

GUSTAVSON **BRAND TRUST** INDEX

OPEN

**BUSINESS AS
NEW NORMAL**



**MOST TRUSTED BRAND IN CANADA
MARQUE DE CONFIANCE AU CANADA**

**GUSTAVSON SCHOOL OF BUSINESS
UNIVERSITY OF VICTORIA**



Gustavson
School of Business
University of Victoria

BRAND TRUST INDEX

Dean's Message



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We are proud to present our seventh annual edition of the Gustavson Brand Trust Index, wherein we explore the role brand trust plays in the minds of consumers and employees when assigning their loyalties to organizations and recommending a brand to their friends and family.

The Index demonstrates the importance of businesses managing their brands in ethical, transparent and authentic ways that are good for people and the planet, while still recognizing the need for profits. The Index creates a vehicle for private-sector engagement in societal progress. It thus aligns well with our thought-leadership for good business in the 21st century.

In the past, business has often been viewed as part of the problem in any given crisis. During the COVID-19 pandemic, business is clearly regarded as an essential part of the solution. CEOs are expected to communicate the truth and take action on social issues, from climate change to addressing racial injustice. The greatest beneficiaries of this critical shift will be organizations that demonstrate a good sense of concern for their customers and employees' wellbeing while ensuring their product and supply chain's availability and competitiveness.

Attention is no longer the currency for marketers; consumer trust is. The lingering psychological effects of COVID-19 will shape new consumer behaviours and values well past the pandemic itself. Every company and brand must re-think its relevance, customers and authentic offerings for the post-pandemic marketplace. To that point, institutions, such as business schools, should also re-think how they are preparing business leaders of tomorrow to drive societal change in the new reality and purpose-driven business world, one where lessons based on 2019 may no longer hold.

My team and I look forward to continuing the conversation with you.

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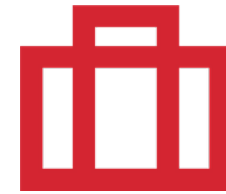
Brand Trust in
Retrospect



Canada's
Most Trusted
Brands in
2021



Top Stories
from the
Field by Trust
Constructs



Stories from
2020
Followed in
2021



Trust is lost in
buckets



How we
Measure Trust
& Our
Methodology



Move the
Conversation
Forward

Executive Summary

CAA (Canadian Automobile Association) came out on top as the most trusted brand in Canada in 2021, with Dyson in the second position and Lego taking the third spot. Rounding out the top 10 most trusted brands are: Interac tied with President's Choice, Costco, Home Hardware tied with MEC, Quaker Oats, Lactalis Canada (formerly Parmalat), Canadian Tire and Indigo/Chapters.

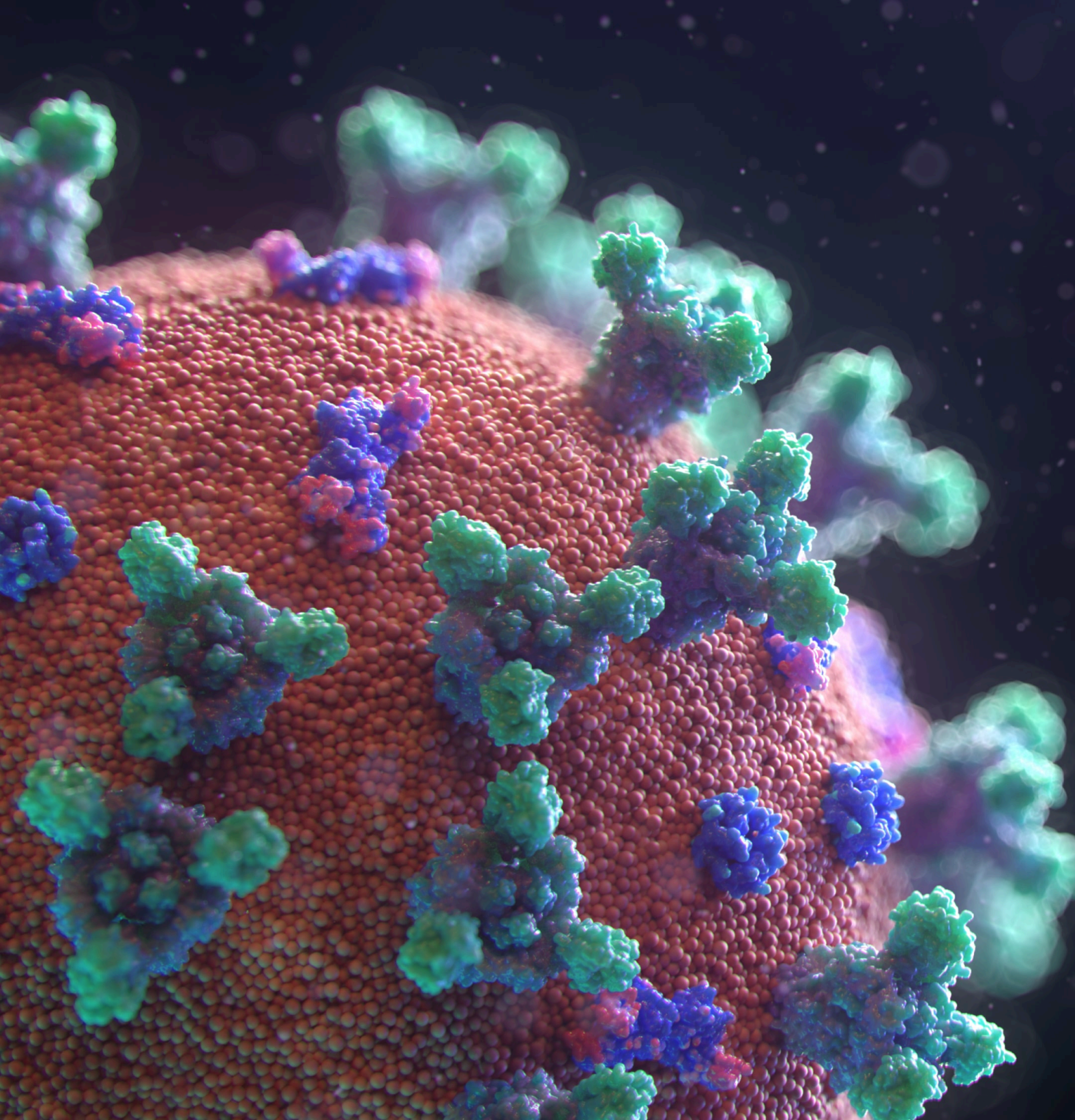
Our index highlights the importance of a company standing up for its values through its words and actions. The average correlation between brand authenticity (values-based trust) and overall trust has significantly increased this past year. Authenticity seems to matter most for media and beverage brands.

The brand trust index also shows that failures in terms of authenticity can have a drastic negative impact on a brand's overall trust among consumers.

An example of this is the dismal performance of Amazon on the Gustavson Brand Trust Index. Amazon's trust scores have substantially declined in the past two years despite consumers becoming more reliant on the company during the pandemic. What's more, we suspect the Amazon effect also hurt the perception of trust for Whole Foods.

Canadian Automobile Association remains Canada's Most Trusted Brand while **Amazon** shows little sign of recovery

- ❖ Among the top trio of brands (Canadian Automobile Association, MEC and Costco) for the previous four years, **CAA** is the only brand that has managed to remain at the top.
- ❖ Higher trust media brands (**Global, CBC, CTV**) saw an early increase in trust during the pandemic, but then lost ground. Social media brands maintained very low trust throughout (Facebook, Instagram, Snapchat, Twitter).
- ❖ The Big 3 Telcos (**Bell, TELUS** and **Rogers**) saw increases in trust throughout the pandemic, as we became more dependent on them.
- ❖ **Dairy** brands averaged the highest trust score in any category, while Agropur recovered strongly from declines last year when they had experienced product recalls.
- ❖ After five years of very low trust due to the emissions cheating scandal, Volkswagen is building back trust with Canadians but remains the least trusted automotive brand.



COVID-19 Trust Impact

Analysis: As brand usage and purchasing frequency of certain brands have increased so have consumer expectations

- ❖ Pandemic effects were short-lived for many brands. Some saw an immediate rise, based on perceptions that they were responding in a socially positive way (e.g. **Air Canada**) but then lost this bump as they were not able to sustain the positivity. Others saw an early fall (e.g. **Visa, MasterCard, AmEx, PayPal**) but recovered well later.
- ❖ Pantry loading and being stuck at home helped packaged food brands drive more frequency and ultimately trust.
- ❖ The global pandemic and the 2021 Index data confirmed that reliability of supply chains impacts consumers' perception of trust.
- ❖ Hotels lost trust early but recovered well as they developed cleaning and social distancing protocols.
- ❖ Values-based trust (authenticity) became a more important determinant of overall trust.

