

Gustavson Brand Trust Index (GBTI)

May 2019



Gustavson
School of Business
University of Victoria

AGENDA



Dean's Message



Highlights from the
2019 GBTI



Canada's Most
Trusted Brands



Brand Trust Movers
& Shakers



Methodology

Dean's Message



Every year, the Gustavson School of Business provides new insights into consumer behavior and brand perceptions in Canada. Now in its fifth year, our Brand Trust Index continues to highlight the importance of a company standing up for its values, through its words and its actions, and the effect this has on consumer trust. We show that failures on this front can have a strong impact on consumer trust overall and on the willingness to recommend a brand.

No organization is perfect and mistakes happen. What may be more important than a failure itself are the reasons for the mis-steps and how brands respond. Consumers are more willing to forgive when the causes are external to the company and when the brand acts quickly and positively.

The insight is evidenced by MEC, leading this year's ranking despite having taken flak for a lack of diversity in their advertising. MEC's adept response to the concerns raised allowed them to retain consumer trust. As consumers pay closer attention to a brand's values and its social responsibility, being honest and authentic, and communicating a plan of action when faced with criticism, makes all the difference.

With consumers, employees and investors all looking to support companies who deliver positive social change alongside financial returns, the nature of 'brand trust' is evolving. The questions that all businesses must then ask, are: Are we ready for the change and how do we build and retain trust in our brands?

SAUL KLEIN

Dean of the Gustavson School of Business

Lessons To Learn from the 2019 GBTI Results

- While trust in key institutions has eroded significantly over the past few years, the average brand trust score for all brands surveyed in the 2019 trust index has gone up compared to last year.
- Brands that violate our trust through active malfeasance or a lack of transparency remain mired at the bottom of our rankings.
- Female consumers are more trusting than their male counterparts, while millennials are less trusting compared to any other generation.
- Values-based trust continues to be a key area for brands to differentiate themselves in garnering customer loyalty.
- 8 out of 10 brands at the bottom of the Gustavson Brand Trust Index also ranked among the brands that Canadians are least likely to recommend.
- Consumers are less forgiving if high level malfeasance is involved and the brand is slow to admit its errors or to provide appropriate remedies.



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Social media continues its slide

- Once seen as a boon to free speech, social media have allegedly become a platform for manipulating and consuming attention. In parallel, the average of social media channels' brand trust score fell in the 2019 Gustavson Brand Trust Index.
- Facebook came in at the very bottom of our rankings, while Instagram, Snapchat, and Twitter joined Facebook among the ten least trusted brands in Canada.
- Rather than representing strong, new alternatives to traditional channels, social media have become much less trusted than traditional media, with a sizable difference in their overall BT scores.
- Not only did the overall brand trust scores of the social media brands take a hit, but also their values-based trust scores fell drastically. Facebook's value based trust had the most significant loss amongst consumers, however Snapchat and Instagram also experienced a decline in the standings.
- Out of 313 national brands evaluated, five brands including Facebook and Snapchat received negative brand trust scores.



CANADA'S MOST TRUSTED BRANDS

TOP 10 BRANDS



CATEGORY LEADERS

Rank 2019	Canada's Top 10 Most Trusted Brands for 2019		Rank 2018	Brand Trust Score Change
1		Mountain Equipment Co-op (MEC) BT 2019: 59	2 ↑	→
2		Canadian Automobile Association BT 2019: 58	1 ↓	↓
3		Costco Wholesale BT 2019: 57	3 →	↑
4		Home Hardware BT 2019: 53	22 ↑	↑
4		Home Depot BT 2019: 53	8 ↑	↑
6		Fairmont Hotels & Resorts BT 2019: 52	4 ↓	↓
6		Band-Aid BT 2019: 52	16 ↑	↑
6		Shoppers Drug Mart/Pharmaprix BT 2019: 52	7 ↑	↑
9		Interac BT 2019: 51	12 ↑	↑
10		Columbia Sportswear BT 2019: 50	22 ↑	↑
10		Canadian Tire BT 2019: 50	20 ↑	↑

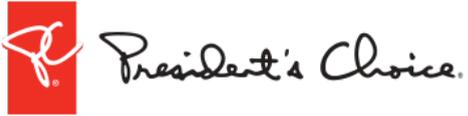
Top-Ranked Brands Tend to be Stable ...With Exceptions

- Retail dominates the top ten list.
- The top three most trusted brands in Canada are membership-based businesses.
- Five new brands made the top ten, namely Home Hardware, Band-Aid, Interac, Columbia Sportswear, and Canadian Tire.
- Canadian retailer MEC, called out for the lack of diversity in its advertising, won back trust by making a public pledge to ensure the same mistake won't happen again.

