A question of trust
CBI findings on the public perception of business
"We must demonstrate that we are a generation focused not just on how much money we make – but how we make money; we must salvage the reputation of business."

Sir Roger Carr, CBI president
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Foreword

Trust in business has been declining for a long time. Over the past thirty years instances of bad behaviour – from Enron to Polly Peck – have led to increasing scepticism about how far business can be trusted to do the right thing. The recent economic crisis has shone a particularly harsh light on elements of corporate behaviour and made this conversation even more urgent and acute. Whenever I talk to CEOs and chairmen of companies, the public perception of business is at the top of their agenda.

The vast majority of businesses are working hard to do the right thing for their customers and wider society. But it is becoming clear that the terms of the debate are changing, so the way we think and act on this issue also needs a rethink.

Although the financial crisis has heightened this issue it would be a mistake to think it’s only about financial services. We have seen businesses in a range of sectors struggling to make their case to society. There has clearly been a disconnect in some areas between an individual business’ core offer and its belief about what it contributes to society. There is a growing recognition among companies that tackling this mismatch requires a fundamental re-examination of their core values to reconnect them with what they do as a business and to earn trust by consistently delivering and living these values.

There is no set model for this. Each company is different and its values will reflect its different service offering, background and history. But each company must start with a focus on delivering for its customers and earning trust of the wider public through consistent behaviours and strong leadership.

To do this, the business community needs to understand what is expected. We conducted our research with Ipsos Mori to give us greater insight. We will use the intelligence as the basis of a conversation with the business community to help them think about what the results mean for them individually and collectively so that together we can progress this vital agenda.

John Cridland
Director-general, CBI
Background and methodology

1 Background
We believe the public’s faith in business has been weakening for a number of years. The financial crisis and subsequent economic difficulties have re-enforced this trend. We have seen increased negative media attention on issues such as executive pay and tax – a situation compounded by a string of scandals including Libor and phone hacking.

Tackling this negative perception has become a priority issue for business leaders. This report provides first steps for businesses seeking to address the problem of public trust. It builds on evidence from a major Ipsos MORI study, commissioned by the CBI, which explored public attitudes towards business.

The report contains in-depth information designed to bring business up-to-date and sets out key statistics around trust and familiarity.

It highlights how the public rates business’ performance on a series of behaviours and which of these behaviours are the most influential in driving trust, for both business as a whole and for a number of individual sectors. The purpose of providing this information is to assist members in understanding the problem and to take action.

2 Methodology
The fieldwork took place in August 2012.

To ensure rounded and valid findings the research adopted qualitative and quantitative approaches.

The qualitative stage consisted of six ninety-minute focus groups, of seven to ten participants, conducted in three major cities across the UK. The groups explored the following issues:

• Trusted organisations and how this had changed over time
• The perceived contribution businesses make to Britain
• What people mean by the term ‘trust’
• Important factors influencing trust in businesses.

Findings from the qualitative stage then supported the design of a large survey with over 1,000 participants. This took the form of an online questionnaire with Ipsos MORI’s panel.

The online survey investigated views of British business as a whole and of individual sectors. Regression analysis was then used to drill deeper into which behaviours are responsible for driving trust.
How the public feels about business

This section gives a snapshot of how the public view business as a whole.

**Exhibit 1** How trustworthy is business as a whole?

<table>
<thead>
<tr>
<th>Response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very trustworthy</td>
<td>2%</td>
</tr>
<tr>
<td>Mainly trustworthy</td>
<td>33%</td>
</tr>
<tr>
<td>Neither</td>
<td>48%</td>
</tr>
<tr>
<td>Mainly untrustworthy</td>
<td>9%</td>
</tr>
<tr>
<td>Very untrustworthy</td>
<td>2%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>6%</td>
</tr>
</tbody>
</table>

**Key messages**

- 35% rated business as mainly or very trustworthy, which is much greater than the 11% that thought business is either mainly or very untrustworthy.
- It is interesting that almost 50% of the public do not have a view and that the number of those who find business very trustworthy or very untrustworthy is small. *(Exhibit 1)*

**Our focus groups said:**

Few instinctively cite businesses as being trustworthy. Exceptions are typically organisations that have a long-standing, reassuring presence in British life. The most commonly referred to trusted businesses were seen as ‘British institutions’.

