

A black and white photograph of two young women sitting at a table, smiling and talking to each other. They are wearing necklaces and have drinks in front of them. The woman on the left is wearing a dark top with a checkered pattern, and the woman on the right is wearing a light-colored top with a sequined necklace. The background is a plain, light-colored wall.

# Trust in Advertising

a global Nielsen  
consumer report

October  
2007

nielsen  
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# 'Word-of-mouth' the most powerful selling tool: Nielsen Global Survey

## Traditional Media Advertising Still More Credible Worldwide Than Ads on Search Engines, Web Site Banners and Mobile Phones

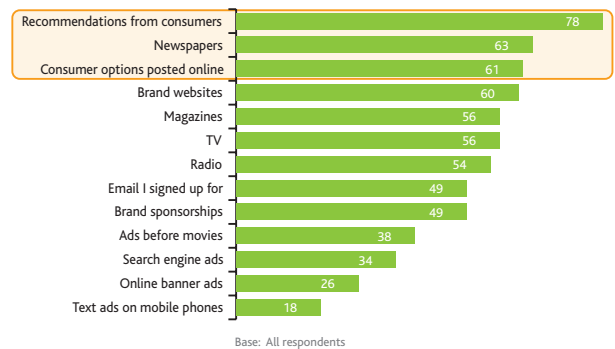
Despite an ever-expanding array of advertising platforms and sources, consumers around the world still place their highest levels of trust in other consumers, according to a recent global Nielsen Internet survey.

Conducted twice-a-year among 26,486 internet users in 47 markets from Europe, Asia Pacific, the Americas and the Middle East, Nielsen most recently surveyed consumers on their attitudes toward thirteen types of advertising – from conventional newspaper and television ads to branded web sites and consumer-generated content.

The Nielsen survey found that overall, consumers trust other consumers above all else! 78% of respondents said they trusted – either completely or somewhat – the recommendation of other consumers.

“Advertisers around the world are able to reach consumers across an increasingly diverse range of media platforms,” said David McCallum, the global managing director for Nielsen’s Customized Research Services.

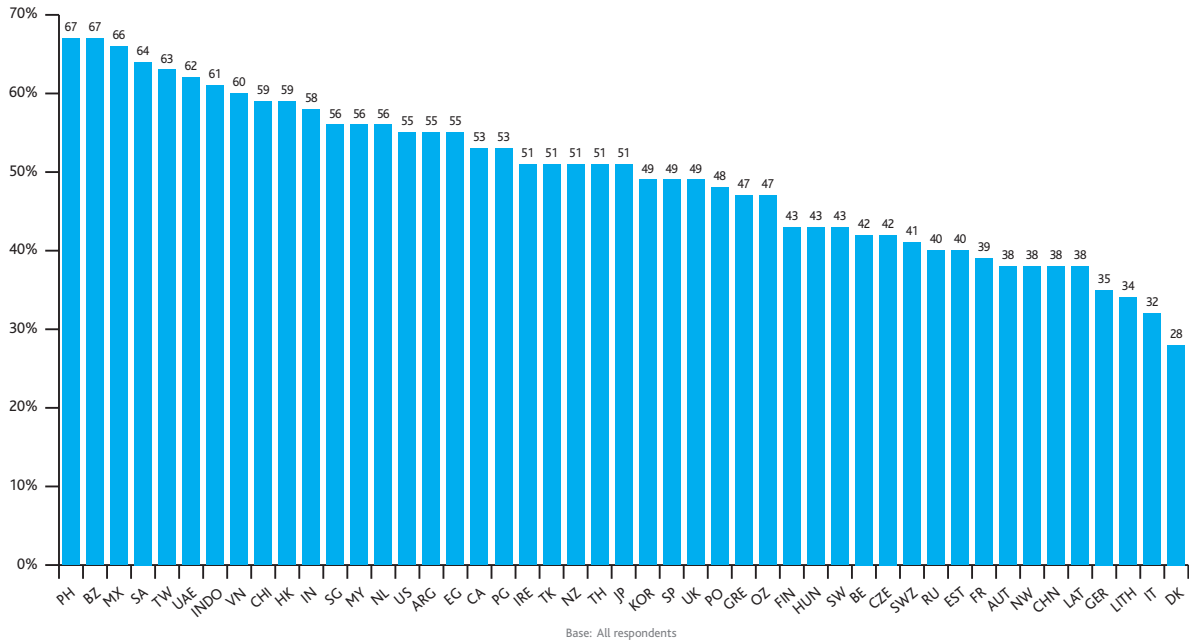
**In general, consumers trust other consumers!  
Traditional Media fare reasonably well, but online and mobile phone Ads aren't to be trusted**



“Even so, the recommendation of someone else remains the most trusted sources of information when consumers decide which products and services to buy. And even though new media technologies are playing a role in ‘globalizing’ society, many purchasing decisions are still based on firmly held national and cultural attitudes. Furthermore, given that nothing travels faster than bad news - with estimates that reports of bad experiences outnumber good service reports by as many as 5:1 - the importance of responsive, high quality customer service is yet again highlighted.”