Most Trusted Brands by Category

				
Alcohol	Appliances	Automotive	Automobile Rental	Beverages
				
Coffee/Tea	Confectionery/Snack Foods	Dairy Products&Alternatives	Delivery Services	Electronics & AV Equipment
				
Financial Services	Food & Drug Retailers	Gas Stations		

Most Trusted Brands by Category

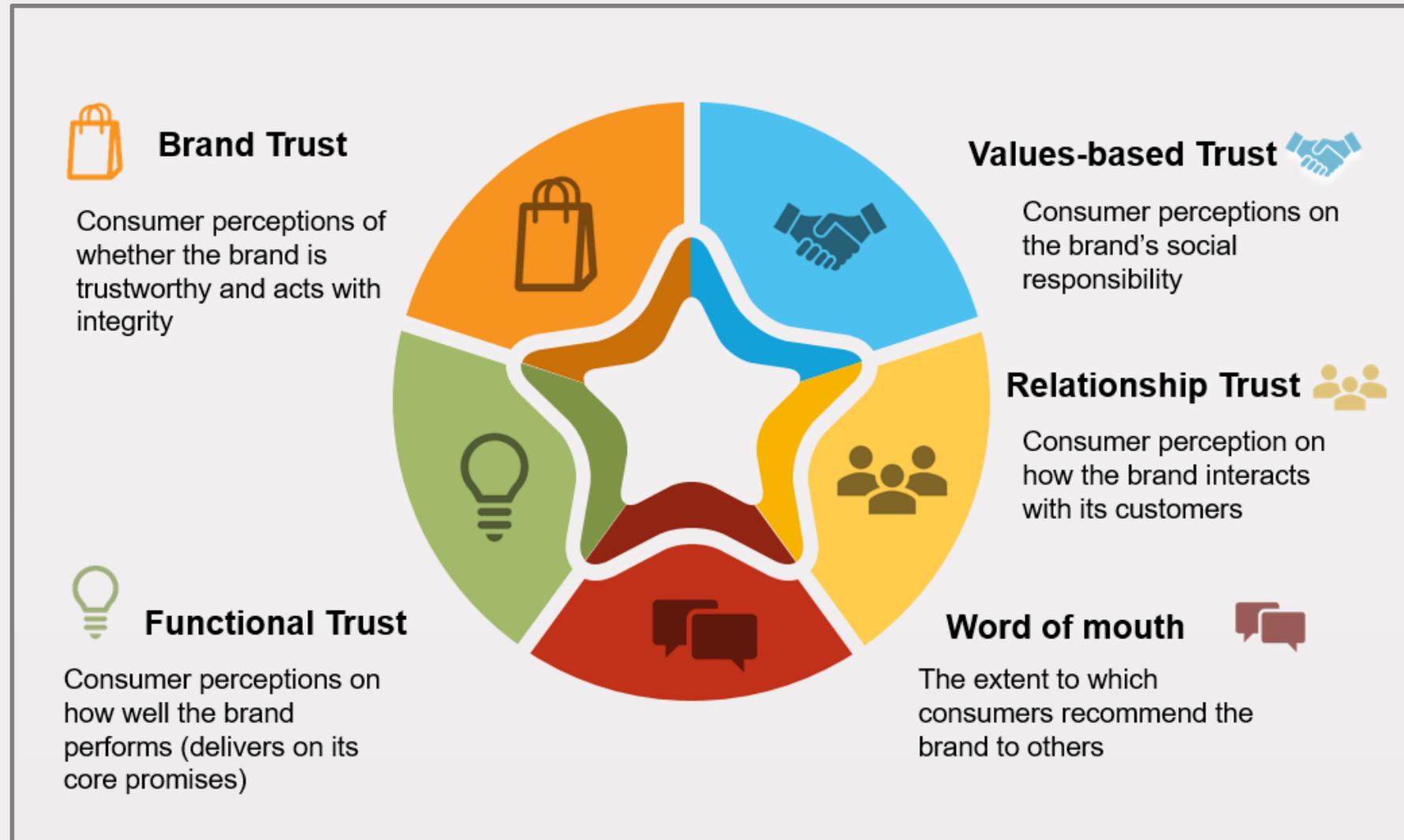
				
Hotels	Household Care	Insurance	Media & Entertainment	Packaged Foods
	 			  
Personal & Beauty Care	Restaurants/Takeout	Specialty Retailers	Sportswear	Technology
				