When asked to identify trustworthy business leaders ‘self-made’ ‘straight talkers’ such as Sir Richard Branson and Lord Sugar were mentioned.

Our focus groups confirmed that revelations in the media and the perceived monetisation of society have created a climate of distrust.

"Expectations of the market system have changed since the financial crisis – after paying for its reconstruction, UK citizens must see and share in the benefits of recovery and growth."

Rt Hon Dr Vince Cable MP, Secretary of State for Business, Innovation and Skills
How trust is affected by familiarity

To test our hypothesis that the better known a company is, the more it is trusted, we investigated the relationship between familiarity and trust. The research confirmed that the public make trust decisions based on experience as consumers.

Exhibit 2  Relationship between trust and familiarity between individual sectors

Exhibit 3  How trusted are individual sectors?

Key messages
• There is a broad relationship between familiarity and trust as the better known an industry, the stronger the feelings of the public. However, the feelings are not always positive. For example, the public are very familiar with utilities and banks but trust in them is the lowest.
• If a company directly interacts with consumers, trust is based upon personal experience which is often linked to customer service and quality.
• When consumers are not driven by personal experience, the media and word of mouth play an increasingly important role.
• Reputation is not wholly determined by sector. It is possible for brands within generally “distrusted” sectors to stand out and differentiate from the rest. (Exhibits 2 and 3)

“There is no customer relationship whatsoever, you go in there and they are trying to sell you stuff as soon as you get to the counter, instead of letting you do what you have gone there to do.”
Male, Birmingham
The economic role of business is understood

We tested attitudes towards success and profits. The findings show that the public do understand the economic importance of business. Indeed we saw pride in British business performing well. However, scepticism remains as to who is seen to be benefiting from the profits of large companies.

Exhibit 4  What would the public like from business?

<table>
<thead>
<tr>
<th></th>
<th>% strongly agree</th>
<th>% tend to agree</th>
<th>% tend to disagree</th>
<th>% strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I like to see a British business doing well</td>
<td>53</td>
<td>32</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>British businesses have a major role to play in creating opportunities for young people</td>
<td>40</td>
<td>41</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Companies should focus more on using profits to create jobs than on offering customers low prices</td>
<td>22</td>
<td>31</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Key messages
- Profit and success are generally applauded – as long as it is earned and contributes to the British economy. However, profits should benefit all and not just those at the top.
- By helping drive economic recovery businesses can build public trust. For most people, protecting and creating jobs are the most important aspect.
- Companies also have a role in addressing specific issues relating to the local community. For example, in areas of high youth unemployment people are keen on business tackling the problem directly through apprenticeship schemes and other initiatives. (Exhibit 4)

Our focus groups said:
Respondents understand business’ role as a provider of jobs and a creator of wealth. There is a sense of pride and association with British business.
Investing in the recovery, and clearly communicating this, are important strands of building trust and play up to the public’s perception of business’ role.
There is strong support for business to take a leading role in tackling youth unemployment.

“Any person that does a job and that does it well, you feel like you do deserve either some kind of bonus or some kind of pay rise. But if your business has done badly or you’ve done a bad job, which these people have blatantly been doing, why are they getting a bonus and a pay rise?”
Female, Manchester
Key messages
• Previous research from Ipsos MORI highlights a latent degree of cynicism towards profit.
• More people disagree than agree that the profits of large companies help make things better for all who use their products or services.
• Scepticism about the profits of large companies, particularly about who benefits from them, was also seen in the focus groups. (Exhibit 5)

The role of profit
Return for shareholders: profits are returned to shareholders through dividends. Shares are an important source of finance for firms, so by paying dividends, firms can incentivise investors to buy their shares. Higher profit leads to higher dividends. This is important as many people’s pension funds are invested in companies and receive these dividends.