BRAND TRUST IN RETROSPECT

Market Evolution



Authenticity



Affinity



Ability

One finding keeps coming back stronger each year: besides the functional performance of a brand (quality, reliability, value for money) and the way it relates to its customers, consumers also pay close attention to a brand's values and its social responsibility. Values-based trust (authenticity) is becoming a more important determinant of overall trust. This insight is evidenced by 2021 data illustrating the highest correlation between brand trust and authenticity we have seen yet.

2016

Values-based trust is becoming a key area for brands to differentiate themselves from their competitors in garnering consumer loyalty.

2017

Consumers place more value on relationship trust with service-based brands. In contrast, consumers place more value on functional trust with product-based brands.

2018

Social media is less trusted as a news source than traditional media outlets.

2019

Consumers are more forgiving when responded to with honest and authentic remedies.

2020

Consumers' trust in brands is at an all-time low, even as we have become more reliant on certain services and products during the pandemic.



GBTI 2021

Key Takeaways from the 2021 GBTI Results

- Canadians have a high ability to detect whether a brand demonstrates a short-lived act of compassion to take advantage of the pandemic (e.g. grocery stores and Air Canada).
- What started with millennials, but has now become more mainstream, is the significant increase in expectations that a brand aligns with the consumer's humanitarian or environmental beliefs. Earning trust in a purpose-driven economy is achieved through acting with competence and intent, and is lost when these behaviours are not demonstrated (e.g. Amazon).
- While trust in media is at an all-time low in 2021, traditional media continue to be more trusted as a news source than social media outlets.
- Strong communication is a priority for brands seeking to increase consumer trust. If what a brand says is not aligned with its actions, that brand will quickly find itself out of the consumer's consideration set (e.g. Tim Horton's and MEC).
- When a Canadian brand with a strong identity is acquired by a foreign company, it can expose itself to consumer backlash, and eventually see an erosion of trust (e.g. Tim Horton's and MEC).















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CANADA'S MOST TRUSTED BRANDS IN 2021

Most Trusted Brands

Rank 2021	Canada's Most Trusted Brands for 2021		Score Change	Rank 2021	Canada's Most Trusted Brands for 2021		Score Change
1		Canadian Automobile Association 2020 Ranking: 1	↑	7		Home Hardware 2020 Ranking: 9	↑
2		Dyson 2020 Ranking: 4	↑	7		Mountain Equipment Company (MEC) 2020 Ranking: 1	↓
3		LEGO 2020 Ranking: 9	↑	7		Quaker Oats 2020 Ranking: 23	↑
4		Interac 2020 Ranking: 16	↑	10		Lactalis Canada (formerly Parmalat) 2020 Ranking: 70	↑
4		President's Choice 2020 Ranking: 14	↑	10		Canadian Tire 2020 Ranking: 7	↔
6		Costco Wholesale 2020 Ranking: 3	↓	10		Chapters/Indigo 2020 Ranking: 33	↑

Most Trusted Brands by Category (1)

		 TOYOTA		 DAVIDsTEA	
Alcohol	Apparel & Footwear Retailers	Automotive	Automotive Rental	Coffee/Tea	Confectionery/Snack Foods
					 CIRQUE DU SOLEIL
Beverages	Dairy Products & Alternatives	Delivery Services	E-commerce	Electronics & AV Equipment	Entertainment
					
Financial Services	Gas Stations	Grocery Stores	Health & Beauty Retailers	Health Care & Nutrition	Home, Office & Garden Retailers

Most Trusted Brands by Category (2)

					
Hotels	Household Care	Insurance	Media	Major Appliances	Small Appliances
					
Packaged Food	Personal & Beauty Care	Restaurants/Takeout	Sportswear	Technology	Telecoms/Cable
					
Transportation	Travel	Toys & Games			

The Circle of Brand Trust

The Gustavson Brand Trust Index looks at brand trust and the factors that drive it and, in turn, correlate with consumer advocacy. Consumers are asked to assess their perception of the reliability, consistency, honesty, societal responsibility and integrity of the brands surveyed.

- **Brand Trust overall** – consumer perceptions of whether the brand is trustworthy and acts with integrity
- **Brand Authenticity (Values-based trust)** – consumer perceptions on the brand's social responsibility
- **Brand Ability (Functional trust)** – consumer perceptions on how well the brand performs its core functions
- **Brand Affinity (Relationship trust)** – consumer perceptions on how the brand interacts with its consumers
- **Advocacy (Word of mouth)** – the extent to which consumers recommend the brand to others



BRAND ABILITY

With top stories from the field

Why **Brand Ability** Matters

- For an organization to be trusted and seen as credible in playing a positive role in society, it must first ensure the quality and competitiveness of its products and the reliability of its supply chain.
- During the pandemic, consumers gravitated to "familiar" brands. Amid uncertainty, the peace of mind that a familiar brand can provide may influence consumer perceptions of trust. Arguably, more time at home means more usage of these brands, and trust may increase in some cases as a result.



Best in Class (Ability)



Innovative



Delivers on promises



Reliable



High quality



Good value

Did pantry loading and being stuck home help packaged foods drive more frequency and trust?



Thanks to the global pandemic and pantry loading, major packaged food companies such as [General Mills, Kellogg's and Campbell's experienced a spike in sales](#).

What's more, with working from home and being cooped up, consumers were also [more likely to snack](#) throughout the day.

These behavioural changes align with the findings from our Index. President's Choice and Quaker Oats saw an increase in their trust scores by eight and six points, respectively, and both made it to the top ten most trusted brands list in 2021. The trust score for Kellogg's jumped by 11 points this year.

Trust in Schneiders Meats, Stouffer's, Wonder Bread, Dempster's Bakery, Campbell's Soup, Kraft Foods, Maple Leaf Foods and McCain Foods also all increased.

Confirmed: Supply chains matter



Although consumers found themselves more reliant on their products during the pandemic, Lysol and Clorox's overall brand trust dropped slightly early during COVID-19. We attributed this unexpected trend to supply shortages of household cleaning brands at the time.

In the 2021 survey, Lysol and Clorox have recovered and received higher trust scores than the previous year. This pattern confirms our suggestion that supply chains' reliability impacts consumers' perception of trust in a brand.

Dyson has left hundreds of brands in the dust and become the second most trusted brand in Canada



Many Canadians started dusting and vacuuming our homes more frequently since last March. With hair salons closed for months, some consumers also indulged with an expensive Dyson hairdryer and straightener.

In the 2021 Index, Canadians recognized Dyson as the second most trusted brand among 391 brands surveyed. What's more, Dyson was ranked as the most trusted brand overall by female respondents. When it comes to brand ability, Dyson received the highest score among all brands surveyed this year. Dyson has built a trustworthy brand, excelling in functionality.

Compared to last year, Dyson saw significant improvement in its brand affinity, authenticity and advocacy scores. Dyson's eight-point jump in the authenticity score may be due to actions such as the brand's early coronavirus response in offering to produce 15,000 ventilators for the pandemic fight in the UK or, more simply, to consumers using the brand more while staying at home.

BRAND AFFINITY

With top stories from the field

Why **Brand Affinity** Matters

- In a world where everything can be measured, it is easy to forget that people are not perfectly rational agents always making consistent decisions based on logic and common sense.
- Brand affinity refers to how well a brand protects and treats its customers and how they like to be perceived by others.
- When a customer demonstrates brand affinity, there is a strong likelihood that they will recognize the brand as trustworthy and provide positive referrals to it.



Best in Class (Affinity)



Protecting privacy



Good customer treatment



Responding to feedback



Honest communications

Whom do we trust with our privacy and data?

Brands that are most protective of their customer privacy and data appear to be from the financial services and the insurance sectors.

However, not all financial services are trusted equally. Based on the overall trust data, we observed a trust hierarchy between:

- Electronic financial transactions (credit cards),
- Full-service financial institutions (traditional banks); and
- Wealth management services (e.g. Wealthsimple, Questrade)

The least trusted brands with data are mostly social media and ride-hailing services.

On a more surprising note, **Zoom** received a very low score on protecting customer privacy and data. We attribute the low score to the wave of public scrutiny, as the app's privacy settings may not be seen as secure enough to handle the millions of users flocking to its service, especially at the beginning of the coronavirus pandemic.