Telecoms/Cable	Transportation	Travel		

CANADA'S MOST TRUSTED BRANDS

Across Trust Dimensions:

Top Brands Maintain Trust in Dimensions

How are we measuring Trust?



FUNCTIONAL TRUST



FUNCTIONAL TRUST: Top 3 Most Trusted Brands



AMAZON

Rank 2019: 1
Rank 2018: 6



BAND-AID

Rank 2019: 1
Rank 2018: 13



COSTCO

Rank 2019: 1
Rank 2018: 2



VALUES-BASED TRUST



VALUES-BASED TRUST: Top 3 Most Trusted Brands



Mountain Equipment Co-op

Rank 2019: 1
Rank 2018: 1



CBC

CBC / Radio Canada

Rank 2019: 2
Rank 2018: 2



AGROPUR

Agropur

Rank 2019: 3
Rank 2018: 19

RELATIONSHIP TRUST



RELATIONSHIP TRUST: Top 3 Most Trusted Brands



COSTCO

Rank 2019: 1
Rank 2018: 2



Canadian Automobile Association

Rank 2019: 1
Rank 2018: 1



Mountain Equipment Co-op

Rank 2019: 3
Rank 2018: 5

WORD OF MOUTH



WORD of MOUTH: Top 3 Most Recommended Brands



BAND-AID

Rank 2019: 1
Rank 2018: 2



KLEENEX

Rank 2019: 2
Rank 2018: 6



LINDT / LINDOR

Rank 2019: 2
Rank 2018: 4

BRAND TRUST MOVERS & SHAKERS

Stories from the Field

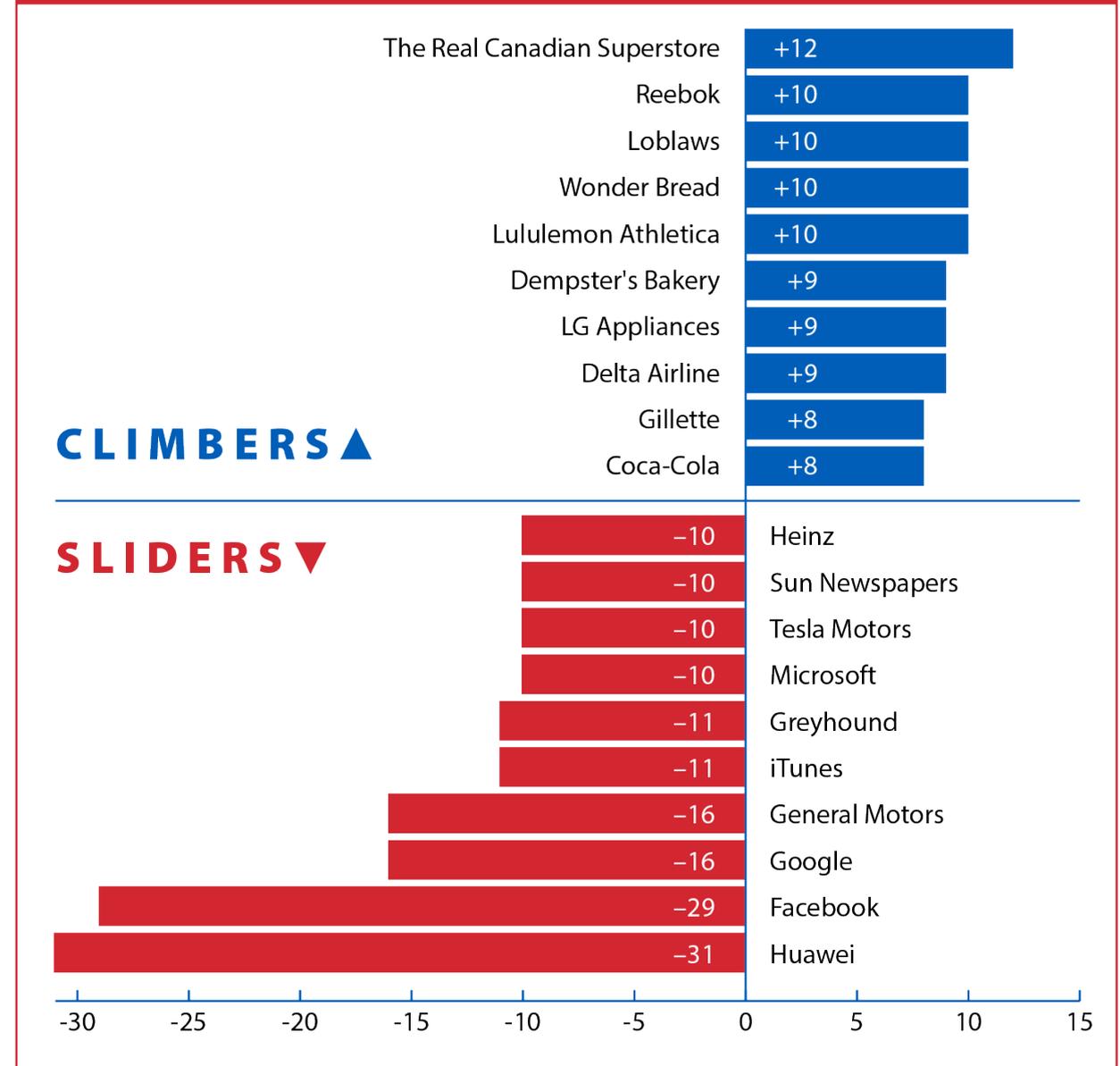
Some Brands Recover Lost Trust...