Investment in employees: a profitable company is able to spend more money investing in their people through pay awards, non-financial rewards and increased training and development.

Profit can attract new firms into an industry: this drives competition and a focus on delivering best value for consumers to gain market share.

Investment in Research & Development: leads to better technology and products. Without this the economy can stagnate and lose international competitiveness, leading to job losses in some sectors.

Provide a cushion against future risk: profit can be saved and provide insurance for an unexpected downturn, such as recession, or rapid variation in input prices or exchange rates.

Tax revenues: government charges corporation tax on company profits and this provides £42.2bn (2011-12) of tax revenue per year (source: Corporation Tax Statistics, HM Revenue & Customs, 2012).
Trust drivers and business performance

This section explores how business performs against a series of measures and then which are most important in driving trust. Here we analyse business as a whole and nine individual sectors. **Exhibit 6** looks at how business performs against a series of measures and highlights what the public thinks business does well.

**Exhibit 6** How do the public rate business as a whole

<table>
<thead>
<tr>
<th>Performance Statement</th>
<th>% Well</th>
<th>% Badly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributing to the British economy</td>
<td>26</td>
<td>74</td>
</tr>
<tr>
<td>Treating staff well</td>
<td>46</td>
<td>54</td>
</tr>
<tr>
<td>Consistently delivering what they promise</td>
<td>49</td>
<td>51</td>
</tr>
<tr>
<td>Creating jobs in Britain</td>
<td>49</td>
<td>51</td>
</tr>
<tr>
<td>Giving good customer service</td>
<td>47</td>
<td>53</td>
</tr>
<tr>
<td>Having respected leadership</td>
<td>47</td>
<td>53</td>
</tr>
<tr>
<td>Communicating honestly</td>
<td>42</td>
<td>58</td>
</tr>
<tr>
<td>Providing value for money</td>
<td>37</td>
<td>63</td>
</tr>
<tr>
<td>Taking care of the environment</td>
<td>38</td>
<td>62</td>
</tr>
<tr>
<td>Getting involved in the local community</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td>Putting customers before profits</td>
<td>17</td>
<td>83</td>
</tr>
</tbody>
</table>

**Key messages**

- ‘Contributing to the British economy’ was most highly rated with a net positive of 26%. It is evident the public understands business’ role as the engine of growth.
- The importance of talent to business is also understood as ‘treating staff well’ was rated second most highly.
- The remaining performance statements in the survey all received net negative responses. The worst rated statements were “putting customers before profits” and “getting involved in the local community”. (Exhibit 6)
From the discussion in our focus groups and the results of the trust drivers’ analysis across nine sectors, we can conclude that there are four key factors for driving trust; Leadership, Putting customers first, Clarity and consistency and Investing in the UK.

Putting customers first is the most important factor when building trust, as the public tends to draw on their consumer experience when thinking about their engagement with businesses. Businesses must be able to adapt to customer needs and deliver on its promises. Clarity and consistency in business is next in order of importance followed by Investing in the UK.

Our research shows strong leadership is pivotal in allowing the other key segments to grow and drive business in the UK.

While variation exists between sectors, these four factors remain key in building public trust. This is highlighted in the detailed findings for the following business sectors:

1. High street retailers
2. Manufacturers
3. Supermarkets
4. Creative companies
5. Construction companies
6. Law firms
7. Insurance companies
8. Banks
9. Utilities

Over the next nine pages we provide a snapshot of how the public view the sectors’ performance, an overview of the level of trust and a statistical breakdown of the key trust drivers.
Trust drivers and business performance
1 – High street retailers

- High street retailers were the most trusted sector and one of the most familiar with only 6% claiming to know nothing of the sector.
- The public rated the sector as the top performer for communicating honestly which was also rated as one of the important attributes in driving trust.
- Along with creative industries, high street retailers were rated second for its performance in contributing to the British economy. (Exhibits 7 and 8)

