the virus.

In fact, employer communications are more readily believed than a government website, health company website, traditional media and social media. In communications, it's also important to leverage voices of trusted spokespeople. Edelman data shows that scientists, doctors, national health authorities and World Health Organization (WHO) officials are the most trusted spokespeople.

To feature reliable updates from experts, LinkedIn created a new section in the feed, [Trending News](#), including the WHO and the Centers for Disease Control and Prevention (CDC), that is available in 54 countries and 9 languages.



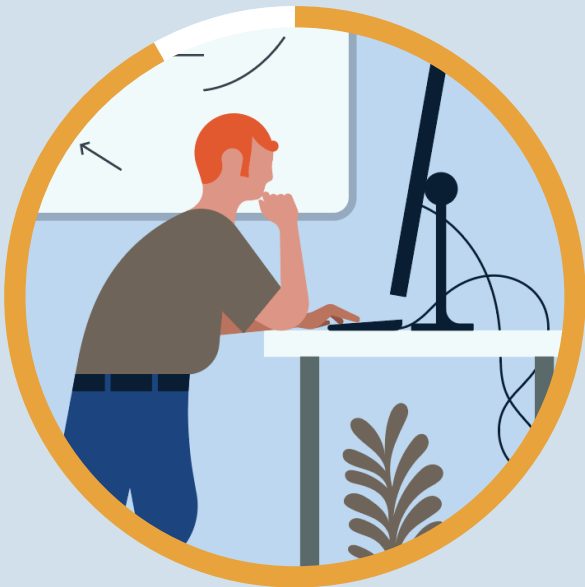
On LinkedIn you can also follow world leaders, like [Canadian Prime Minister, Justin Trudeau](#)



and the [World Health Organization \(WHO\)](#).

The WHO regularly hosts media briefings on LinkedIn Live.

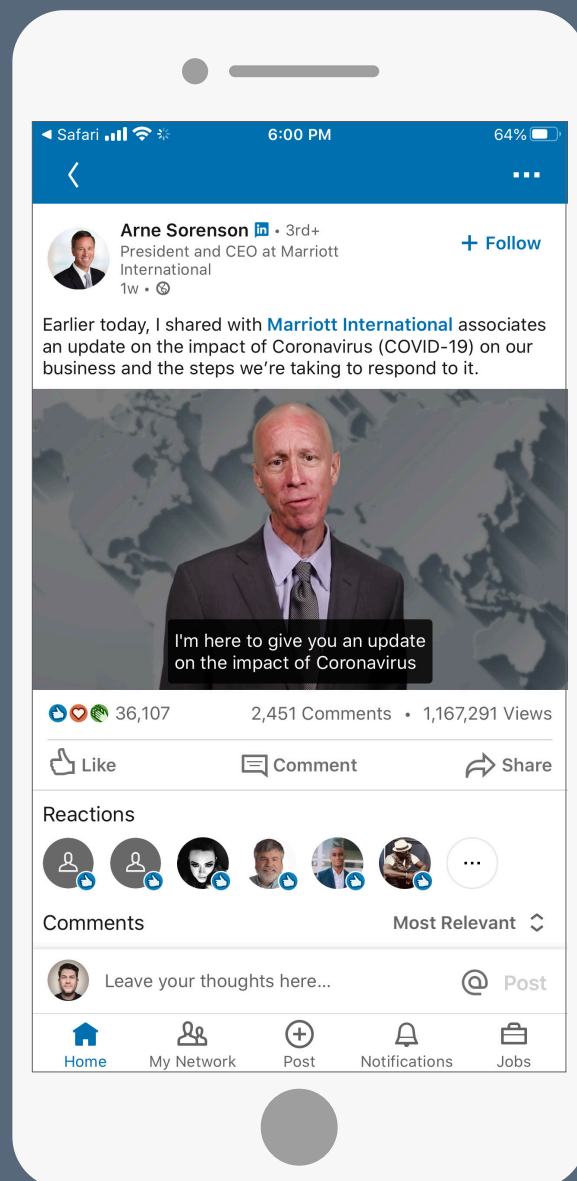
Leadership is not just an executive function, great leadership shows up at all levels during challenging times. With that said, CEOs are also among the most trusted leaders in the world. Their influence can have a great impact in combating the spread of coronavirus. Stakeholders expect to hear from leaders and expect businesses to lead the way in shaping the future of society.



In the 2020 Edelman Trust Barometer study, **92%** of employees surveyed say that they expect their employer's CEO to speak up on issues ranging from income inequality to diversity and training for jobs of the future.

