When Trust Falls Down

How brands got here and what they need to do about it

BY | Andrew Tenzer, Head of Group Insight - Trinity Mirror
Hanna Chalmers, Senior Director - Ipsos Connect

Introduction

Who, in 2015 would have predicted the current political landscape? The outcome of the recent General Election has led much of the mainstream media to reach for the same question they have been asking themselves since the result of the EU referendum - how did the 'Establishment' misjudge the mood of the British people so badly?

In the world of marketing and advertising, we've also been asking ourselves a number of searching questions. What do recent political events tells us about the British consumer? How should advertisers and marketers be responding? If politicians and commentators can get it so wrong – what could we be doing wrong?

There is no doubting that many underestimated the level of dissatisfaction with the EU and most recently, the Conservative government. However, these events also point to a much wider issue; a rejection of the 'Establishment' by those who feel left behind by the London metropolitan elite. Recent events indicate a profound breakdown in trust, best illustrated by the Ipsos Veracity index which revealed a significant rise in distrust of government ministers, politicians and business leaders in the last 12 months.

Whilst talk of trust and filter bubbles has largely been directed at politicians and the mainstream media, the Edelman Trust Barometer also recorded an unprecedented and significant decline in the trust of business – from 45% in 2016 to 33% in 2017.

It is our contention that the build-up of factors that led to Brexit and the recent outcome of the General Election are so seismic, that they have had a much wider reverberation across society. It is our belief these factors are impacting on attitudes to everything, including those towards brands and advertising.

It is our view that this new way of seeing the world, is not just restricted to politics; we are witnessing an on-going societal shift in people's mind-set, one which has significant implications for brands and advertising.

Three stage methodology:

Firstly, Ipsos Connect undertook a week long in depth online community with 25 people around the country, exploring broad attitudes to trust and then more specifically attitudes to trust in advertising. This was followed by four three-hour workshops in Coventry, London, Liverpool and Newport (n=60) with the further aim of examining some of the themes that emerged from the online communities. Finally, the main findings were then tested quantitatively with a face to face nationally representative sample of 1000 people aged 16+ from around Great Britain

With this idea in mind, and against this new backdrop, Trinity Mirror commissioned Ipsos Connect to undertake an exploration of attitudes towards trust in brands and advertising with a view to identifying:
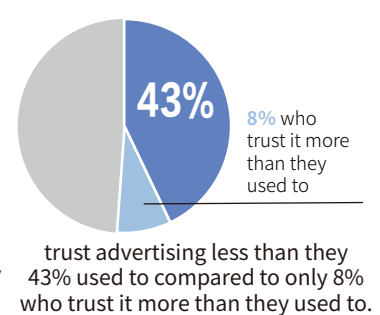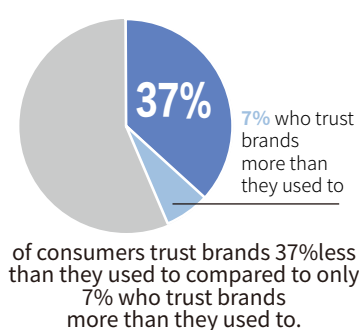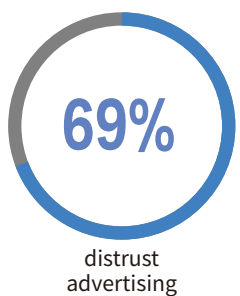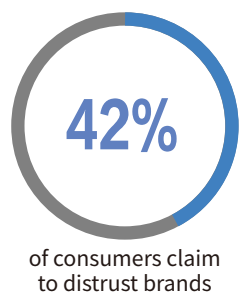
1. The severity of the issue facing brands and advertising

2. What might be driving a growing feeling of distrust

3. How brands and advertising can regain it

Brands and advertising - challenging times ahead

Our extensive country wide multi stage study has revealed that the British consumer feels they can trust almost nothing, that trust is in crisis, and that there is little faith in the traditional holders of power and influence.

We believe this world view is impacting perceptions of brands and advertising; we need to confront this new mindset head-on in order to truly build valuable connections with today's consumer.