- Loblaws started recovering its drastic fallout following the bread price-fixing issue.
- We attribute the increase in Gillette's score to the brand's hard-hitting ad campaign which challenged overt masculinity, addressed bullying and sexism, and responded to the #MeToo movement.

... while Others Fall Out Of Favor

- Facebook saw a 29 point decrease and came in at the bottom of our rankings.
- Huawei's sudden and drastic fall may show how consumers may be responding to the concerns about information security.

Brand Trust Score Change 2018–2019 (in points)



Tesla keeps falling out of favor with Canadians

- Tesla Motors, carrying high hopes for a sustainable future, has enjoyed a great deal of goodwill from consumers. In 2016, it ranked 1st among auto manufacturers and 11th overall on brand trust.
- By 2017, the company's rank slipped to 6th among automakers and 14th overall. Ahead of CEO Elon Musk's verbal miscues, the company had already dropped to 32nd on the Index in 2018.
- This year, Tesla continues to downshift in terms of trust as the brand, once again, slipped from 6th place in the automotive category down to 12th, and 136th overall.
- GBTI also measures beliefs that the brands communicate fairly with us. Tesla received a lower score on this attribute compared to its score last year.
- Still ranked as the most innovative and the most eco-friendly brand according to the GBTI 2019 results.
- Lagging badly in terms of word of mouth recommendations (at # 158 in 2019 and # 102 in 2018).



Can Brands Win Canadians' hearts and minds by playing a positive role in society?

- Compared to the 2018 GBTI results, Gillette saw an increase in its values-based trust score (VBT), which represents four trust attributes, namely protecting the environment, caring about the wellbeing of society, supporting local community, and treating employees well.
- Closer inspection of the brand's VBT score shows that this growth is mainly driven by the score Gillette received for caring about the wellbeing of society, which has significantly risen.
- Gillette took a huge calculated risk in launching the controversial ad addressing toxic masculinity a couple of weeks prior to when the GBTI survey was conducted.
- We suspect that its brave action translated to a positive impact on the GBTI score which measures the perception of Gillette for caring about the wellbeing of society.
- Interesting enough, the values-based trust that female consumers hold in the brand went up this year, while male consumers scored the brand less than they did on this dimension last year.