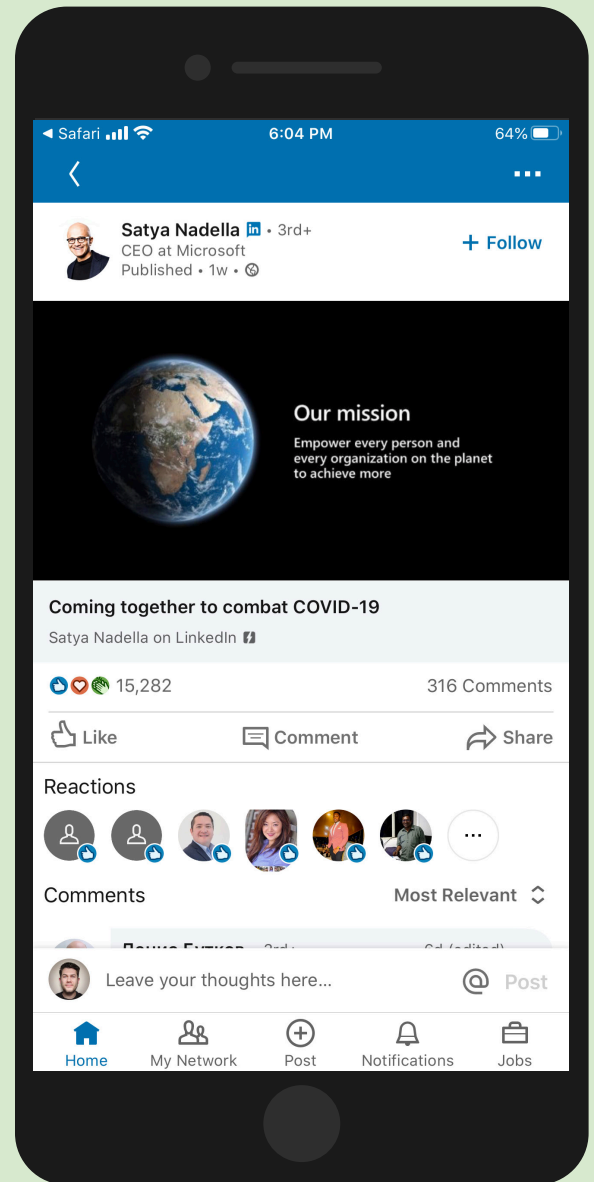
It is a leader's responsibility to share vision, mission, direction and ideas and to make sense of this uncertain and complex time for stakeholders.

President and CEO of Marriott International, Arne Sorenson's update on LinkedIn offers a masterclass in leadership during a difficult time.