We found that:

42% of consumers claim to distrust brands

69% distrust advertising

37% 7% who trust brands more than they used to
of consumers trust brands 37% less than they used to compared to only 7% who trust brands more than they used to.

43% 8% who trust it more than they used to
trust advertising less than they 43% used to compared to only 8% who trust it more than they used to.

Steve Jobs once famously proclaimed, 'A brand is simply trust'. Like so many others, he recognised its critical importance to brand loyalty; six in ten (61%) consumers claim they have become more loyal to the brands they trust. With the industry facing such a significant challenge, understanding what's driving the decline will be fundamental to helping brands rebuild relationships with their consumers.

In this paper we'll outline what we have identified as the four key reasons we are seeing a crisis in trust, and importantly what brands and advertising needs to do to rebuild that trust.
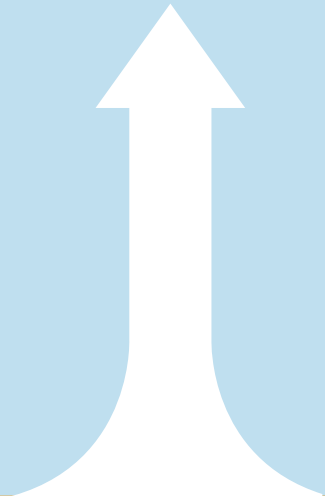
1．Cynical Britain - the new complexities of trust

Our research suggests that the default position for British consumers is that everything (and everyone) has to work harder to gain trust.

There is a strong feeling that increasingly, the starting position when presented with any information, is one of scepticism and even cynicism;

And it is the impact of the internet, and the consequent proliferation and dissemination of information, that is seen to be a key driver behind this more cynical outlook. Arguably, in the pre-internet era, the choice to trust something was a more binary one – you either trusted it, or you didn't.

> "I start out being cynical now."
>
> (Liverpool, Female)

The reality now is very different for two main reasons:

a) The influence and power of traditional gatekeepers of content and news influence has been eroded with the explosion in content sources. The traditional voices of authority and hierarchies of news and content have been undermined by the internet.

b) In essence the internet has turned us into a nation of researchers. All consumers can now fact check and cross reference anything whether it be a news story or an advert. And this ability to check has built cynicism as consumers investigate multiple sources to reach what they consider to be the 'truth'.

Crucially, for many, the idea of a universal truth no longer exists

> "with the web it becomes apparent that there is often more than one truth… I was taught the idea of facts but now I believe they are theories"
>
> (Newport, Female)

2．Brands are part of the Establishment - and this is a problem

Our research showed that most people understood the 'Establishment' to include 'big business'. And in fact, 38% of people give brands a score of 7+ on a scale of 0-10 where 10 is 'completely establishment' 7 : This means for many, brands and advertising are considered to be part of a small elite.

This wouldn't be a problem if perceptions of the 'Establishment' were positive or at best neutral. However, we know from Brexit,

and our own research, that amongst many the word or concept is often used as a pejorative term for excessive power and influence. Our research demonstrates that the 'Establishment' is generally considered to be remote, unreachable, abstract and self-serving. This is confirmed in data drawn from the Ipsos Global Trends Survey, "there is a very clear and growing sense that regular people feel they are being left behind by establishment and political elites that don't understand or care about them."

We found a clear conflation of big business with power and its institutions, partly due to high profile stories around corporate 'bad behaviour' with employees being seen to suffer so shareholders can profit. These stories are having an impact on perceptions of the advertising industry which is seen to be 'usually serving big business', and with an expectation that it will 'lie and manipulate to make profit' (Coventry, Male).

What seems to be at the heart of many people's sense that big business and brands are part of the Establishment, (and therefore part of the problem) is the impact of globalisation. And for many in our research this was encapsulated by what they see as the decline in their high streets, (something that many of our qualitative respondents talked about) and a feeling that their local communities have been left behind by an anonymous powerful Establishment that doesn't care.

As a consequence of this general feeling of antipathy towards the Establishment, we are seeing a 'retrenchment' from the impact of globalisation and a turning inwards towards what people feel is safe and can be trusted.

