



Better Business Bureau

BBB/Gallup Trust in Business Index

Executive Summary - Survey Results Consumers' Rating of Companies They Regularly Deal With

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RESULTS FOR THE TOTAL DATASET ARE BASED ON TELEPHONE INTERVIEWS WITH 1003 ADULTS, AGES 18+, NATIONWIDE, CONDUCTED March 26 – April 20, 2008.

FOR RESULTS BASED ON THE TOTAL SAMPLE, ONE CAN SAY WITH 95% CONFIDENCE THAT THE MARGIN OF SAMPLING ERROR IS ± 3 PERCENTAGE POINTS.

Executive Summary

Introduction

This summary report is based on the findings of Survey II of a research program conducted by Gallup on behalf of Better Business Bureau.

These findings are part of the ongoing BBB/Gallup Trust in Business survey commissioned by BBB and underwritten by Visa. Gallup fielded the survey March 26 to April 20, 2008. The sampling included 1,003 respondents, 18 and older, randomly selected from across the U.S. Data herein is referred to as "Survey II" - Gallup fielded the first survey (herein "Survey I") August 22 to September 8, 2007. The sampling for Survey I included 1,204 respondents, 18 and older, randomly selected from across the U.S.

The overall sampling error in the results for both Survey I and Survey II is plus or minus three percentage points. For findings based on subgroups within the overall population, the margin of sampling error would be greater.

BBB Survey Objectives

- To provide a comprehensive examination of how consumers define trust
- To determine how trust impacts consumer decisions to become customers, and;
- To identify emerging needs and actions that businesses can use to address consumers' concerns

Survey Findings – Highlights

- Over a six-month period – September 2007 to April 2008 – the amount of TRUST Americans have in the businesses they deal with everyday – including 15 selected industry groups – has declined on average by 14%.
- Declines took place in 13 of the 15 industry groups surveyed:
 - The largest declines in TRUST of 19% were experienced by real estate brokers and auto dealers;
 - Double-digit declines in TRUST also took place in department stores (16%), gas stations (15%), furniture stores (14%), banks (12%), home improvement stores (11%), auto repair shops (11%), and contractors (11%), and:
 - Declines in TRUST also took place in drug stores (9%), grocery stores (7%), office supply companies (3%), and electronics and appliance stores (3%).
 - TRUST was unchanged among health care insurers and increased in cell phone and wireless service providers.
- There have been decreases in the percentage of consumers saying they trust most of the 15 industries measured compared to the previous survey conducted six months prior. Though not all of these decreases are statistically significant, the exceptions are:
 - Pharmacies and drug stores (from 65% having "a great deal or quite a lot of trust" to 59% currently)
 - Banks & financial institutions (48% vs. 42% currently)
 - Department stores (37% vs. 31% currently)
 - Home improvement stores (46% vs. 41% currently)
 - Grocery stores and supermarkets (59% vs. 55% currently)

- Gas stations (26% vs. 22% currently)