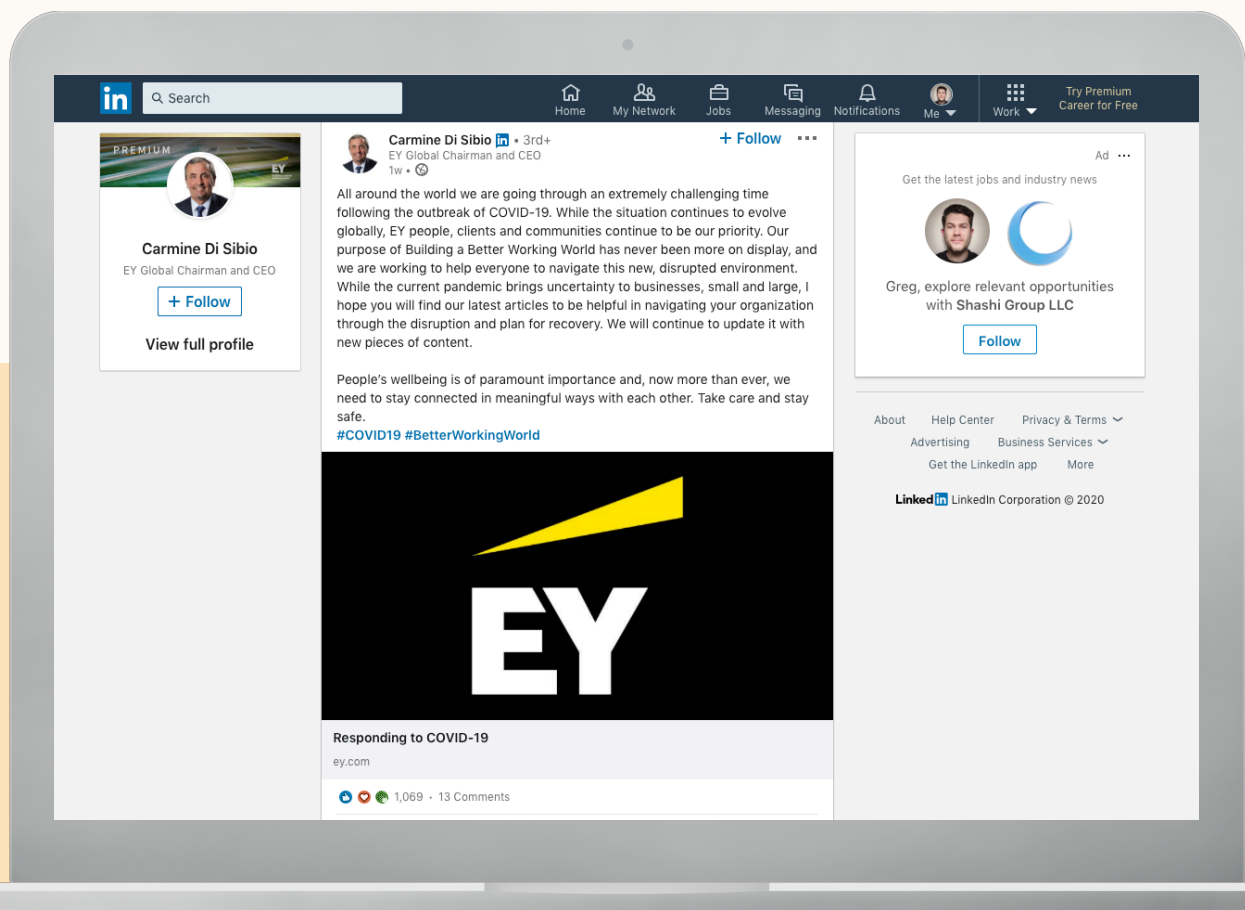


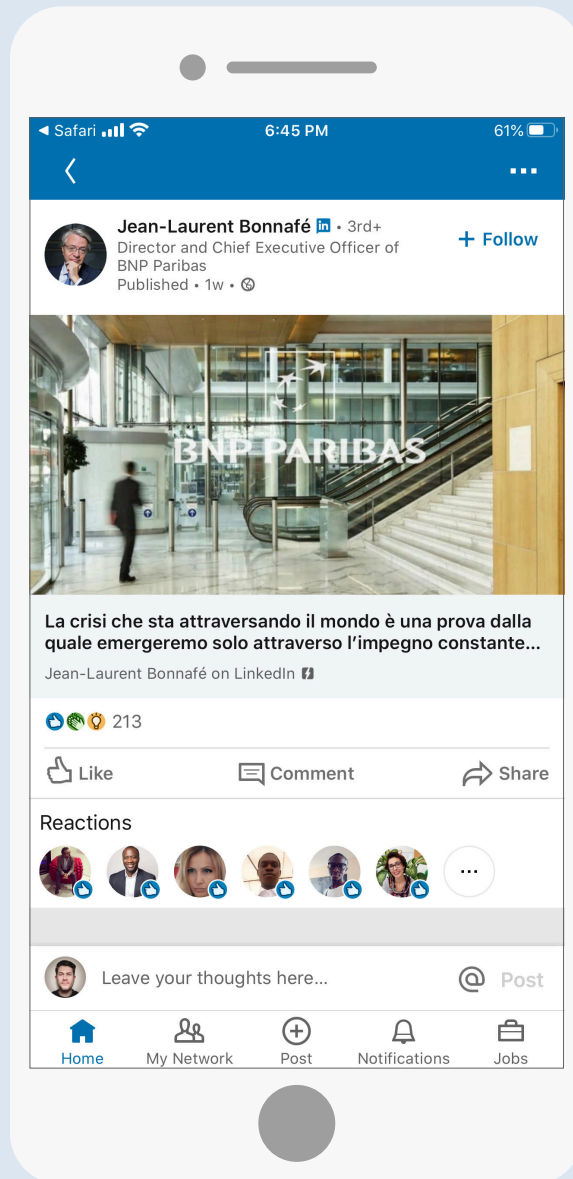
Microsoft CEO
Satya Nadella

shared an email he sent to Microsoft employees expressing gratitude and the steps Microsoft is taking to support customers and the community as a long form blog post on LinkedIn.



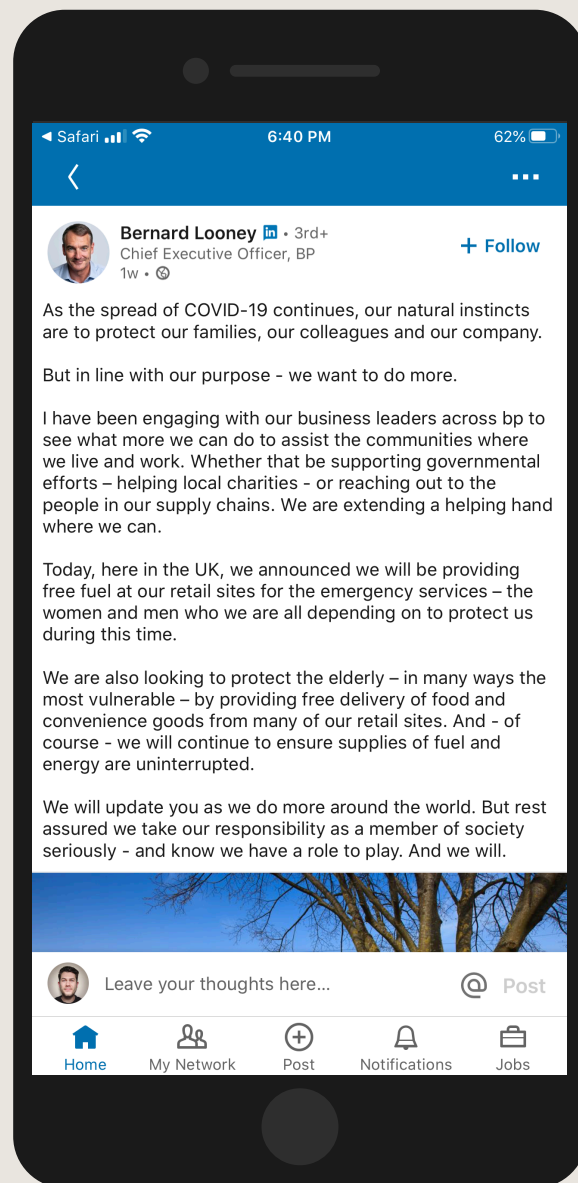
EY CEO [Carmine Di Sibio](#) shared EY's latest Thought Leadership on how businesses can support.