Brands, and the advertising industry as a whole, need to acknowledge and address this generalised feeling of distrust in the Establishment, which is very real, particularly, as we shall see, outside London.

3. Brands are out of touch - and not connecting outside London

Across our qualitative sample the same complaint cropped up again and again: Brands and advertising are perceived to be out of touch and too London centric. Even though advertising does reflect (or at least attempt to reflect) life across Britain, people still don't perceive their own lives to be represented in advertising. Interestingly this is irrespective of demographics, and is exaggerated outside London.

Outside the capital, (and overlapping with ideas about the Establishment) we are seeing a 'them and us' mentality, particularly amongst older people. People outside London are more likely to say brands don't understand what it's like for people living in Britain today (32% vs. 24%).9 Alongside this, in a separate analysis of over 50 brands in the UK, people outside London are 21% more likely than people living in London to say brands don't aim their advertising and marketing at people in their local area.

And amongst those that trust brands less than they used to, there is a greater feeling that brands can't empathise with them and 'don't understand what it's like for people living in Britain today' (39% agree).

This feeling needs to be taken seriously by brands and advertisers because it exacerbates people's ideas of brands as faceless corporations that don't care about, or attempt to understand, the very people they are trying to sell to. As a participant in Liverpool said, 'Northern folk tend to be forgotten when creating adverts'. There is a sense that advertising strives to be aspirational, but simply ends up fabricating reality. This only contributes to a feeling of scepticism around the advertising industry.

In contrast with our sample outside London, our Londoners were more able to identify with much of the advertising they see and felt less strongly that advertising was out of touch. We did not see the same level of break down in trust, and there seemed to be overall less cynicism towards brands and advertising as a whole: They are more able to identify with much of the advertising they see, precisely because it tends to be set in the surroundings they inhabit.

4. Brands are undermining their own credibility

In a world where facts can be checked in a matter of seconds and brands can be researched at the click of a button, it is more important than ever that brands are seen to be behaving responsibly. Consumers have certain expectations about how brands should behave, and are quick to change their perception based on brands actions.

These fall into three areas:

Bad business practise:	Whilst our participants struggled to think of examples of 'good' brand behaviour, they were able to elaborate at length, unprompted, about brands and 'big business' behaving badly – tax evasion and exploitative business practise being most widely discussed.
Purpose over claim:	As brands move from propositions to 'purpose', they leave themselves open to scorn from 'cynical Britain'. With a cynical starting point, and with the ability to easily check on brand behaviour, a brand's purpose is viewed as inauthentic until people have seen it put into action with their own eyes. This perceived lack of authenticity is having a profound impact on trust, because 58% of adults don't trust a brand until they have seen 'real world proof' that they have kept their promises.
Budget brand behaviour:	Digital has opened up a relatively new advertising channel, which brands are desperately trying to determine how best to use and measure. As a consequence, they have fallen into 'budget brand' behaviours that they wouldn't dream of implementing in more traditional media. Consumers recognise this, describing sneaky tactics and pushiness, as aggressive retargeting follows them in all sorts of non-premium contexts. 40% associate brands with being 'pushy' and 57% of adults agree that brands should be more careful where they place their advertising.

Summary

As we have seen, Brexit and the recent general election have underlined a significant (and more unpredictable) shift in the national outlook. What we have seen is a breakdown in trust between the Establishment and the general population, arguably driven by the combined forces, and impact of, globalisation and the internet.

We have, in this study, demonstrated that this new fault line in British society is impacting on perceptions of, and trust in, brands and advertising. And we have highlighted the four key areas that we believe are impacting most significantly on trust in advertising and brands.

But what can brands and the advertising industry do to increase trust? Is it an impossible challenge?

It is clear that whilst we as an industry are observing the shifts in the British mood and outlook, we are not addressing what it means for us, how we view ourselves or how we behave. It is becoming ever more tough to convince consumers about a brand's positioning and authenticity. And this backdrop of cynicism and questioning means that all but the super brands struggle to project their values convincingly, and even super brands risk falling from their pedestal. Despite a brand's best efforts consumers are more able than ever before to ignore even the most compelling and legitimate brand truths.