Most Trusted with Data	
1	Interac
2	TD Canada Trust
3	RBC
4	Visa
5	CIBC
6	Scotiabank
7	MasterCard
8	Canadian Automobile Association
9	Blue Cross
10	Manulife
11	Canada Post

Distrusted with Data	
381	Lyft
382	Uber
383	YouTube
384	Craigslist
385	Twitter
386	WeChat
387	Snapchat
388	Instagram
389	Huawei
390	TikTok
391	Facebook

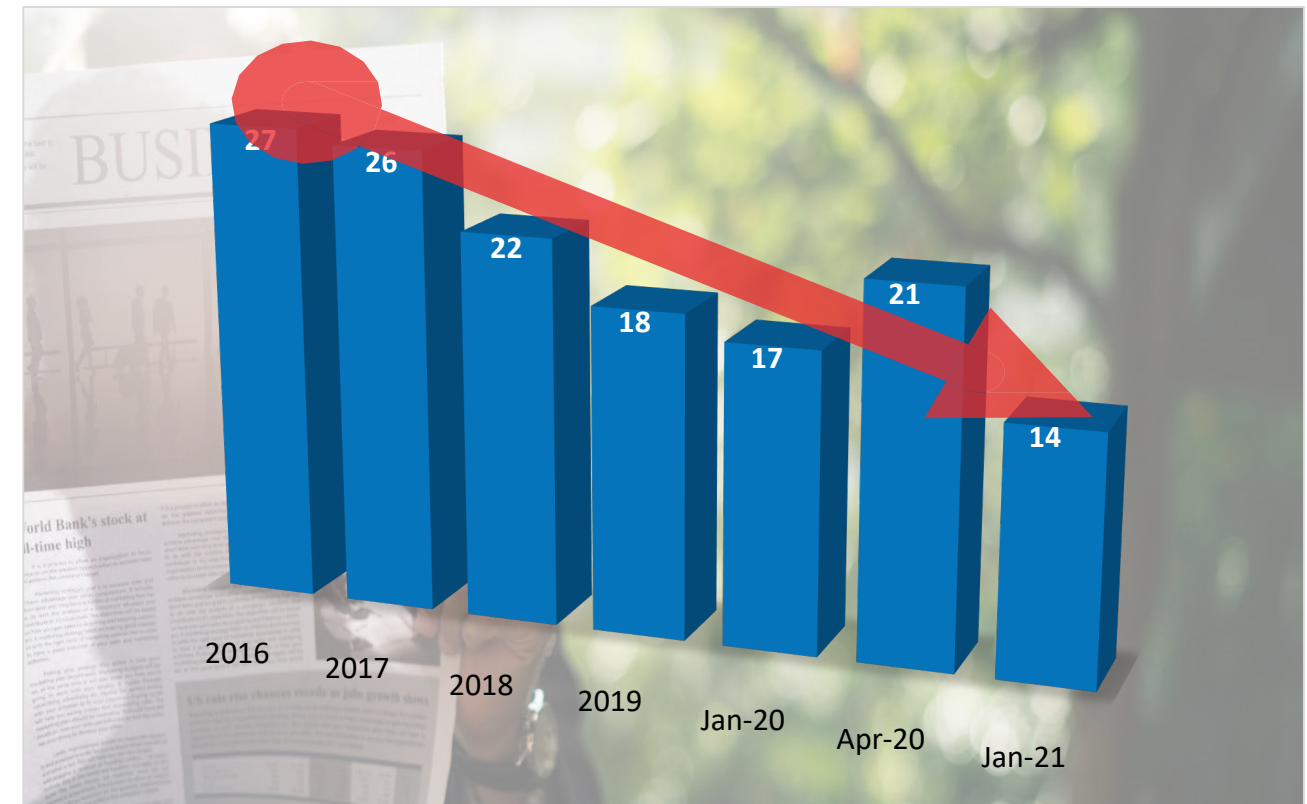
Short-Lived Pandemic Effects

- Pandemic effects were short-lived for many brands.
- Some brands saw an immediate rise, based on perceptions that they responded in a socially positive way (e.g. Air Canada, Canada Post, Shaw, CBC, CTV, National Post and The Weather Network). However, they then lost this bump (some all, some partially) once they could not sustain the positivity.
- Others saw an early fall (e.g. all hotels surveyed and Airbnb, Visa, MasterCard, AmEx, PayPal and some national banks, household care products, Lyft, Uber, TELUS, Virgin Mobile, Cineplex, Disney, Spotify), but were able to recover well.
- Short-term actions to boost business have longer-term consequences that brands must consider. Leading up to our 2022 Index, we will be closely watching the brands that were not able to sustain the early pandemic optimism.



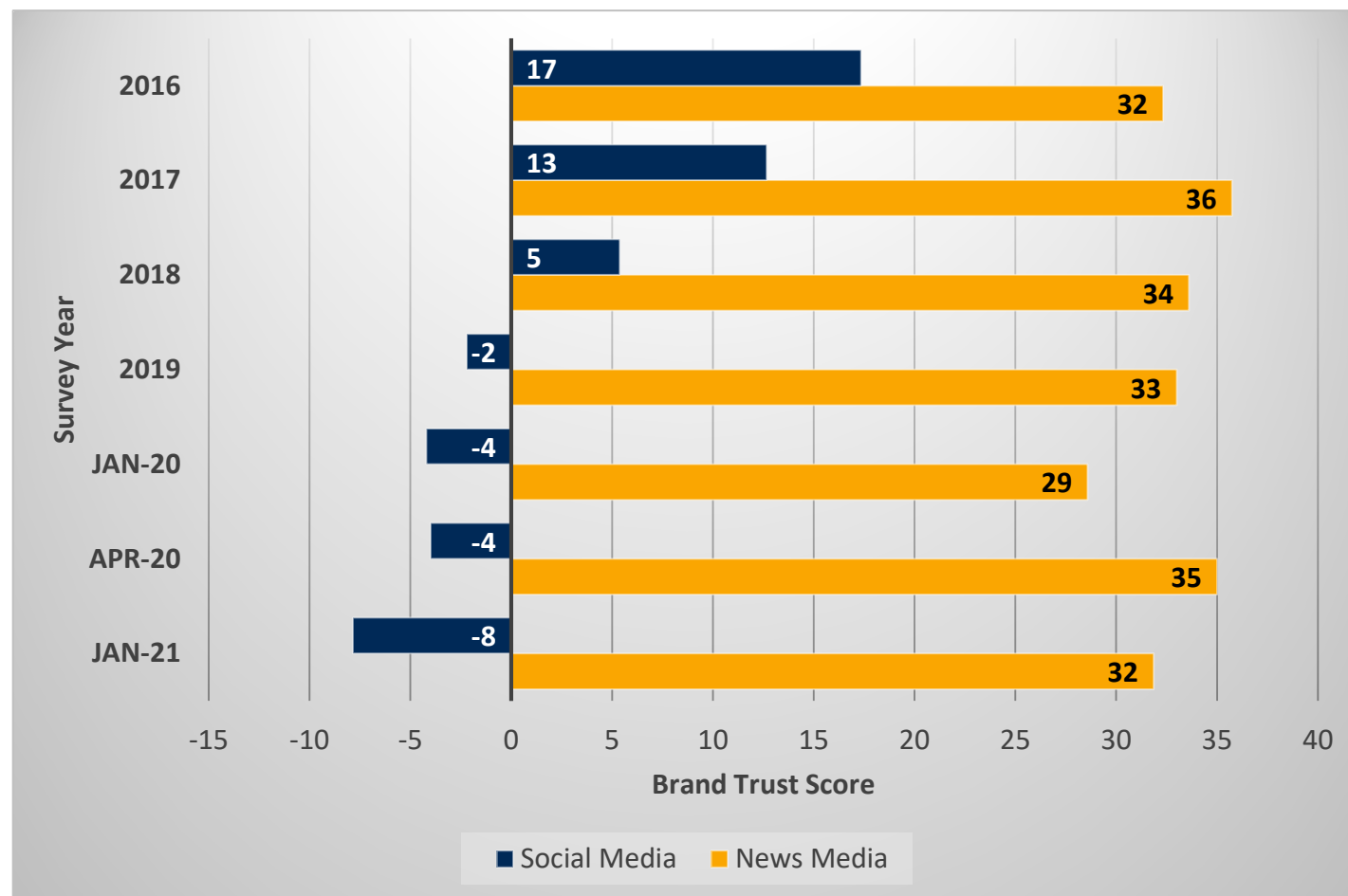
GBTI 2021: Media is the least trusted category

- In spring 2020, the media category saw a spike in trust. Since then, the trust bubble has burst, with all traditional and new media brands (except for MacLean's Magazine) giving back most (if not all) of the gains they made.
- CTV, for instance, saw the most significant growth in the spring with a 15-point increase; since then, the brand has seen a 12-point decrease in overall brand trust.
- In some cases (such as CBC, National Post, Instagram, Snapchat and YouTube), trust scores continued to decline.
- Appearing on the GBTI for the first time this year, the Media category ranked as the least trusted industry sector to ever debut in the history of the Index.
- The trust deficit in media has real-world consequences: a lack of confidence in media may undermine truth and trust in society.