Belt-tightening at the expense of trust erosion

- In 2018, on the heels of scandals about its treatment of employees, Tim Hortons collapsed from #27 to #203 out of almost 300 brands surveyed. Given the brand was voted the most trusted brand in Canada according to the GBTI 2015 results, this dramatic fallout came as a surprise to everyone.
- This year, Tim Hortons climbed 67 places to 136th although the brand is still nowhere near its former iconic status.
- The score Tim Hortons received for its innovativeness also declined compared to the 2018 results.
- After cutting paid breaks, paid benefits, and other incentives as a result of the province's minimum wage hike in Ontario, the iconic brand had come under fire for its mistreatment of employees. This year, there has been an improvement in its employee treatment score.
- In terms of its local community support, what was once seen as one of the great values that define the food and coffee chain as the Tim Hortons brand, the brand saw an increase in this year's score.



CANADA'S MOST TRUSTED BRANDS

Top 50 Brands

Top 50 Brands

									
Mountain Equipment Co-op	Canadian Automobile Association	Costco	Home Hardware	Home Depot	Fairmont Hotels & Resorts	Band-Aid	Shoppers Drug Mart/Pharmaprix	Interac	Columbia Sportswear
									
Canadian Tire	Kleenex	Chapters / Indigo	President's Choice	Toyota	CBC / Radio Canada	Tylenol	IKEA	Agropur	Dove
									
Amazon	Sony	Marriott Hotels	Liberté	Roots Canada	Purolator	Kicking Horse Coffee	Mark's Work Wearhouse	Lindt / Lindor	Gillette
									
VIA Rail	The Keg Steakhouse	A&W	Michelin	Cirque du Soleil	DAVID'sTEA	Canon	Colgate	Tide	Honda
									
FedEx	Visa	Bose	Laura Secord	Quaker Oats	Delta Hotels	IGA	Crest	Maclean's Magazine	Holiday Inn

Gustavson Brand Trust Index (GBTI)

Our Methodology

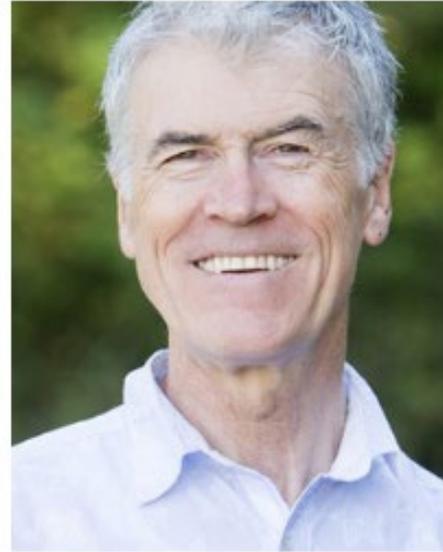
- 7200 Canadian adult consumers aged 18+ responded
- Respondents were statistically representative of the Canadian population
- Via online questionnaire, each respondent rated 20 brands that were randomly generated
- AskingCanadians managed the online survey
- Fieldwork occurred between February 5 – February 27, 2019
- Our index is scored from a theoretical -100 to +100 points, where a score of -100 would mean total distrust (indicating that no respondents trust the brand at all) and +100 total trust (i.e., no respondents distrust the brand)
- Measures are based on net scores of the differences between the proportion of respondents who trust and those who distrust individual brands



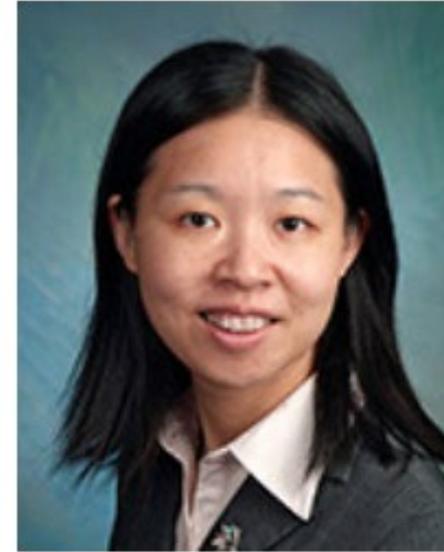
Meet the GBTI Core Team



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THANK YOU

For more information on the GBTI, please visit uvic.ca/gustavson/brandtrust or
contact: gustavsontrust@uvic.ca



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The opinions expressed herein are based on an analysis of publicly available information combined with the data collected.

The Gustavson Brand Trust Index is the only study done by an academic institution on how consumers trust brands. As we see this as a public service in the interests of promoting responsible management, there is no fee associated with the brand inclusion process.