Exhibit 7  **Key performance statements – high street retailers**

<table>
<thead>
<tr>
<th>Attribute</th>
<th>% badly</th>
<th>% well</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributing to the British economy</td>
<td>27</td>
<td>73</td>
</tr>
<tr>
<td>Creating jobs in Britain</td>
<td>24</td>
<td>66</td>
</tr>
<tr>
<td>Giving good customer service</td>
<td>36</td>
<td>64</td>
</tr>
<tr>
<td>Consistently delivering what they promise</td>
<td>42</td>
<td>58</td>
</tr>
<tr>
<td>Providing value for money</td>
<td>38</td>
<td>52</td>
</tr>
<tr>
<td>Having respected leadership</td>
<td>47</td>
<td>53</td>
</tr>
<tr>
<td>Communicating honestly</td>
<td>49</td>
<td>50</td>
</tr>
<tr>
<td>Treating staff well</td>
<td>48</td>
<td>52</td>
</tr>
<tr>
<td>Getting involved in the local community</td>
<td>53</td>
<td>47</td>
</tr>
<tr>
<td>Taking care of the environment</td>
<td>59</td>
<td>41</td>
</tr>
<tr>
<td>Putting customers before profits</td>
<td>59</td>
<td>41</td>
</tr>
</tbody>
</table>

Exhibit 8  **Key trust drivers – high street retailers**

- Creating jobs in Britain
- Contributing to the British economy
- Giving good customer service
- Consistently delivering what they promise
- Providing value for money
- Treating staff well
- Giving involved in the local community
- Having respected leadership
- Communicating honestly
- Putting customers before profits

<table>
<thead>
<tr>
<th>Attribute</th>
<th>% badly</th>
<th>% well</th>
</tr>
</thead>
<tbody>
<tr>
<td>Putting customers before profits</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Creating jobs in Britain</td>
<td>73</td>
<td></td>
</tr>
<tr>
<td>Contributing to the British economy</td>
<td>73</td>
<td></td>
</tr>
<tr>
<td>Giving good customer service</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>Consistently delivering what they promise</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td>Providing value for money</td>
<td>52</td>
<td></td>
</tr>
<tr>
<td>Having respected leadership</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Communicating honestly</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Treating staff well</td>
<td>52</td>
<td></td>
</tr>
<tr>
<td>Getting involved in the local community</td>
<td>47</td>
<td></td>
</tr>
<tr>
<td>Taking care of the environment</td>
<td>41</td>
<td></td>
</tr>
</tbody>
</table>
Trust drivers and business performance
2 – Manufacturers

- Contributing to the British economy was the highest rated performance for the sector with 70% claiming it does this well.
- Manufacturers were rated the second most trusted sector but not very familiar in comparison to other industries.
- Having respected leadership is the key driver of trust within the sector while creating jobs in Britain was considered the least important. (Exhibits 9 and 10)
Trust drivers and business performance 3 – Supermarkets

- Supermarkets were rated the best performing sector for creating jobs in Britain, contributing to the British economy, giving good customer service and consistently delivering what they promise.
- This is the most familiar sector, as 93% of people feel they know something about supermarkets.
- The perceived involvement with local communities is much higher than other industries.
- Along with manufacturers, supermarkets were equally rated as the second most trusted sector. (Exhibits 11 and 12)

Exhibit 11 Key performance statements – supermarkets

<table>
<thead>
<tr>
<th>Performance</th>
<th>% badly</th>
<th>% well</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating jobs in Britain</td>
<td>-21</td>
<td>79</td>
</tr>
<tr>
<td>Contributing to the British economy</td>
<td>-24</td>
<td>76</td>
</tr>
<tr>
<td>Giving good customer service</td>
<td>-29</td>
<td>71</td>
</tr>
<tr>
<td>Providing value for money</td>
<td>-33</td>
<td>67</td>
</tr>
<tr>
<td>Getting involved in the local community</td>
<td>8</td>
<td>65</td>
</tr>
<tr>
<td>Consistently delivering what they promise</td>
<td>57</td>
<td>64</td>
</tr>
<tr>
<td>Having respected leadership</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>Treating staff well</td>
<td>53</td>
<td>47</td>
</tr>
<tr>
<td>Communicating honestly</td>
<td>49</td>
<td>45</td>
</tr>
<tr>
<td>Taking care of the environment</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>Putting customers before profits</td>
<td>21</td>
<td>79</td>
</tr>
</tbody>
</table>