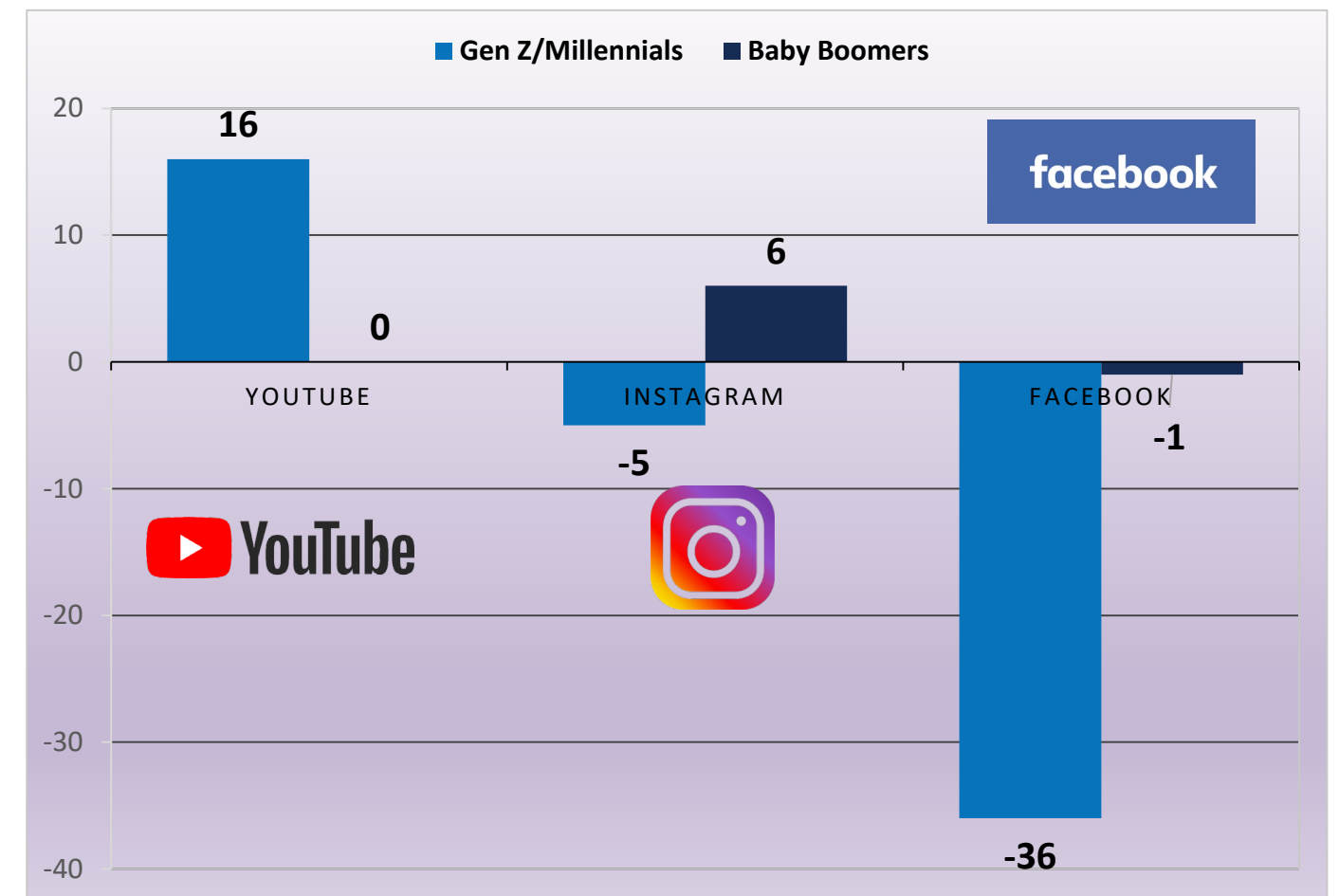
Trust gap between news media and social media is widening

- The decline overall in the media category is driven by eroding trust in social media.



Generational gap in trust for leading social media brands

- Facebook, YouTube and Instagram have the greatest generational trust gap based on the 2021 GBTI data.



Hotel industry recovers from decline of consumer trust, especially Airbnb

- In 2018, the Hotels category was the highest-ranked category on brand trust for the third consecutive year. In 2019, we started to see brand trust in hotels declining slightly.
- The hotel sector has unquestionably been hit hard by COVID-19 and had already been facing distrust from consumers prior to the pandemic. Last year, in both surveys conducted in January and April 2020, the category continued its slide.
- The initial decline in trust was attributed to consumer anxieties around shared spaces and the risk of infection. As the pandemic unfolded, hotels developed cleaning and social distancing protocols. As a result, they received even higher scores than they did in the pre-pandemic study.
- In 2020, we reported that Airbnb reached a new low in consumer trust, with a 17-point drop in its overall trust score and a negative values-based trust (authenticity) score. In 2021, most of that eroded trust has been recovered (+15). The brand is still, however, perceived as inauthentic. Recovery takes time.



Amazon

Consumer dilemma:
Convenience vs. Ethics

1 January 2020: Trust in Amazon plummeted

Amazon lost 17 points in overall brand trust in 2020. We attributed this sharp decrease in its brand trust score to the numerous controversies Amazon had faced, including accusations of monopolistic behaviour and allegations of poor employee treatment/working conditions, which culminated in employee rallies and concerns over privacy.

2 April 2020: Trust in Amazon dropped further by 7 points

Even while consumers started using Amazon services more during the pandemic than before, the brand did not benefit from the trust optimism that we found more broadly in April 2020.

3

GBTI 2021 vs 2019: Amazon lost 22 points in brand trust and advocacy

The level of consumers' perception of ability, affinity and authenticity for Amazon has decreased by 16, 13 and 19 points, respectively, since 2019.

The balancing act between emotional and utilitarian approaches builds long-term brand loyalty. This balance may have been the recipe for Amazon's success until recently.

4

When is purchasing frequency no longer sufficient to drive trust?

Amazon reaped the rewards of high trust until the organization no longer shared a customer's humanitarian or environmental values.

What began with millennials but has now become more mainstream is a significant increase in consumers expecting brands to have ethics, as brand authenticity is becoming a more important determinant of overall trust in brands.

BRAND AUTHENTICITY

With top stories from the field

Why Brand Authenticity Matters

- The third angle that the Gustavson Brand Trust Index looks at Brand Trust through is Brand Authenticity, which reflects the brand's social responsibility.
- The average correlation between brand authenticity (or values-based trust) and overall trust has significantly increased this past year. Authenticity seems to matter most for media and beverage brands. And we've also found that, more than ever, authenticity contributes to customers' likelihood of recommending the brand to others.
- We believe that a business with a higher purpose, which aligns every aspect of the organization to translate meaning into tangible behaviour, strengthens customer relationships and earns trust authentically.



Best in Class (Authenticity)



Environmental consciousness



Societal well-being



Local community support



Employee treatment

The Power of Purpose & Authenticity: Earning Trust with Millennials



- Those aged 18-35 recognized Patagonia as the most trusted brand in Canada.
- Patagonia's close association with nature and outdoor activities makes its campaign in support of climate activism a great way to demonstrate authenticity.
- The brand came in at 3rd, 4th and 8th place in authenticity, affinity and ability.
- Last year, Lush was chosen as the most trusted brand by the same age group. Although its overall brand trust ranking dropped down to 15th this year, Lush received the second-highest authenticity score this year, again.
- Besides Patagonia, Visa, Chapters/Indigo and The North Face are the brands that were recognized among most trusted brands by consumers aged 35 and less.

TESLA

Tesla falling out of favour
with Canadians

1

GBTI 2016: The most trusted auto manufacturer

In our 2016 survey, the electric automaker ranked 1st among auto manufacturers and 11th in overall brand trust. Tesla enjoyed a great deal of goodwill from consumers by imparting a vision with high hopes for a sustainable future.

2

GBTI 2017 & 2018: The downshift starts

In 2017, the company's rank slipped to 6th among automakers and 14th overall. In 2018, the company dropped to 32nd on the Index.

3

GBTI 2019: Dropped from 32nd to 136th

Tesla slipped from 6th place in the automotive category down to 12th and 136th overall. Tesla's score on the "honest communication" question in the Gustavson Brand Trust Index started at ninth in 2016 and hit 172nd in 2019.

4

GBTI 2020: When "eco-friendly" isn't enough to trust a brand

Despite the overall plummet across all categories of trustworthiness, consumers continued to rank the brand on top across all industries on "eco-friendliness" and "innovation."

5

GBTI 2021: No longer perceived as the most "eco-friendly"

Tesla has received the highest score for its environmental consciousness for three consecutive years (2018, 2019 and 2020). In 2021, the electric car maker lost eight points in its environmental consciousness and saw a ten-point decrease in its score on care for societal well-being.

Early this year, Bloomberg published an [opinion piece](#) on Tesla's explosive expansion in China and a planned car plant in India, which may result in increasing total emissions and the amount of pollution generated by each vehicle. Although it is early to tell if there is a direct link between our finding and the news reporting on Tesla's potentially increasing carbon footprint, we will continue to monitor this effect throughout 2022.