**Average levels of consumers' trust in advertising: a 47 country comparison**

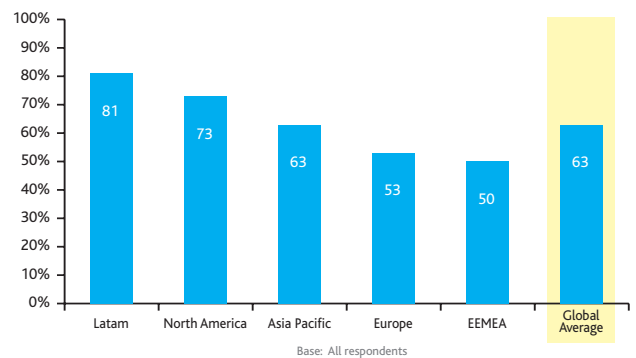
Filipinos are the world' most trusting, Danes the most sceptical, Latin Americans and Asians more likely to believe advertising than Europeans



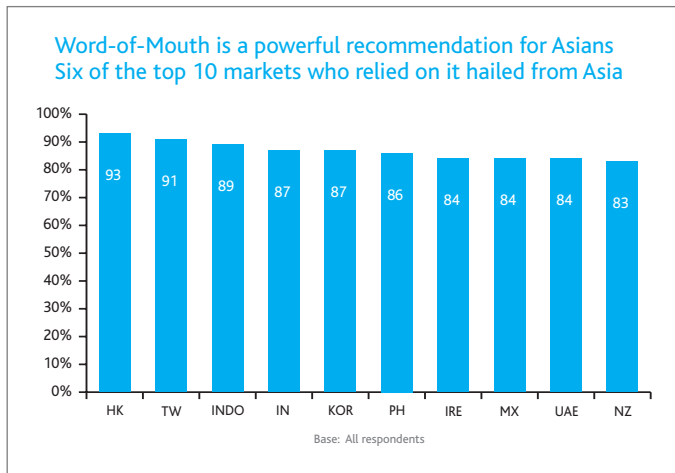
The Nielsen survey found Filipinos and Brazilians (67%) to be the most trusting overall of all forms of advertising, while trust among Danes (28%), Italians (32%), Lithuanians (34%) and Germans (35%) were the lowest in the world.

The Nielsen survey also found that while new platforms like the Internet are beginning to catch up with older media in terms of ad revenues, traditional advertising channels continue to retain the public's trust. Ads in newspapers rank second worldwide among all media categories, at 63 percent overall, while television, magazines and radio each ranked above 50 percent. Such advertising scored best in Latin America and most poorly in Eastern Europe, the Middle East and Africa (EEMEA) regions.

**Ads – possibly advertorials - in Newspapers were considered trustworthy, particularly for Latin Americans. People in EEMEA were less convinced.**



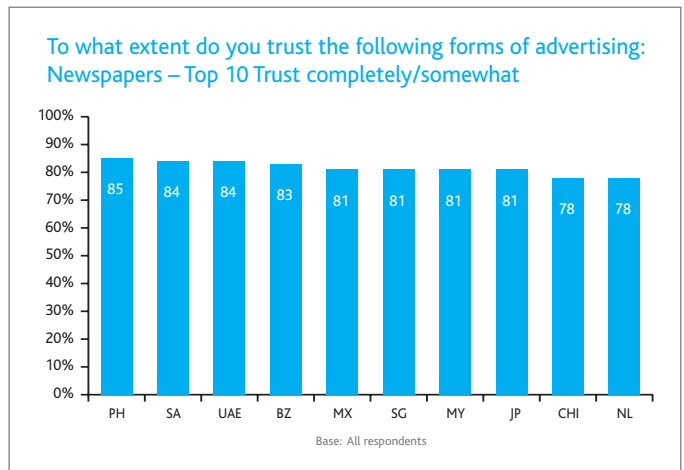
Although consumer recommendations are the most credible form of advertising among 78 percent of the study's respondents, Nielsen research found significant national and regional differences regarding this and other mediums. Word-of-mouth, for example, generates considerable levels of trust across much of Asia Pacific. Six of the top 10 markets that rely most on "recommendations from consumers" are in this region, including Hong Kong (93%), Taiwan (91%) and Indonesia (89%).