Industry Specific Summary

- **Pharmacies and Drug Stores**
 - Is one of the highest rated industries, but down significantly from Survey I – from 65% having a great deal or quite a lot of trust to 59% currently. The drop is largely due to a decrease in trust among men, those 65 and older and those with no college education. Currently women rate this industry higher than men – especially women 50 years of age and over. Those reporting HH income of \$75K or more have a higher level of trust than do those with HH income between \$30K and less than \$75K.
- **Grocery Stores and Supermarkets**
 - This industry is down since Survey I – from 59% to 55% having a great deal or quite a lot of trust. This drop occurred among all demographic groups. Currently those age 65 and older have the highest level of trust (60%) as do those with a HH income of \$75K or more (60%).
- **Banks, Financial Institutions**
 - Are down significantly from Survey I (48% to 42% great deal or quite a lot of trust). The decrease is due in large part to a decrease in trust among those between the ages of 35 and 64 and those with HH incomes below \$30K. Currently, men have a much lower level of trust than women (37% to 48%). And males 50 and older have the lowest level of trust (33%). Those between the ages of 35 and 64 have a lower level of trust than those younger than 35 or those ages 65 and older. Perhaps surprising, no significant educational or income differences are noted.
- **Home Improvement**
 - This industry is down since Survey I – from 46% with a great deal or quite a lot of trust to 41%. The decrease in trust is due in large part to a decrease in trust among women, those between the ages of 18-34 and those with no college education. Currently, women have a higher level of trust in this industry than do men (50% to 42%).
- **Department Stores**
 - Only 3 in 10 have a great deal or quite a lot of trust in this industry. Also down significantly since Survey I – from 37% to 31% great deal or quite a lot of trust. This is due primarily to a decrease among women and those with no college education. Currently, women have a somewhat higher level of trust than men (33% to 28% great deal or quite a lot).
- **Office Supply Stores**
 - Overall, no significant change in ratings from Survey I to Survey II (34% to 33%). Those with college education have more trust in this industry than do those with no college background (38% to 28%).
- **Electronics/Appliance Stores**
 - Overall, no significant change in ratings from Survey I to Survey II (29% to 28% great deal or quite a lot of trust). Young adults (18-34 years of age) have the highest level of trust (37%) while those in the next age group (35-49) have the lowest level of trust (19%) in this industry.
- **Contractors/Plumbers/Electricians/Roofers**
 - Down from Survey I (27% to 24% great deal or quite a lot of trust). The decrease between Survey I and Survey II is primarily due to a decrease among those with no college education. Currently, those in the age group of 35-49 tend to have a lower level of trust in this industry than other age

groups. (18% vs. 23-29%). Those reporting HH income of \$75K or more tend to have a lower level of trust than those with HH income of less than \$75K (18% to 22%-29%)

- **Auto Repair Shops**
 - Down from Survey I to Survey II (27% to 24% great deal or quite a lot). Those 65 years of age or older showed the greatest decrease in trust between Survey I and Survey II. Currently, women have a much higher level of trust in this industry than do men (28% to 20%). Those in the 35-49 age group have the lowest level of trust in this industry (18%).
- **Healthcare Insurers**
 - No change in ratings from Survey I to Survey II (26% both surveys). Those 65 years of age and older have a higher level of trust in this industry than all other age groups (43% great deal or quite a lot to 20-24%). Those with HH income under \$30K have a higher level of trust in this industry than do those with a higher HH income level (40% to 21-24%).
- **Gas Stations**
 - Trust in gas stations is down from Survey I (26% to 22% great deal or quite a lot). The decrease is due to a decline among all demographic groups – with those having no college education showing the greatest decline. However, given increases in the cost of gasoline, these results suggest that Americans are not necessarily blaming gas stations for the prices. Those reporting HH incomes under \$30K have the highest level of trust in this industry (29%).
- **Furniture Stores**
 - Overall, there is a decrease since Survey I in trust of this industry (22% to 19% great deal or quite a lot). However, those with no college education are much less likely in Survey II to have trust than in Survey I. Women have a higher level of trust than men in this industry (23% vs. 16%).
- **Cell Phones and Wireless Service**
 - This is one of the few industries that did not experience a decline in ratings – from 21% in Survey I to 23% in Survey II. Those 65 years of age and older have the highest rating in this industry of the demographic groups examined (22% great deal or quite a lot).
- **Real Estate Brokers**
 - Trust in real estate brokers is down from Survey I (16% to 13% great deal or quite a lot of trust). Women have a higher level of trust in this industry than do men (16% vs. 10%). Adults 65 years of age and older tend to have a higher level of trust in this industry than do those under age 65 (19% vs. 11%-12%).
- **Auto Dealers**
 - Trust in auto dealers is down from Survey I (16% vs. 13% great deal or quite a lot). Adults 65 and older have a higher level of trust in this industry than those under 65 (22% vs. 9% to 11%).

Additional Survey Findings

- Increasing prices for food, energy, and health care – pointed to by 77% - leads the list of factors playing a major role in driving the decline in TRUST in companies consumers do business with everyday.
- The top two actions CEOs and their company's could take to increase Americans' TRUST in businesses they deal with everyday:
 - 72% point to "doing a better job delivering on their promises" and;
 - 70% point to "standing behind their company's advertising."