Tesla's greatest historical drop appears to be in the brand advocacy score, with a 15-point drop over the course of six years. Millennials are still more trusting of Tesla than any other age group.

Compassionate employee treatment fuels brand trust, as long as *it endures*

- Many major grocery stores were quick to implement protective measures when the pandemic hit. The stores were seen as not only protecting their employees; they were also showing care toward the public by minimizing risks to shoppers. They took all the right actions to build trust.
- In our follow-up survey in April 2020, Loblaws, Real Canadian Superstores and Walmart scores on employee treatment jumped by 19, 15, and 13 points, respectively.
- Many front-line grocery workers received \$2-per-hour pandemic pay supplements during the first wave of the pandemic last spring. However, so-called hero pay was cancelled in May.
- Our 2021 data shows that all major grocery brands' scores on employee treatment went back down to the same level as they were in the pre-pandemic study; some lost even more ground.
- Short-term actions to boost business may have longer-term consequences that brands must consider.



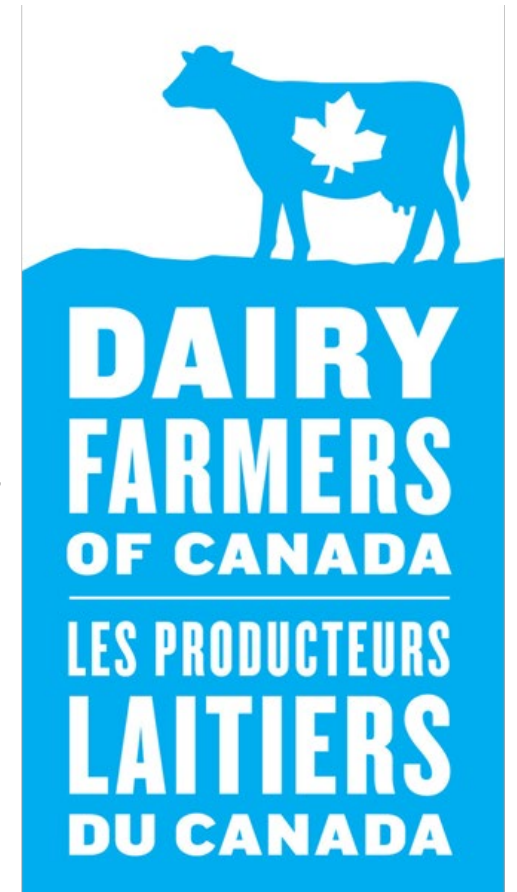
Amazon + Whole Foods = A culture clash

- The hope behind Amazon's acquisition of Whole Foods was that Amazon's centralized data-driven mindset would enable Whole Foods' decentralized model to scale up while maintaining what Whole Foods always prided itself on - its personal touch and employee-empowered culture. Opposites attract, but do they work?
- Right after the marriage, stories surfaced about Whole Foods employees crying over the new performance-driven working conditions imposed by Amazon, while customers expressed frustration with frequently empty shelves.
- During the pandemic, Whole Foods employees demanded hazard pay and more sick leave. While Whole Foods offered such pay initially, it was discontinued in May.
- Numerous employees also filed lawsuits against the company, alleging discrimination, after being sent home or otherwise punished for wearing Black Lives Matter masks and apparel.
- Whole Foods also suffered from negative press in November after prohibiting its employees from wearing Remembrance Day poppies on the job. Due to a public outcry from veterans and politicians across Canada, it pledged to reverse the company dress code policy.
- Whole Foods' brand trust and advocacy scores plummeted by 12 points in our 2021 study, compared to 2020.



Local ownership may have a great influence on Quebecers' trust in brands

- In 2019, Agropur placed first in the Dairy Products and Alternatives category. In 2020, Agropur came in last place in the category and its scores decreased on 13 out of 13 trust attributes, with the sharpest decrease on quality.
- We attributed this sharp decrease to product recalls in Quebec and Ontario, which likely coincided with our data gathering last year. Whether or not the co-op had a good crisis response plan could also be a factor.
- In 2021, Agropur recovered strongly from declines in trust, although it has not fully recovered yet, potentially pointing to the lingering impact of recalls and plant closures.
- What's more interesting, the brand has been recognized as *the most trusted brand* (among 391 brands) in Quebec, while the brand came in 306th in the West (Alberta and British Columbia).
- The closure of the Saputo plant in Saint John led to increased attention in New Brunswick for products from Northumberland, a division of Agropur that's now billed as the only local plant in that province.
- Since the initial iteration of the GBTI, there has been a pattern of Quebec consumers being loyal to local brands (e.g. PJC, Desjardins, etc.). This may be what has led to the drastic difference in ranking between the East and the West; consumers looking to buy local may have placed more trust in Agropur in Quebec.



GBTI 2021: Employee Treatment Ratings

- The greatest irony of the coronavirus pandemic may be that many of the low-paid workers - now considered to be most essential - were among those treated as the most disposable before the outbreak began.
- Accelerated by COVID-19, consumers started paying close attention to whether organizations prioritized well-being in times of crisis – even at the cost of profitability or budget constraints.
- Costco continues to lead the pack with the highest score on employee treatment.
- Gig economy companies like Uber and Lyft, on the other hand, promised workers paid leave if they were affected by the virus or were quarantined. However, many stories of workers struggling to get help appeared in the media.
- In the GBTI 2021, Uber, SkipTheDishes, DoorDash and Lyft, alongside Amazon, received low trust scores on employee treatment.

Best Performers	
1	Costco
2	MEC (Mountain Equipment Co-op)
3	Canada Post
4	Home Hardware
5	TD Canada Trust
6	Google
7	Microsoft
8	Canadian Automobile Association (CAA / BCAA / AMA)
9	WestJet
10	CTV

Worst Performers	
382	Craigslist
382	DoorDash
384	Taco Bell
385	Dollarama
386	KFC
387	Amazon
388	Lyft
389	Walmart
390	Huawei
391	Uber

BRAND ADVOCACY

From being at risk to beloved brand

Transactional Brands

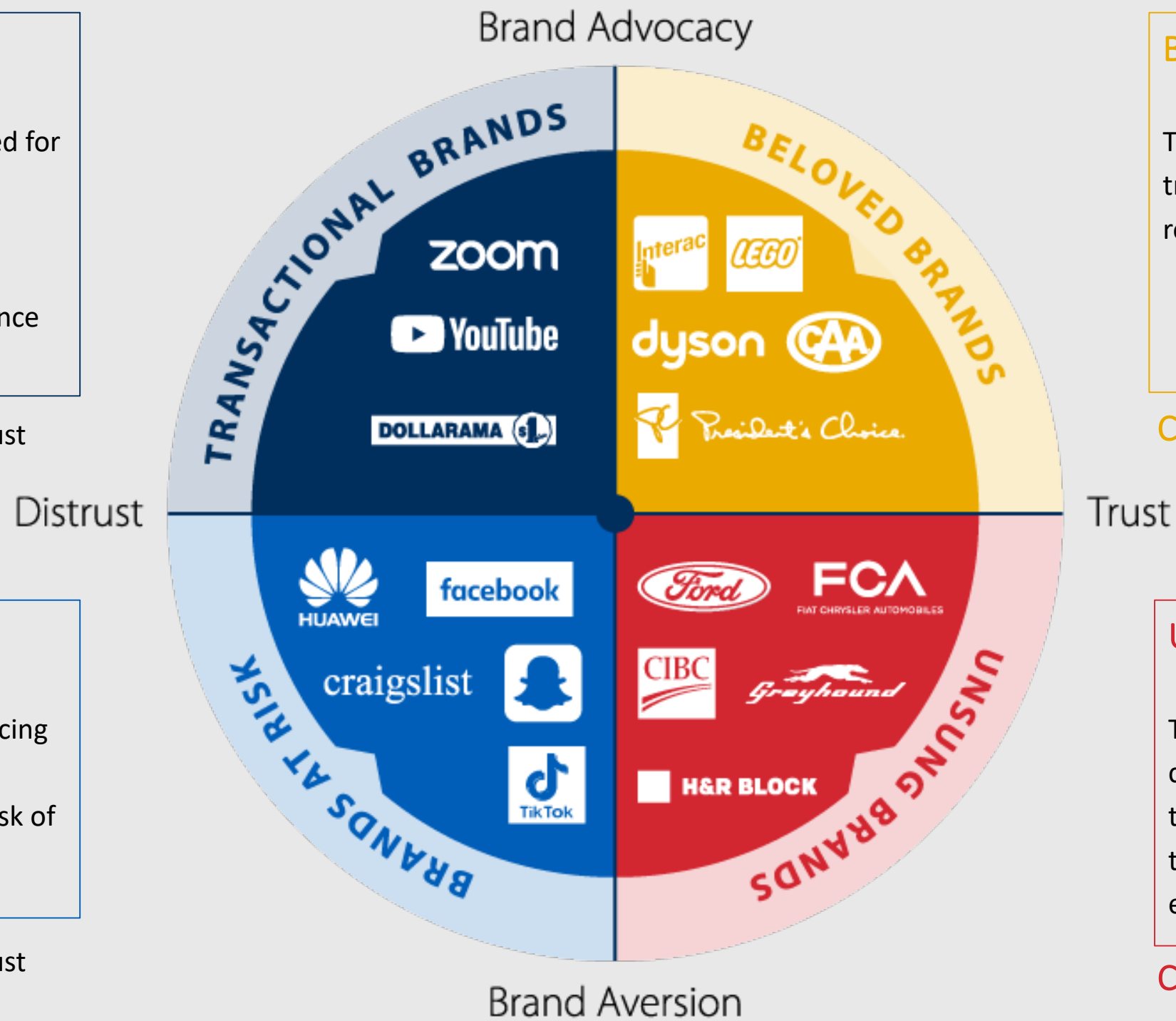
These brands are advocated for but consumers don't particularly trust them, suggesting that they are recommended in the absence of better options.