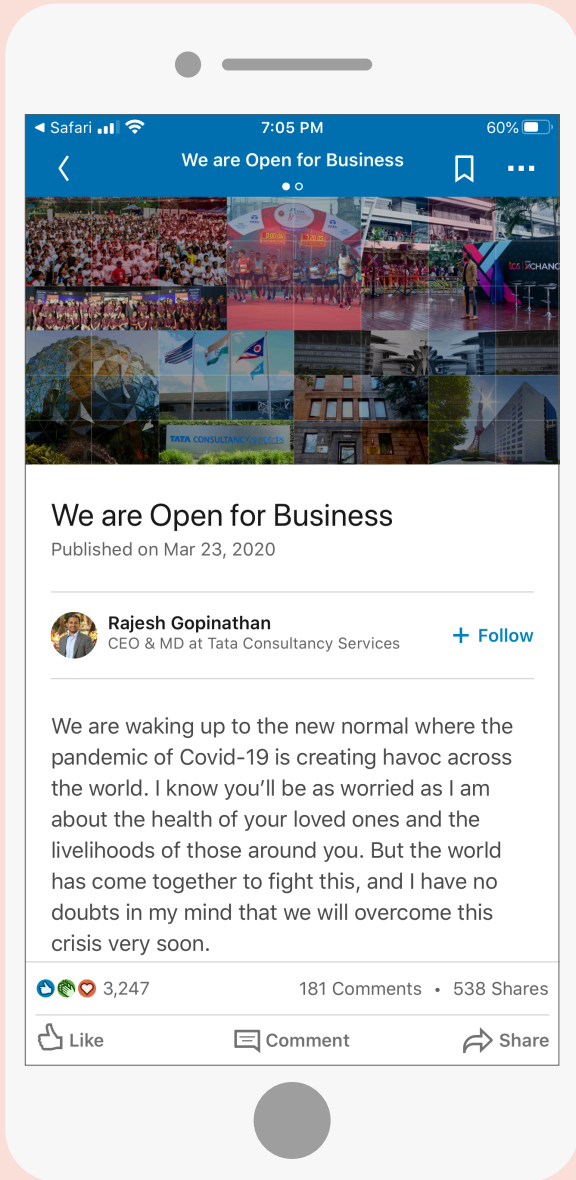




BNP Paribas's CEO, [Jean-Laurent Bonnafé](#) publishes a clear article around the company's positioning, its measures, its support to businesses as well as the community.

BP CEO [Bernard Looney](#) shares how BP is offering free fuel in the UK for emergency services.

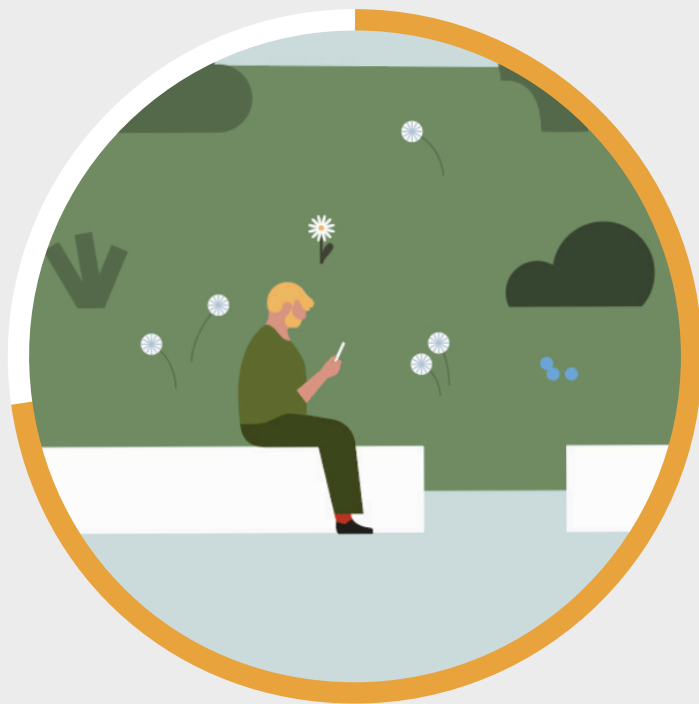




Tata Consulting CEO [Rajesh Gopinathan](#) shows concern for employee safety, support for clients and an optimistic view for the future.

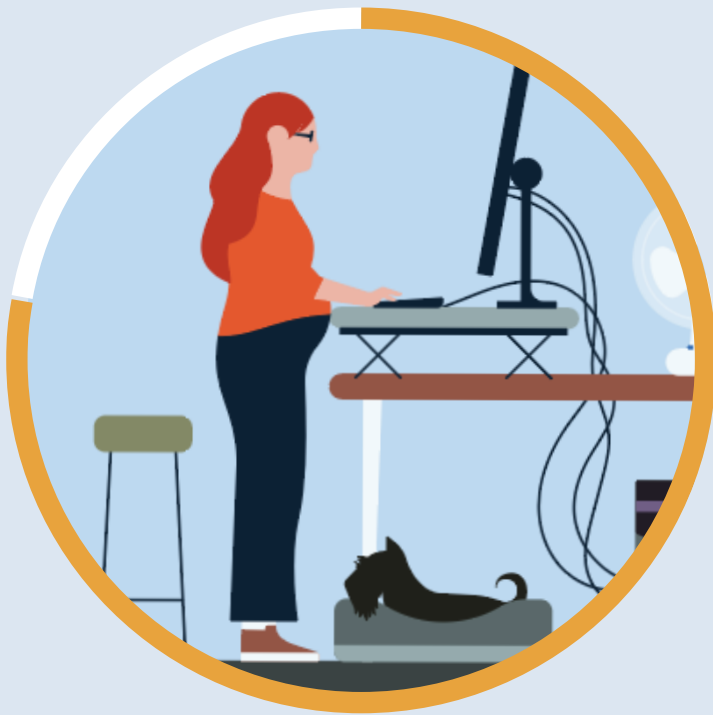
Crises Are a Test of Brand's Soul

As we've learned, brands are increasingly committing to being purpose driven, responding to consumer expectations to lead the way in making a better world.



