

COVID-19 bolsters trust in tech brands

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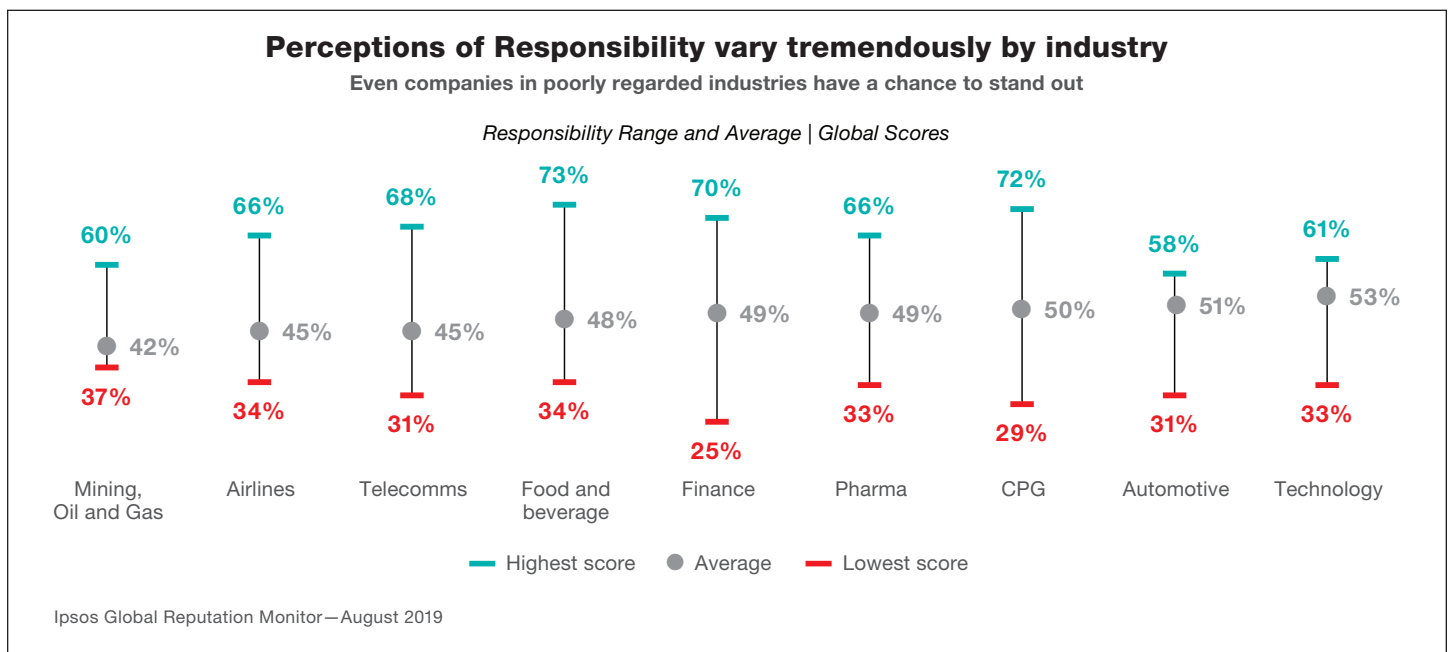
by **Emmanuel Probst**, Senior Vice President, Brand Health Tracking

Confined to their homes, consumers interact with tech brands more often and across a wider range of services. Most importantly, people increasingly rely on tech to keep in touch with family and friends, educate themselves and stay informed about the crisis. The trust people placed in tech brands had been consistently eroding since the Cambridge Analytica scandal. Today, Ipsos data shows a significant rebound in trust for both tech and social media brands.

Consumers hold the tech industry responsible

Ipsos Global Reputation Monitor brings to light that consumers perceived tech as the industry that needs to act the most responsibly and do good for the world, even prior to the COVID-19 crisis. This study also shows that responsibility contributes to trust and the willingness of consumers to pay a premium.

Furthermore, this same study reveals that brands that take a stand on issues such as COVID-19 are much more likely to be viewed as responsible.



People increasingly rely on tech, across a wider range of tasks

Stuck at home, people interact with tech brands more often, across a wider range of touchpoints. The Ipsos Commercial Survey reveals that 44% of participants spend more time using social media, 41% more time streaming and 33% more time on video chat.

Also, the COVID-19 crisis prompts people to try new tech-based solutions that they had not used before. The Ipsos Commercial Survey shows that 14% of participants used video chat for the first time, 10% ordered from restaurants and 9% ordered groceries. And most are planning to keep on using these services once the crisis is over.

Furthermore, the role of tech brands is changing. Prior the COVID-19 crisis, consumers largely relied on tech for self-actualization. That is, people often used internet and social media platforms and smartphones to plan travel and events, to keep in touch with fashion trends or to simply entertain themselves.

Today, people increasingly rely on tech brands to fulfill essential and meaningful needs, such as ordering supplies, staying informed about the pandemic and keeping in touch with friends and family.

Tech brands have been doing good in time of COVID-19

Since the outbreak began, tech brands have doubled down on initiatives to support businesses, the community and their employees through the crisis.