Call-To-Action: Build trust

Brands At Risk

These brands are experiencing both low trust and low advocacy, and may be at risk of erosion over time.

Call-To-Action: Build trust first, then advocacy



Beloved Brands

These brands are not only trusted by consumers but recommended to others.

Call-To-Action: Maintain

Unsung Brands

These brands are trusted but consumers don't recommend them to others, suggesting that there are opportunities to encourage advocacy.

Call-To-Action: Promote advocacy

The sale of MEC resulted in a drop in brand advocacy

One of the GBTI findings that keeps showing up every year is that co-op and member-based organizations are the most trusted brands by Canadians. The insight was evidenced by the top trio of brands (Canadian Automobile Association, MEC and Costco) holding the top three places for four years running, until 2021.

Hot on the heels of MEC being sold to a U.S. private investment firm, our team received a lot of questions essentially asking, “how will the sale affect consumers’ trust in 2021?” Below are some quick data-based answers to this question:

- MEC lost only five points in brand trust and remained in the top 10 most trusted brands list.
- Consumers aged between 35 and 55 seem to have lost trust in MEC more than the other two age groups.
- The level of brand advocacy appears to be the most damaged factor over the past year, especially among female consumers.
- Including 2021, MEC has been recognized as the most authentic brand since 2016.

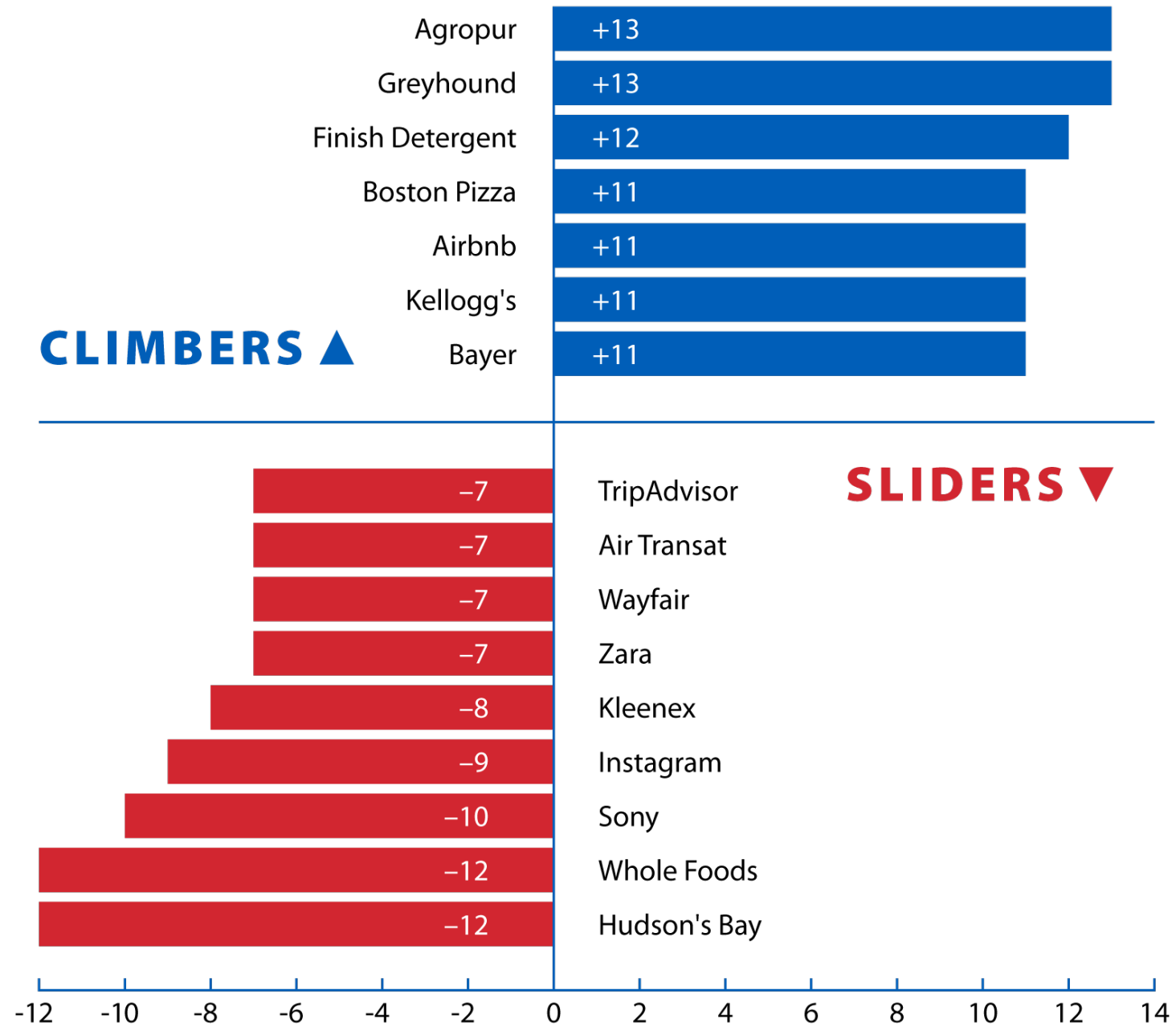


BRAND TRUST MOVERS & SHAKERS

2020 vs 2021

Some Brands Gained Trust...

Brand Trust Score Change 2020–2021 (in points)



... While Others
Fell Out of Favour

BRAND TRUST FOLLOW-UP

Stories from 2020 followed in 2021

Four Brands to Watch in 2021

AMAZON

Amazon's trust scores plummeted last year. Will Amazon continue to fall out of favour with Canadians in 2021?

AIR CANADA

After coming under fire for hiring influencers to promote travelling, will Air Canada see brand trust fall?

GOOGLE

In the first four months of 2020, Google saw a 14-point jump in its brand trust score. Will Google sustain its recovery in 2021?

MEC

How will the sale of MEC to a U.S.-based private investment firm affect consumers' trust?

Amazon in the GBTI 2021

Amazon: Past the Peak?



From the days leading up to the COVID-19 pandemic's arrival in Canada, Amazon lost 17 points in overall brand trust in 2020.



Trust in Amazon fell further in the first couple of months of the pandemic, by another 7 points.




Even while consumers have used Amazon services more than ever this past year, trust scores did not recover much. In 2021, the e-commerce behemoth increased its score only by 2 points.



Since 2019, Amazon has lost 22 points in overall brand trust.

Air Canada in the GBTI 2021

How can a brand build and sustain trust when short-term actions to stay afloat may undermine long-term support?



Air Canada's trust score increased sharply in the period between January and April 2020, thanks to the airline's efforts to minimize staff layoffs by rehiring laid-off employees and continuing to pay into pensions and benefits funds for workers.

This improvement in consumer trust was short-lived as the airline encouraged travel, issued travel credits rather than cash refunds and provided free travel to social media influencers.

Air Canada's scores went back to the pre-pandemic level, except for brand advocacy, which dropped by 8 points.

Google in the GBTI 2021

Google somewhat sustained its recovery


Following revelations about its data privacy policies, Google's trust ranking plummeted in 2019 from #39 to #230 among over 300 brands.

In April 2020, when we did a temperature check, we saw a 14-point jump in Google's brand trust score, which raised the question of whether Google's recovery would be sustained in 2021.


Over the full year, we saw a 10-point jump in Google's overall trust score from the 2020 results, although this still means a 4-point decrease from April 2020.

MEC in the GBTI 2021


MEC did not come out of the 2020 backlash as strong as it did under similar circumstances in 2018



Consumers are more willing to forgive when the brand acts quickly and positively by being honest and authentic, and communicating a plan of action when faced with criticism.