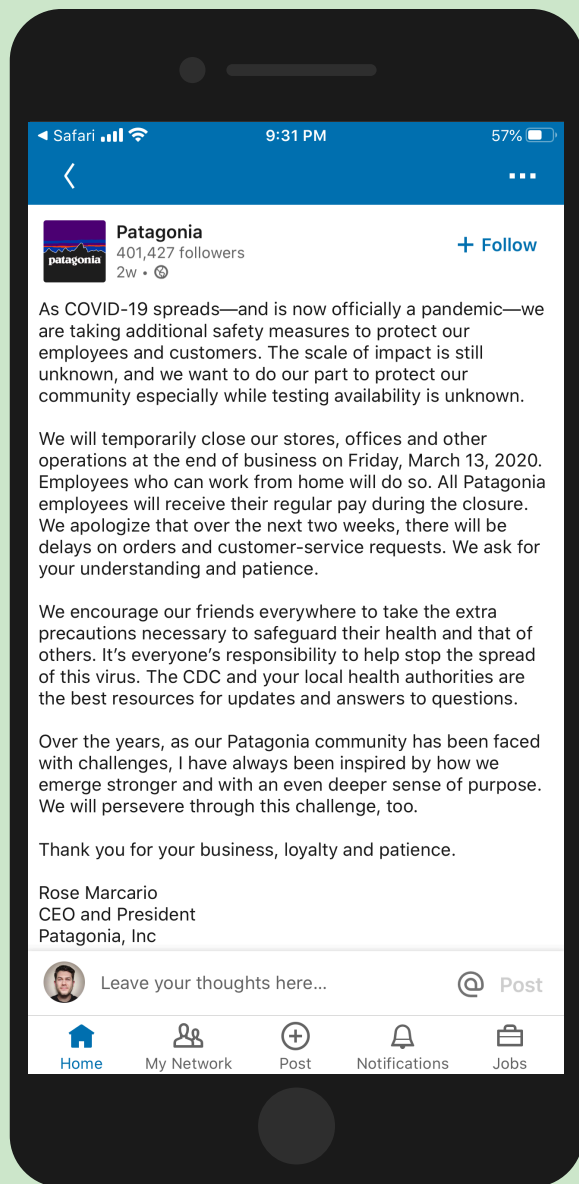
73% of the 2020 Edelman Trust study respondents agreed that a company can take actions that both increase profits and improve conditions in communities where it operates.

Additionally, protecting employees and the local community is increasingly becoming a responsibility of brands.



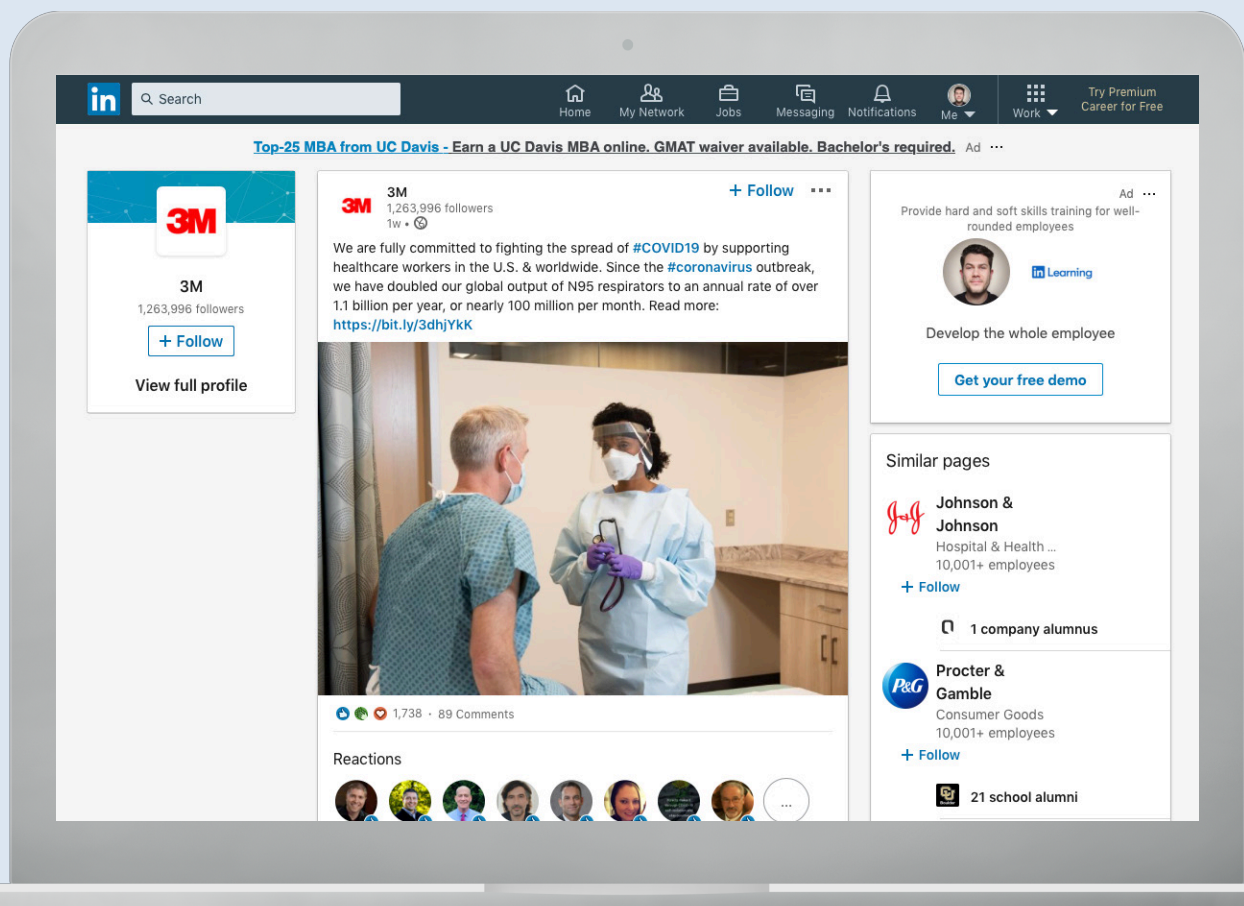
In fact, based on the 2020 Edelman Trust Barometer Special Report: Trust and the Coronavirus, **78%** of people expect brands to do just that.