Exhibit 12 Key trust drivers – supermarkets

Importance of attributes in driving trust

- Creating jobs in Britain
- Contributing to the British economy
- Giving good customer service
- Having respected leadership
- Getting involved in the local community
- Consistently delivering what they promise
- Providing value for money
- Treating staff well
- Taking care of the environment
- Communicating honestly
- Putting customers before profits
Trust drivers and business performance
4 – Creative companies

- Creative companies came equal second along with high street retailers as top contributors to the British economy.
- It was rated the highest of all the sectors for treating their staff well.
- This is one of the least familiar sectors with only 15% knowing a lot or a fair amount about creative companies.
- Consistently delivering on promises and providing value for money came out as the key drivers of trust. (Exhibits 13 and 14)

Exhibit 13 Key performance statements – creative companies

<table>
<thead>
<tr>
<th>Performance</th>
<th>% badly</th>
<th>% well</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributing to the British economy</td>
<td>24%</td>
<td>76%</td>
</tr>
<tr>
<td>Treating staff well</td>
<td>46%</td>
<td>54%</td>
</tr>
<tr>
<td>Consistently delivering what they promise</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>Having respected leadership</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Creating jobs in Britain</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>Giving good customer service</td>
<td>51%</td>
<td>49%</td>
</tr>
<tr>
<td>Communicating honestly</td>
<td>49%</td>
<td>51%</td>
</tr>
<tr>
<td>Providing value for money</td>
<td>42%</td>
<td>58%</td>
</tr>
<tr>
<td>Taking care of the environment</td>
<td>43%</td>
<td>57%</td>
</tr>
<tr>
<td>Getting involved in the local community</td>
<td>54%</td>
<td>46%</td>
</tr>
<tr>
<td>Putting customers before profits</td>
<td>53%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Exhibit 14 Key trust drivers – creative companies
The sector’s highest rated performance was contributing to the British economy while its lowest performer was putting customers before profits.

Consistently delivering what they promise was the strongest driver of trust for the sector.

Construction companies were rated lowest of the sectors on taking care of the environment. (Exhibits 15 and 16)

Exhibit 15 Key performance statements – construction companies

- Contributing to the British economy: 63
- Creating jobs in Britain: 52
- Treating staff well: 48
- Having respected leadership: 45
- Consistently delivering what they promise: 41
- Giving good customer service: 36
- Communicating honestly: 35
- Providing value for money: 33
- Taking care of the environment: 29
- Getting involved in the local community: 23
- Putting customers before profits: 15

Exhibit 16 Key trust drivers – construction companies

Importance of attributes in driving trust

- Contributing to the British economy
- Treating staff well
- Giving good customer service
- Communicating honestly
- Providing value for money
- Putting customers before profits
- Consistently delivering what they promise
- Having respected leadership
- Taking care of the environment
- Getting involved in the local community

- % badly - % well
Trust drivers and business performance
6 – Law firms

- Law firms were the least familiar sector, as 40% claim to know nothing of the sector and only 10% know more than a little.
- The sector was rated badly on all of the performance statements with the exception of treating staff well.
- With 86% rating law firms badly on putting customers before profits, this was the lowest performance rating within the sector but this was also marked quite low in the importance in driving trust.
- Having respected leadership was rated the most important attribute in driving trust within the sector. (Exhibits 17 and 18)

Exhibit 17 Key performance statements – law firms

Exhibit 18 Key trust drivers – law firms
Trust drivers and business performance
7 – Insurance companies

• Along with law firms, this sector was rated the lowest for its performance in getting involved in the local community but this was also considered the least important factor for driving trust in the sector.