The insight was evidenced by MEC, leading 2019'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.



MEC came under fire again this year. This time, the reason was the lack of communication and member inclusion in the decision-making process tied to the company's sale to a U.S. private investment firm, which resulted in a moderate decline in its trust score.



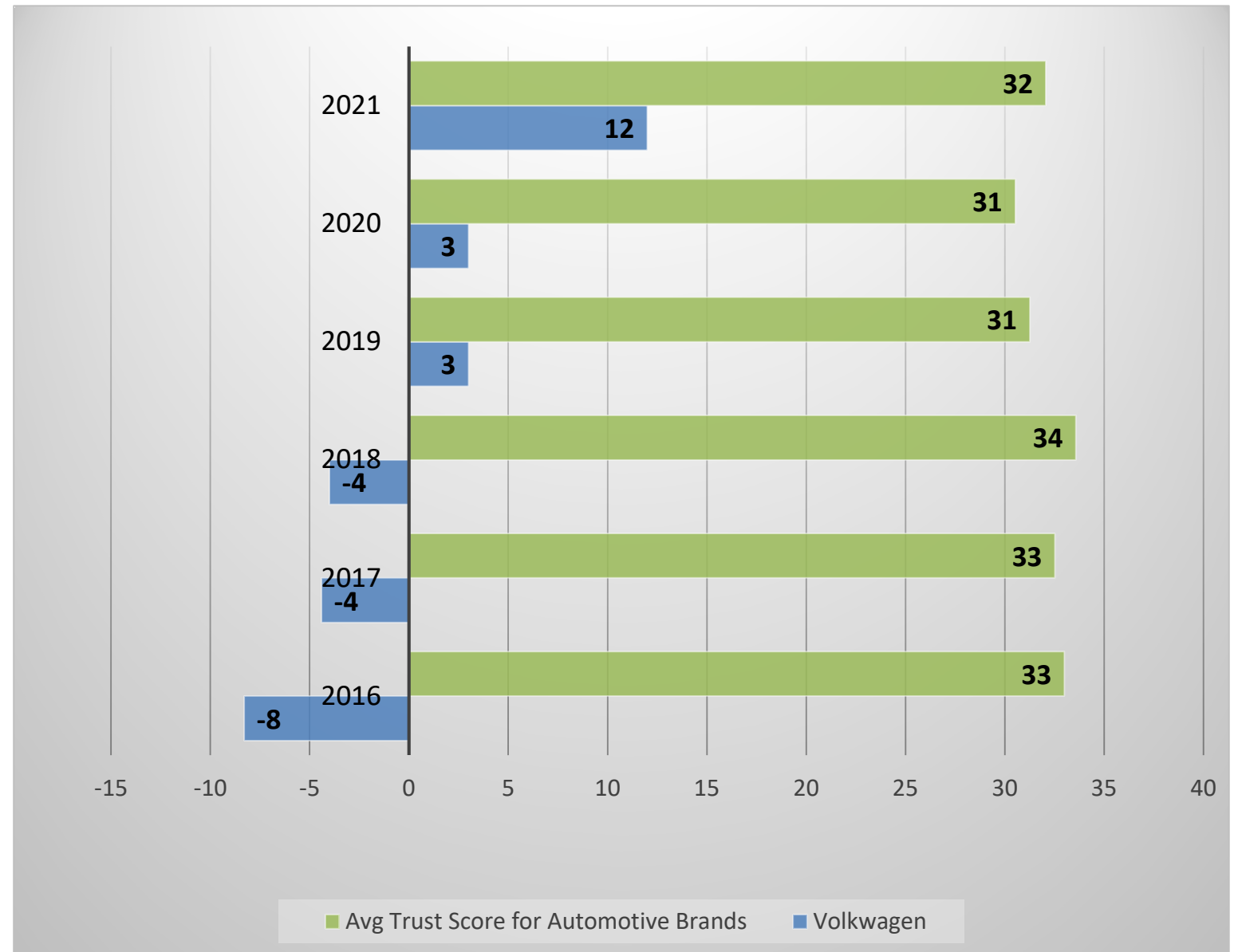
Trust is lost in buckets
but regained in drops

Poor crisis management hurts brands long term

After five years of very low trust due to the emissions cheating scandal, Volkswagen is building back trust with Canadians but remains the least trusted automotive brand.

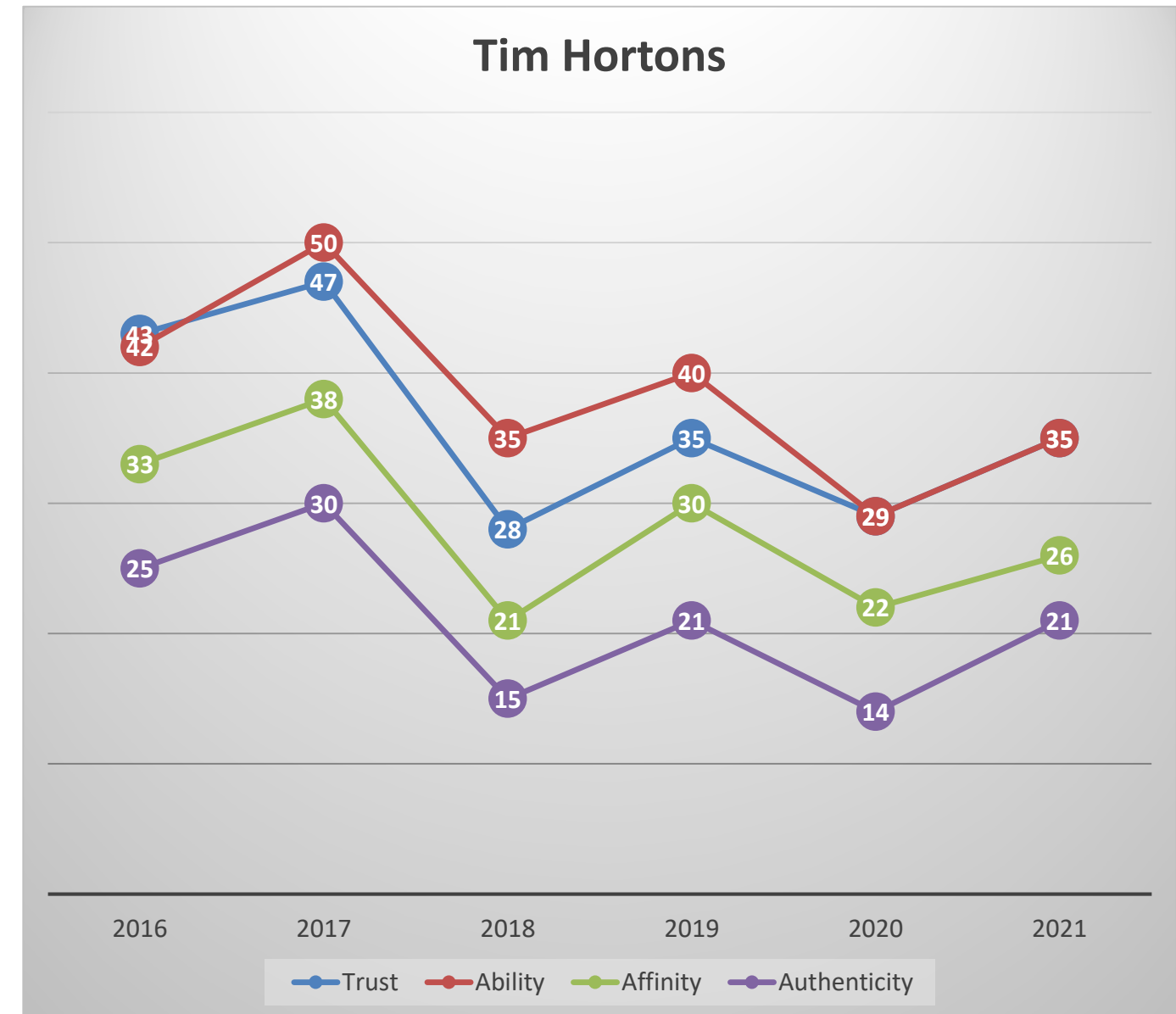
Possible drivers behind why VW's recovery is taking so long:

- Intentionally cheated.
- Initial response was a denial of the deception.
- Took too long to fully acknowledge that they had manipulated vehicle emission tests.
- The case turned out to be organization-wide corruption, rather than a departmental (or a supplier-related) mistake.