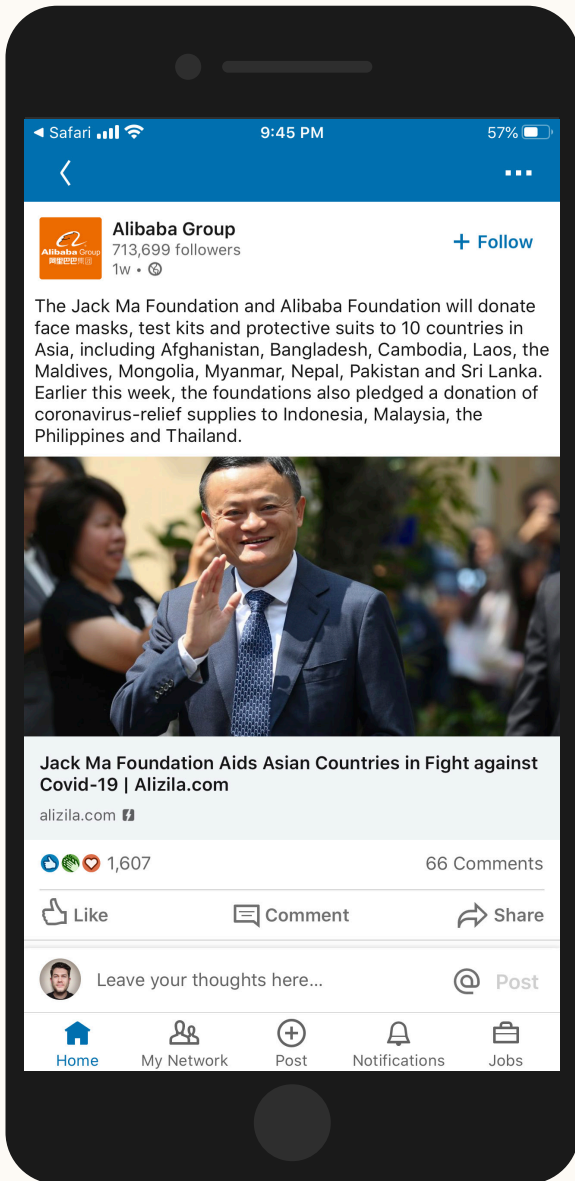
Brands are ensuring their employees are protected from the virus in the workplace and that they do not spread the virus into the community.



For example, [Patagonia](#) shared a public LinkedIn post explaining pending business closures and taking additional measures to protect employees and customers.

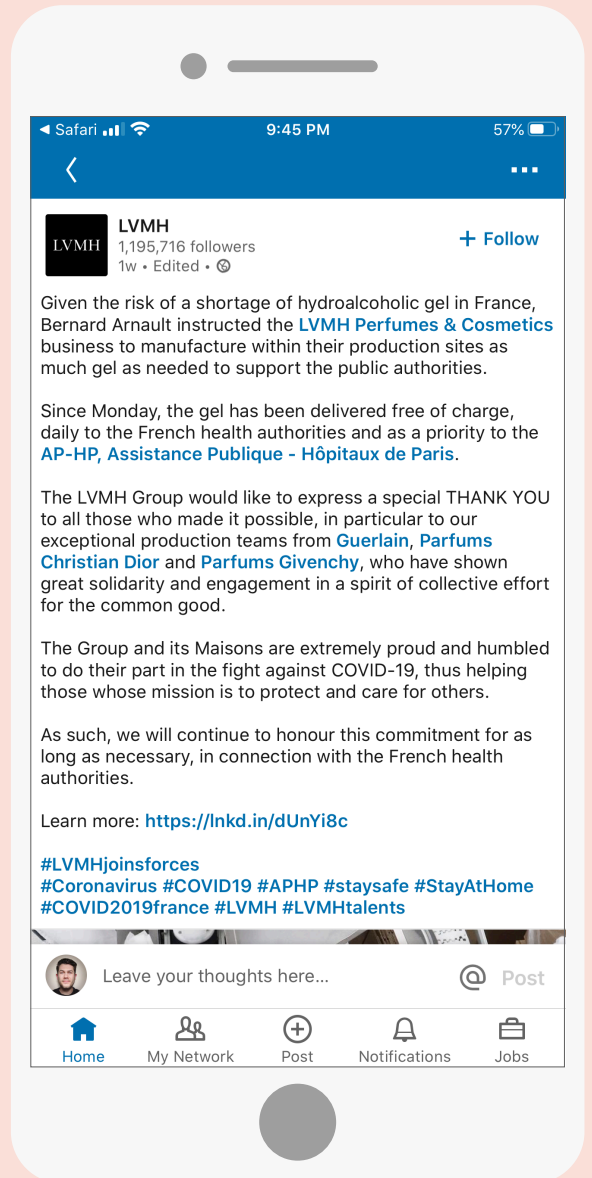
3M expressed their commitment to fighting the spread of the coronavirus by supporting healthcare workers in the US and worldwide.