• The sector’s highest rated performance was treating staff well, followed closely by contributing to the British economy.

• This is one of the least trusted sectors with 39% stating it is untrustworthy. (Exhibits 19 and 20)

Exhibit 19 Key performance statements – insurance companies

Exhibit 20 Key trust drivers – insurance companies
Trust drivers and business performance

8 – Banks

- Banks are one of the most familiar sectors yet the least trusted with 53% finding banks very or mainly untrustworthy.
- The public rated banks the lowest of all sectors on putting customers before profits, with only 7% stating banks did this well.
- It was rated lowest for its performance on creating jobs in Britain, in communicating honestly and consistently delivering what they promise, with only 15% stating it succeeds in delivering promises.
- Treating staff well had the highest performance rating and the only net positive within the sector.
- Giving good customer service came out as the strongest driver of trust. (Exhibits 21 and 22)
Trust drivers and business performance
9 – Utilities

- The majority of the public are familiar with utilities, however, it is the second least trusted industry, as 45% view the sector as either very or mainly untrustworthy.
- The sector was rated the lowest for its customer service and the second lowest on its performance for putting customers before profits.
- Having respected leadership was the key attribute for driving trust within the sector, followed by honest communication. (Exhibits 23 and 24)

Exhibit 23 Key performance statements – utilities

Exhibit 24 Key trust drivers – utilities

Importance of attributes in driving trust
What these findings mean for how companies should build trust

This research has revealed some interesting findings with a slightly different perspective for each of the sectors we examined. However, the theme that stood out most across all the findings was that whatever sector a company is in, the public’s perception of trust is based on their personal experience as a consumer. Therefore, in order to be trusted business must get its primary relationship with its consumers right.

From these findings our recommendations are that:

1. All businesses need a strong core set of values to guide the strategy and operations. It is important these values are an intrinsic part of daily operations rather than a bolt on.

2. Excellence in service delivery and serving customers consistently to a high standard must be core to every business no matter which sector.

3. For these to be authentic and sustaining, it must be underpinned by strong leadership right from the top.

Following these recommendations will ultimately help establish a stronger relationship of trust between business and the public.
The relationship between trust and corporate social responsibility

During the course of this research and our discussion with CBI members, there was frequent dialogue about what this customer first approach means for Corporate Social Responsibility (CSR) activities. The research showed that despite significant efforts by business on CSR in recent years, ‘getting involved in the local community’ came in the bottom half of trust drivers for eight out of nine sectors.

If trust is built primarily by serving customers rather than general contributions to society, is CSR redundant?

The good news for businesses that have invested a lot of time and effort in these programmes in recent years is that the answer is no. Our research told us that businesses giving back to the community and society is still really important. However, CSR does need to be put into context.

This research has revealed that businesses are primarily judged on how they fulfil their central purpose. If a business achieves this, it can enhance its credibility and the sense of value it adds to wider society through community based programmes.

But we also found that if a business does not fulfil its core purpose well, no amount of CSR will allow it to be trusted in the long term.

CSR programmes work best when enhancing an already excellent customer service proposition in areas related to what the business does. We have come across some good examples during the course of this work. These include supermarkets supporting farming initiatives or operating food banks, energy companies lagging lofts and supporting sustainability initiatives, or professional services firms doing pro bono work to support young people to become entrepreneurs.

These are powerful examples because they use the core offering of the company as a springboard for initiatives that make a tangible difference to wider society.

The following case studies show best practice from members who are building trust across the business community in innovate ways, focussing on Putting the customer first and Investing in the UK.
CASE STUDY – Yorkshire Building Society

PUTTING THE CUSTOMER FIRST
Putting customers at the heart of business has been identified as critical to building trust. Businesses must be able to adapt customer needs and deliver on its promises.

HOW YORKSHIRE BUILDING SOCIETY (YBS) BUILT TRUST TO DRIVE NEW BUSINESS
During Summer 2012, YBS embarked on a programme of activity in response to identifying that potential new customers had low levels of brand awareness and a lower perception of trust in YBS than existing customers.