- Facebook sprung upon the opportunity to rehabilitate its reputation, donating \$100 million in grants to 30,000 small businesses.¹
- Apple announced its intention to donate 10 million N95 face masks to healthcare workers in the U.S. and Europe to combat the virus. Fellow tech giants Facebook, Tesla, SoftBank and others also announced smaller mask donation initiatives of their own.²
- Amazon has spent \$5 million supporting small businesses in the Seattle area (especially hard hit by the virus), donated 800 laptops to public schools in the area, and raised workers' hourly and overtime pay. Earlier this month, CEO Jeff Bezos also announced a \$100 million donation to U.S. food banks.³

In addition, big tech companies are ramping up recruiting and hiring efforts as other businesses continue to lay off millions of employees. Amazon is looking to hire close to 200,000 new employees, Facebook announced plans to hire 10,000 new employees by the end of the year, and Apple and Alphabet have both significantly increased their job postings as well. Apple and Alphabet did the same during the 2008 recession and dot-com bust.⁴

¹ Facebook Is Giving Out \$100 Million in Small-Business Grants. Here's What to Know--and What the Rest of Big Tech Should Learn

² Apple CEO Tim Cook says the company is donating 10 million masks to healthcare workers in the US. SoftBank and Other Tech Companies Donate Masks as Hospitals Struggle to Find Them

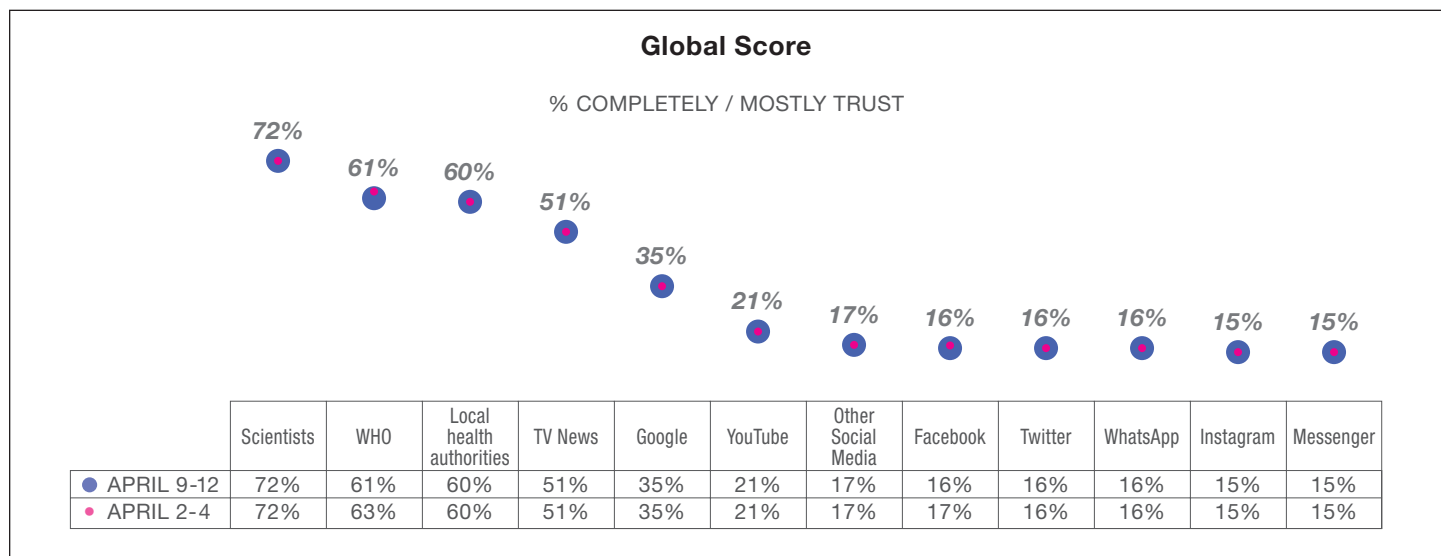
³ What is Big Tech Contributing to Help Fight COVID-19? Jeff Bezos is donating \$100 million to American food banks

⁴ Looking for a Job? Big Tech Is Still Hiring

Looking ahead

To sum up, consumers interact more with tech brands and rely on them to fulfill essential and meaningful needs. On their end, tech brands endeavor to do good for their users, employees and the community.

The payoff is that trust in tech is sharply increasing. Of the participants to the Ipsos Commercial Survey, 20% now have more trust in Apple, Amazon and Google. Furthermore, the Ipsos Covid-19 tracker shows that 35% of participants trust Google and 21% trust YouTube to keep them informed about the pandemic.



That said, past events such as the Cambridge Analytica scandal and data breaches have shown that trust in tech brands can erode in a matter of days. To keep growing and to maintain trust past COVID-19, tech brands should understand users' changing needs, closely monitor attitude and brand sentiment and capitalize on new users' behavior. Tech brands must also keep demonstrating their values, in particular, their willingness to support the community in good and bad times.

Contact

Emmanuel Probst, Senior Vice President, Brand Health Tracking
Emmanuel.Probst@ipsos.com

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