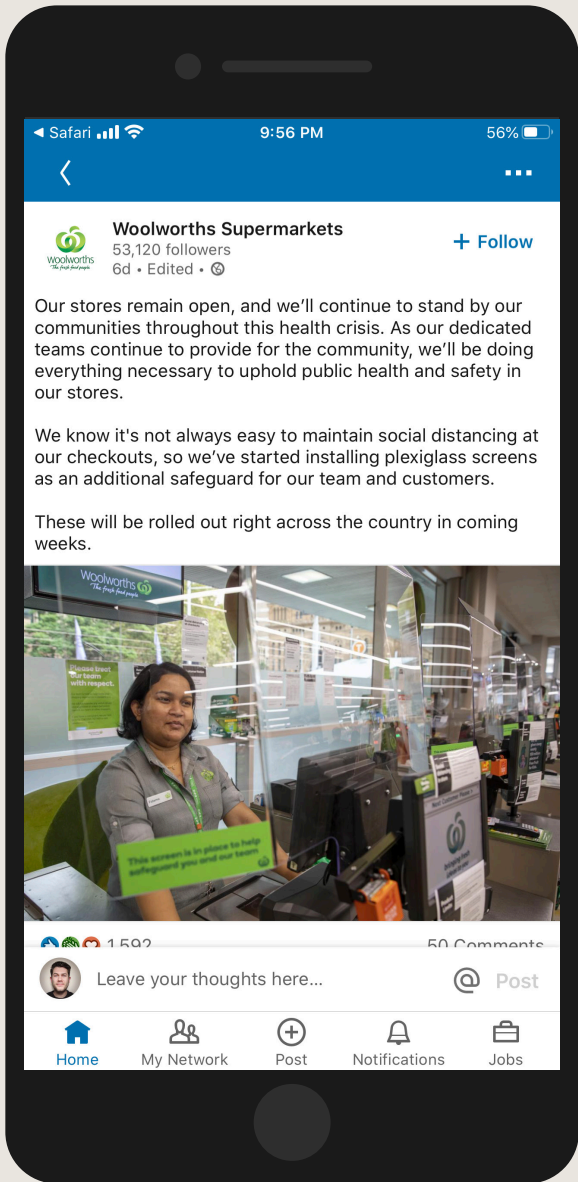




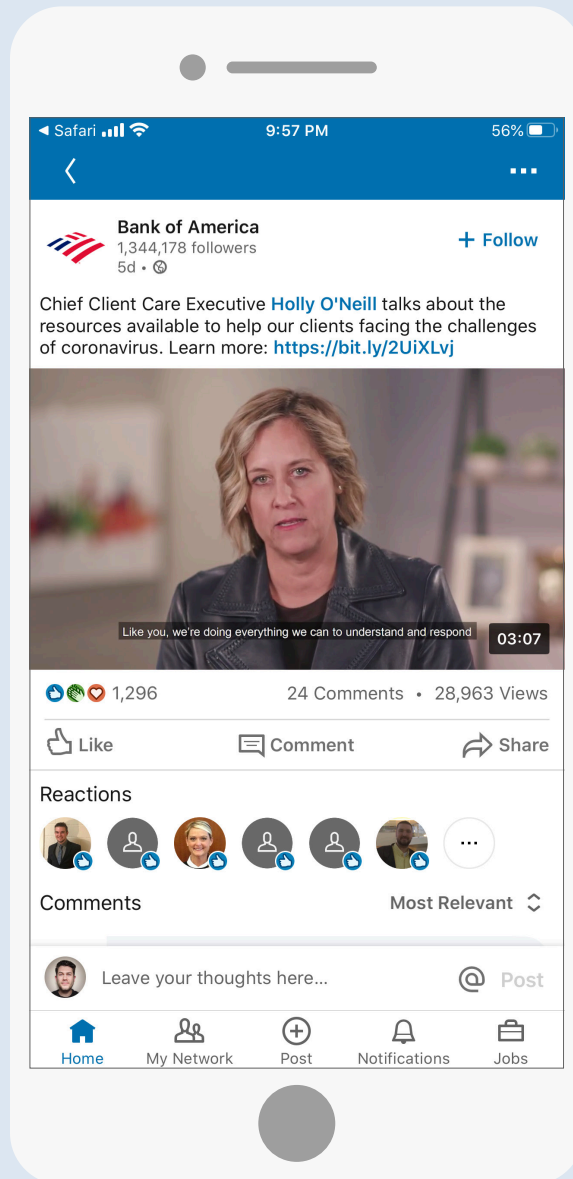
The Jack Ma Foundation and Alibaba Foundation shared that they will donate face masks, test kits and protective suits to 10 countries in Asia.

LVMH instructed their Perfumes & Cosmetics business to manufacture sanitizing gel, delivering it free of charge to support public authorities.