There are no easy answers in this brave new world. But we have identified three key areas brands need to confront in order to ameliorate and challenge the rise of distrust.

KEY considerations

01 Brand Realism to replace Brand Delusion

Over inflated brand propositions may well have succeeded in the past, when hyperbole, exaggeration and blockbuster ads were enthusiastically lapped up by consumers. But times have changed and in this postfactual era, consumers are more likely to be drawn to 'believable brands'. Marketers need to be ruthlessly honest on how convincing their proposition or purpose is, moving from fantasy to reality in order to be convincing 'truth-tellers' for consumers.

02 Anecdote-telling to replace Story-telling

If it was once the marketers' job to amplify a brand truth, now is the time to prove a brand's truth. It's no longer enough to tell people what you stand for. You have to actually stand for it - stand up for it - and demonstrate it in real world action. If you're a brand about thanking, how have you thanked? If you are a brand about sharing, how have you shared? And if you are a brand about love how have you loved? This can no longer sit on the side lines of ad-hoc surprise and delight or experiential. It has to be at the heart of how you live and breathe, and be witnessed by the many, not the few.

03 Explicit geo targeting to replace implicit geo targeting

Of-course most brands are not London centric. But that doesn't mean that consumer perception recognises this. Explicitly demonstrating to your audience that you are talking to them - on their turf - will go a long way to dispel the London and establishment prejudices that exist. We believe this can have a disproportionate effect on brand affection, attribution and affinity.
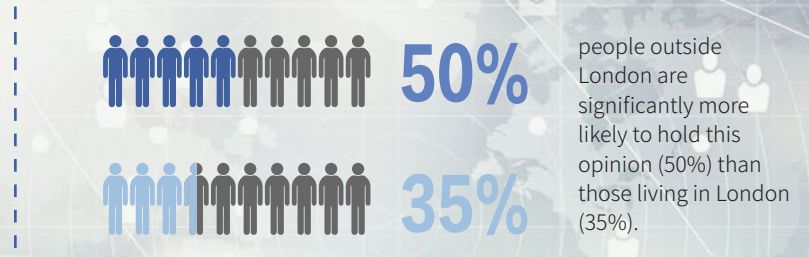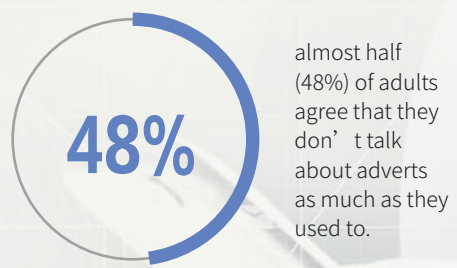
One more thing to consider:

Advertising is not considered to be shaping popular culture

As a consequence of everything we have discussed, the undermining of trust in brands and advertising leads us to perhaps our most controversial finding:

> **Advertising seems to be less part of the cultural conversation.**

Our observation is that advertising is no longer considered to be a central part of popular culture – shaping the conversation in the way it has in the past. Part of this is, of course, down to the fragmentation of media consumption but it is our view that the other factors we have identified are having a bearing on advertising being seen as less relevant to people.

48%

almost half (48%) of adults agree that they don't talk about adverts as much as they used to.

50%

35%

people outside London are significantly more likely to hold this opinion (50%) than those living in London (35%).

To some extent 'water cooler' conversation has been replaced by more social media chatter. However, when we think 'everyone' is talking about an advert or a campaign, based on the amount of 'conversation' generated through social media, this may not necessarily be the best barometer of what is happening amongst the whole population.

The uncomfortable truth is that people are nowhere near as informed about advertising as the industry thinks; 60% of people in GB have never heard of the recent Kendall Jenner Pepsi advert which caused such controversy within the industry, and only 18% have seen it. This only reinforces the argument that brands and the advertising industry are often marketing inside their own echo-chamber.

This undoubtedly has implications; as those who consider advertising to be part of popular culture tend to have higher levels of trust in brands overall.

48%

48% agree that they don't talk about adverts as much as they used to

60%

have never heard of the recent Kendall Jenner Pepsi advert 60%