YBS wanted to build a brand position which would:
1. Reassure existing members that YBS is a trustworthy organisation and, as a mutual, has a different approach to many other financial services providers
2. Extend this message to potential customers to grow awareness and consideration

A detailed research and insight programme covering brand perceptions and YBS customer experience tracking identified two key findings:
1. Trust is, to some degree, linked to brand awareness so in order to build trust amongst potential customers it is important to have a strong brand presence
2. To trust an organisation, customers look for corporate responsibility, effective and efficient organisational processes and the integrity of the customer facing staff that they interact with.

A programme of activity was run across Yorkshire & Humberside during the summer of 2012. The programme incorporated a range of activity, all of which leveraged the Yorkshire’s mutual status:
1. Brand awareness building through an integrated marketing and PR campaign
2. Community/charitable activity driven by local branches to build community presence and demonstrate corporate trustworthiness
3. Focus on organisational effectiveness to deliver upon/exceed brand promises
4. Customer experience activity in branches to enhance personal trust. Some of this was very simple but highly effective (eg branch manager meets every new customer).

CHANGING THE CUSTOMER EXPERIENCE
The research found that high level of personalisation drives trust led to a range of activities. Firstly, each Branch Manager was given a pack, profiling their customer base and the local population. This was used to prompt discussions with the individual Branch Teams about the specific needs of those customers to whom they were trying to appeal (for instance, Leeds branch needs to appeal to a different type of customer to Bridlington branch). This activity encouraged the teams to come up with their own solutions to personalise their customer experience within the branch, empowering them to take action. Accountability to deliver the actions was shared across the team.

Some of the ideas were shared across the region, such as changes to sales processes to better understand customer needs and each customer being walked to the door after an interview. Others were genuinely local – in one location where parking was an issue the branch began to refund parking tickets; in another branch where interview waiting times were high the Branch Manager arranged credit with the coffee shop next door and customers were given vouchers to get a free coffee while they waited.

In each case the Branch Manager was empowered to lead their team to deliver a personalised service in the context of their specific branch.

RESULTS
Pre and post programme measurement showed a marked increase in potential customer trust from fourth position in the chosen group of seven key competitors to first place within the region. Existing customer trust remained number one against the competitor set. Activity is continuing to build the Group’s trust position both within Yorkshire & Humberside and in other key regions.

In each case the Branch Manager was empowered to lead their team to deliver a personalised service in the context of their specific branch.
CASE STUDY – Esh Group

INVESTING IN THE UK
Demonstrating investment in the UK economy can highlight to the public the positive role business plays. Outlining the wide number of stakeholders, such as institutional investors, who benefit from company profits can help to dispel common misconceptions.

HOW ESH GROUP DEMONSTRATES ITS EMPLOYMENT COMMITMENTS IN COUNTY DURHAM
‘Win win’, that’s a guiding principle at Esh Group, the largest indigenous construction group based in the North East, where annual turnover is circa £180 million and the direct workforce numbers nearly a thousand. At Esh Group, ‘win win’ means reinvesting in the communities where it wins work and makes sustainable profit.

This long-standing principle, of a ‘local’ business reinvesting in people, communities and markets, naturally progressed and Esh Group formalised its charity and community support in 2005 by forming Esh Charitable Trust.

Aimed at ‘good causes’ supporting environmental work, skilling-up young people and disadvantaged people and underpinning communities, the Charity has awarded over £1m in grants to date and is proud to have sustained its support throughout the downturn.

Its flagship schemes have received national recognition such as Business in the Community’s Big Tick accreditation for the school and Community horticultural education scheme ‘grow with Esh’ and Ministerial recognition for work related learning and employment scheme, ‘Esh Employability’. Over time the programme has evolved and has come to be known as Esh Added Value.

Esh Added Value runs in parallel to the Group’s commercial and expansion strategies and is both delivered in existing markets and is being rolled out further afield. Sixteen projects in the Yorkshire region are the most recent beneficiaries under ‘Grow Your Communities with Esh’.