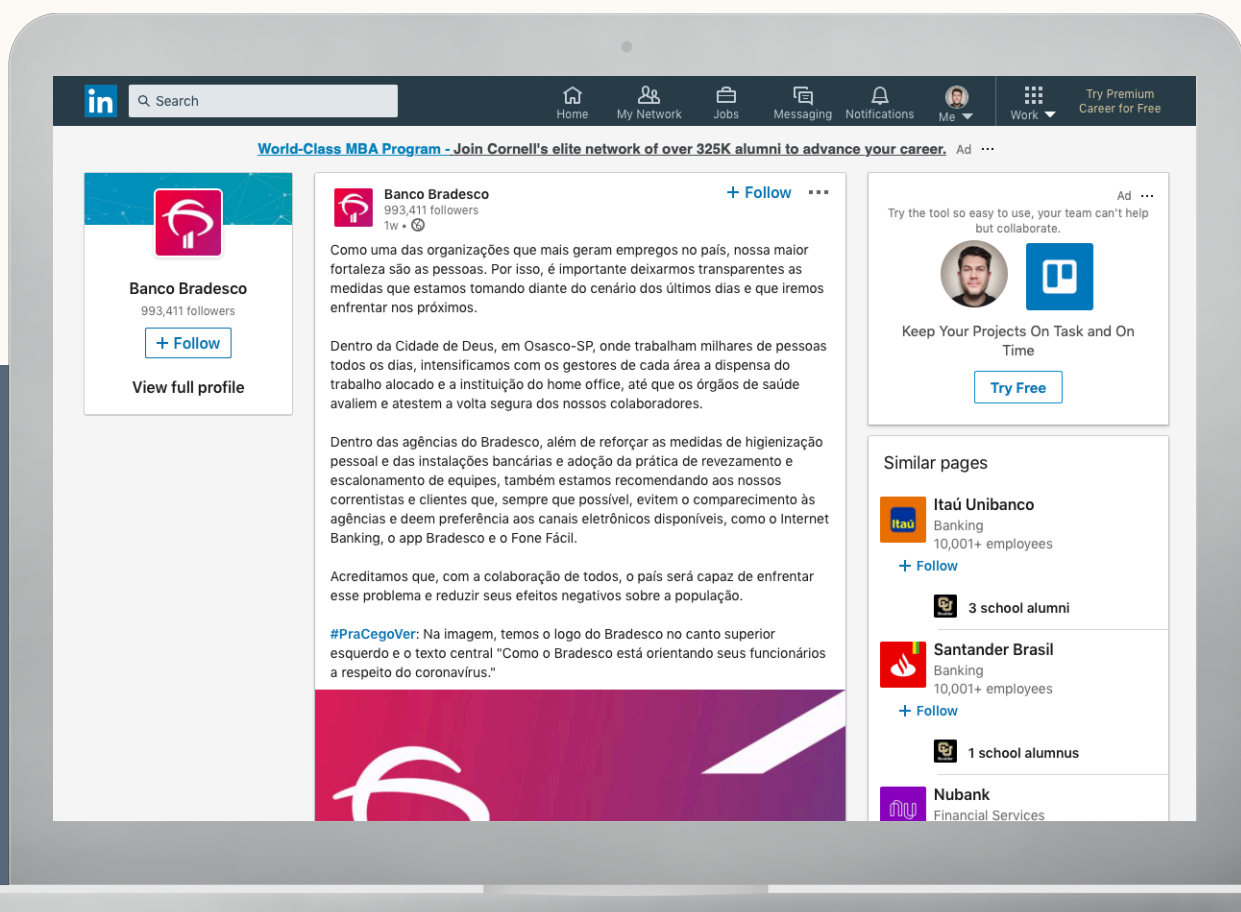


Woolworth's is installing plexiglass screens as an additional safeguard for their team and customers.

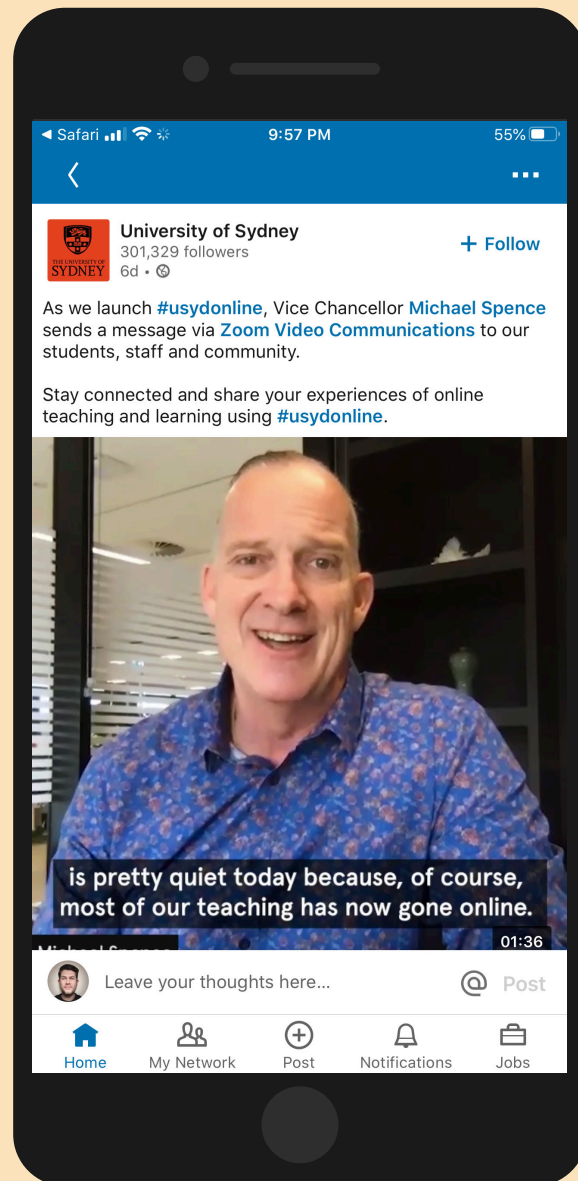


Chief Client Care Executive [Holly O'Neill](#) at Bank of America talks about the resources available to help clients facing the challenges of coronavirus.

Bradesco shows transparency with the measures and customer recommendations it is taking to protect its staff.



The [Vice Chancellor of Sydney University](#) shares a message encouraging his community to stay connected and share experiences of online teaching and learning.





More than ever, brands, especially those that have weathered times of uncertainty before, are needed to reassure the broader community.

This is an opportunity to show up, demonstrate leadership and inspire hope using trust as the foundation of your brand presence, now and going forward.

Naturally, because of the nature of this challenge, businesses will be impacted differently and will need to respond accordingly. For brands that have the means, invest in your stakeholders, helping them acclimate to our new reality and wherever possible, take action to sustain the greater community where you operate.

Sources and notes

pg 3: Edelman Trust Barometer Special Report: In Brands We Trust? June 18, 2019

pg 4: 2020 Edelman Trust Barometer. January 29, 2020

pg 4: Harvard Business Review The Trust Crisis. July, 2019

pg 7: Beet.TV Crises are a Test of a Brand's Soul: GroupM's Norman. March, 2020

pg 10: Edelman Coronavirus Business Must be a Player, Not Spectator. March 6, 2020

pg 12: Edelman Responding to Covid-19. March 8, 2020

pg 23: 2019 Edelman Trust Report Reveals "My Employer" is the Most Trusted Institution.
January 20, 2019.



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