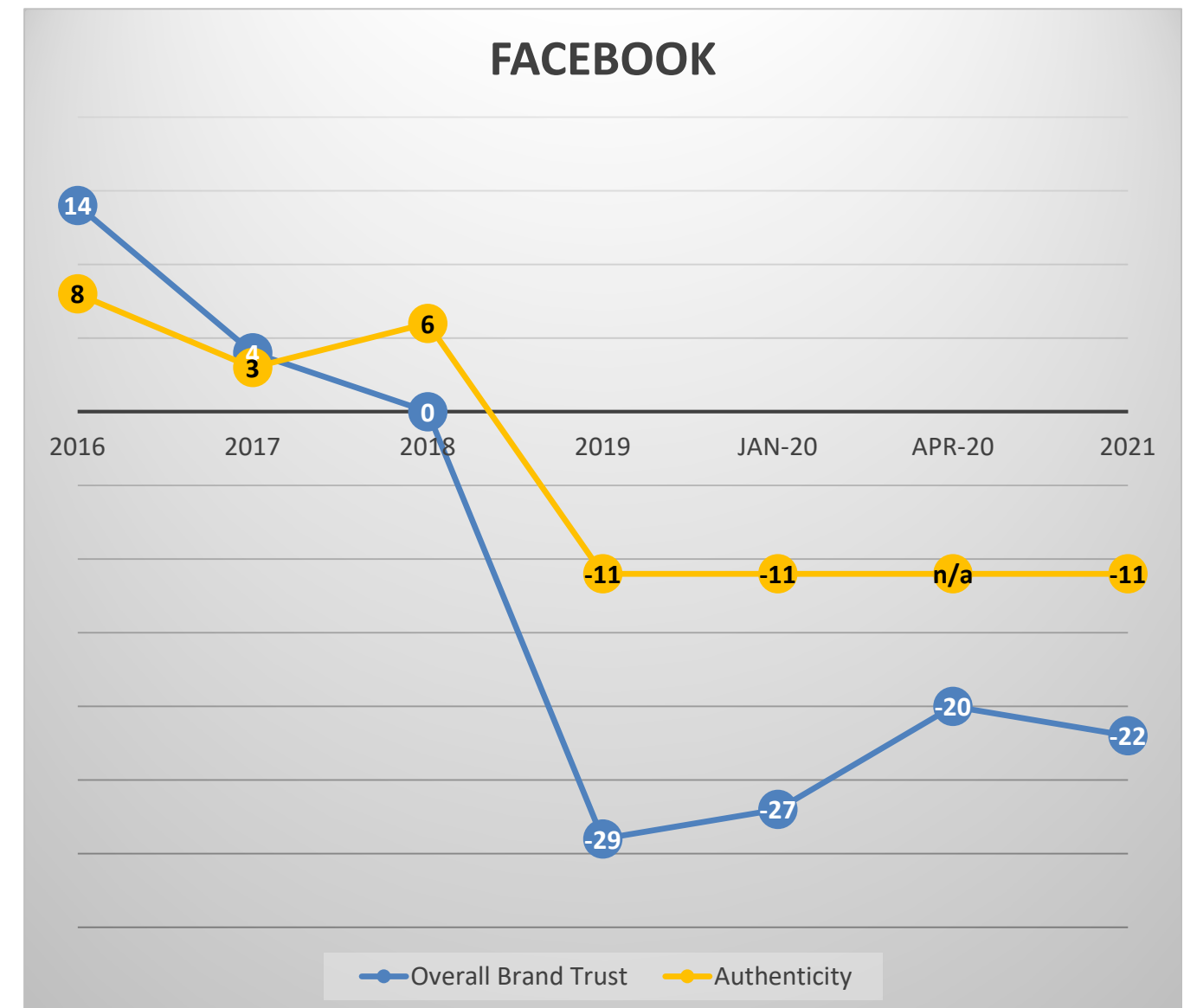
The transformation of Tim Hortons has been bumpy

- Tim Hortons was voted the most trusted brand in Canada according to our 2015 results.
- In 2018, Tim Hortons came under fire for its treatment of employees. Its trust score **dropped by 19 points**, after cutting benefits and other incentives following Ontario's minimum wage hike.
- In 2019, trust climbed 7 points although the brand was still nowhere near its former iconic status.
- In 2020, Tim Hortons' trust scores went back to almost where they were in 2018, except for the brand ability score, which saw an additional 11-point drop.
- In 2021, the iconic brand's scores across all dimensions, including ability, significantly increased.



Facebook is still perceived as inauthentic, and trust is slow to recover

- The promise of social media platforms like Facebook was to create strong alternatives to traditional channels, allowing a greater diversity of viewpoints, with governments and other powerful stakeholders having less control over the access to truth.
- The opposite has happened; Facebook has faced increasing accusations of manipulation, loss of privacy, fake news and hate-speech.
- The gap first opened in 2018 but exploded in 2019 following the Cambridge Analytica scandal (which broke in 2018 and would be reflected in 2019 results).
- When the pandemic hit Canada, Facebook saw an immediate rise but then lost most of the bump once social media outlets were seen as responsible for the spread of false posts about societal issues including voter fraud, vaccination hoaxes and how to combat the pandemic.
- Despite some apparent recovery in brand trust, it remains far below historic levels.

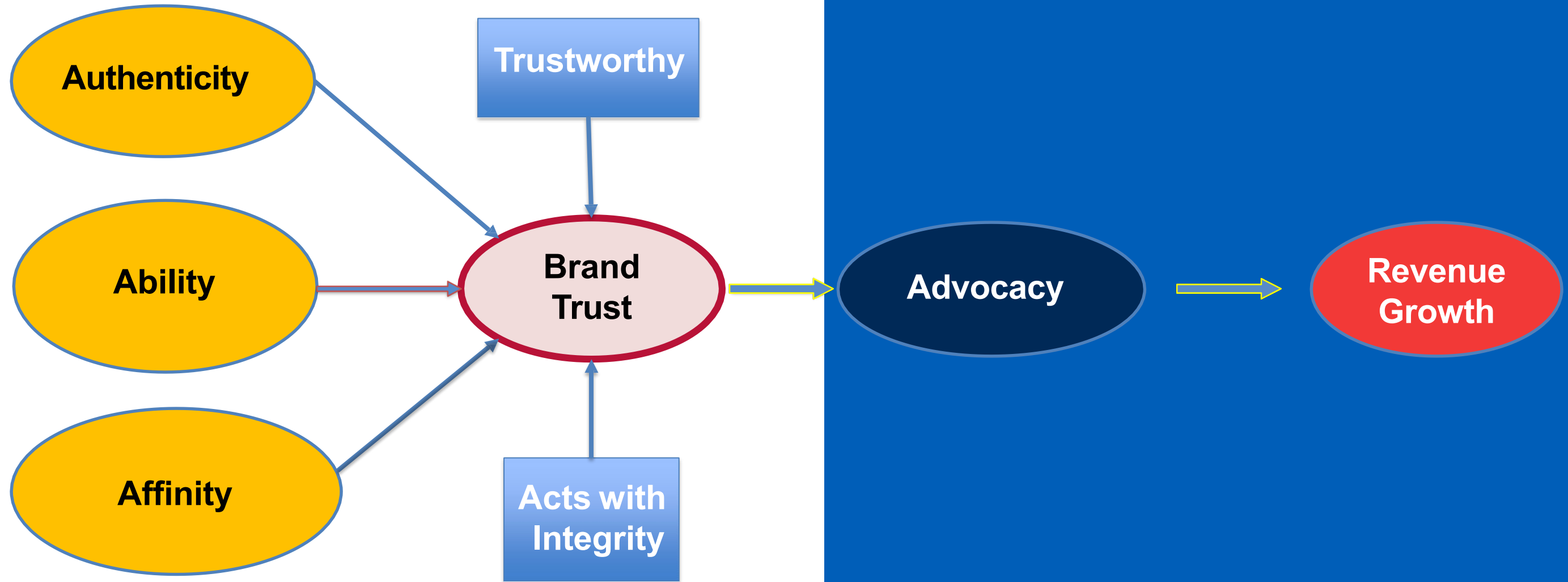


Our Methodology

- Surveyed 8,975 Canadian adult consumers aged 18+
- 391 national brands in 33 categories
- Respondents are 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 January 13 – February 8, 2021
- Measures are based on net scores of the differences between the proportion of respondents who trust and those who distrust individual brands
- The 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).



Gustavson Brand Trust Model



Meet the GBTI Core Team



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**Want to move the
conversation forward?**



Data has a better idea



Request your Brand Trust Score Card

A Brand Trust Score Card provides a dashboard demonstrating a brand's historical performance across the five brand trust elements (overall trust, ability, affinity, authenticity and advocacy) and a series of charts showing the scores for the respective category brands across five brand trust elements for 2021. There are no fees associated.

What is in a Brand Trust Score Card for You?



INSIGHT



POSITIONING



BENCHMARKING



BUSINESS ANALYSIS



COMMUNICATION

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THANK YOU

For more information on the GBTI,
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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 on how consumers trust brands done by an academic institution. As we see this as a public service in the interest of promoting responsible management, there are no fees associated with the brand inclusion process.