Projects applied for support in 2012 to undertake community and individual support and successful schemes are currently sharing around £14,000 in their delivery.

In addition to Esh Employability which is currently running alongside new build schemes in Teesside and Cumbria, 2013 will see three new ‘Grow Your Communities with Esh’ schemes launched in Cumbria, Yorkshire and the North East.

“In order for us to be able to put back into the community we must have a sustainable business model and profitable operations. We reinvest alongside our commercial success in the people and the places which benefit from our commercial work. Esh Added Value is simply part of that partnership and collaboration. We don’t just give money we are generous with our time and our creativity too.

We believe it’s important to be ‘open’ and to allow people to tell us what they would like help with, so we can help empower them to take action themselves in order that they can fulfil genuine needs which they know about within their own community.

In this way we grow our business, employ local people and reinvest in their economies and communities. That’s Esh Added Value.”

Esh Group’s Chief Executive Brian Manning

“At the end of the day we believe in ‘do as you would be done by’.

Esh Group grows as a result of many things: hard work from committed, good people, excellent services and timely opportunities – but most important is the way we ‘add value’ though collaboration and partnership.

Construction is a people business, we build and look after things for people to use – whether its buildings, roads, parks, sewerage, energy systems, whatever. We don’t believe its right to ‘swoop’ in, ‘do our stuff’ and then disappear off – out of people’s lives.”

Esh Group’s Chief Executive Brian Manning
The CBI's co-ordinated campaign

Our overriding priority has been a continued focus on driving private sector growth. Under the objective ‘delivering for consumers and communities’ we are undertaking a number of other projects including:

• **Raising ambition for all in schools.** Following on from the First Steps report launched last year, this is a long-term campaign to improve educational performance. In 2013, the CBI will be building consensus around the need for change. We will also be focussing on exam reform and addressing failures at key stage 2 (7-11).

• **Skills for growth sectors.** Too often growth in a major firm leads simply to the hollowing out of skills in their supply chain or supply chain growth abroad. This project will look at sustainable paths to higher skills in STEM subjects for a larger number of people, and the changes needed to deliver it.

• **Trust and transparency: business and markets.** We are producing an evidence based narrative on how markets deliver for both consumers and the economy. We will show how competition and consumer empowerment help drive efficient markets to create choice, innovation and value for money. Our headline report due in late autumn will outline the key principles of an efficient market and provide recommendations to improve outcomes for consumers.

**CBI workplan 2013**

- Delivering prosperity through private-sector growth
- Getting Britain building
- Creating a global role for Britain in a new Europe
- Encouraging high-growth export champions
- Delivering for consumers and communities
Useful contacts

We are calling on businesses to provide case studies illustrating the key drivers of trust which we will populate on a dedicated webpage. By submitting a case study, it will give your business the opportunity to showcase your work on building trust to our members.

If your company is building trust in one or more of the following areas, please contact: membership@cbi.org.uk to complete a case study:

- Leadership
- Putting the customer first
- Clarity and consistency
- Investing in the UK

We have produced an infographic on the contribution of business to UK society which provides some interesting statistics on how business delivers for jobs, communities, growth and for the future. You can view the infographic on our website at www.cbi.org.uk/bti

Some useful contacts

**Business in the Community**: A business-led charity focused on promoting responsible business practice. Members work together to transform communities by tackling issues where business can make a real difference.

[www.bitc.org.uk](http://www.bitc.org.uk)

**Investors in People**: At the heart of Investors in People is the Standard, a framework of best practice that is outcome focused: it outlines what you need to achieve but never prescribes how, making it truly flexible regardless of your size or sector.

[www.investorsinpeople.co.uk](http://www.investorsinpeople.co.uk)

**The Big Society Network**: The Big Society Network exists to support and develop talent, innovation and enterprise to deliver social impact. By working with business, philanthropists, charities and social ventures we believe we can unleash the social energy that exists in the UK to help build a better, healthier society.

[www.thebigsociety.co.uk](http://www.thebigsociety.co.uk)