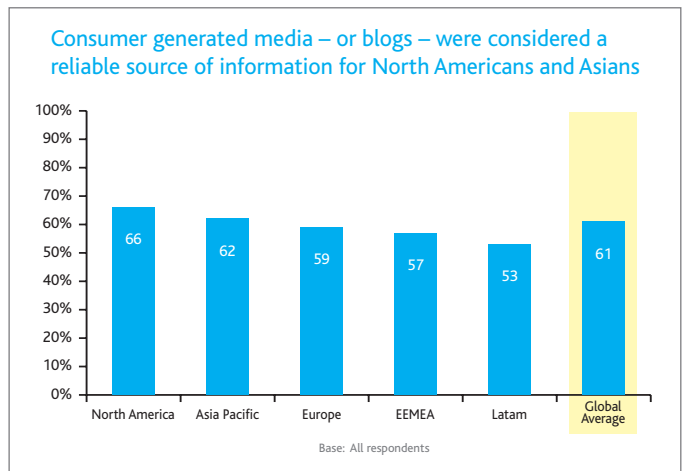
At the other end of the global spectrum, Europeans, generally, are least likely to trust what they hear from other consumers, particularly in Denmark (62%) and Italy (64%).

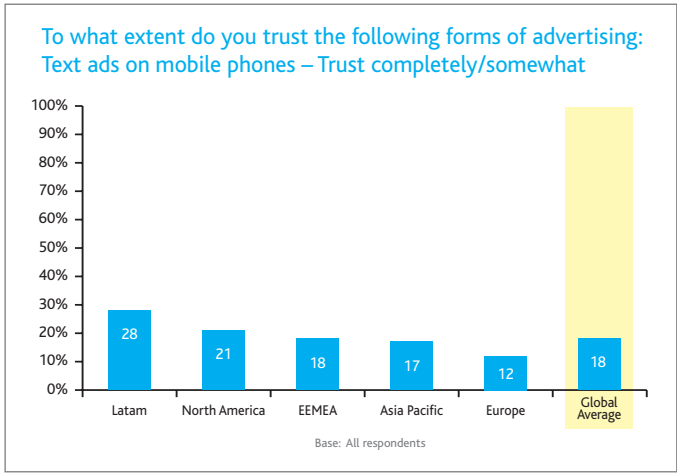
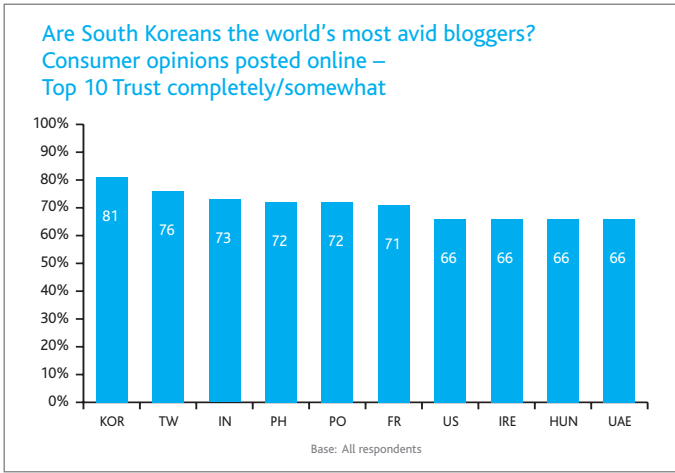
"The advertising industry has to do a better job at communicating the value it brings to consumers," said Jonathan Carson, of Nielsen BuzzMetrics, a service of The Nielsen Company.

"In developing markets, advertising is seen more as a conveyor of useful information. In more developed markets, people don't need it to play that role. They have too much information already."



The reliability of consumer opinions posted online – which rated third, at 61 percent overall – also varies throughout the world, scoring highest in North America and Asia, at 66 and 62 percent respectively. Among individual markets, web-based opinions such as Blogs are most trusted in South Korea (81%) and Taiwan (76%), while scoring lowest, at 35 percent, in Finland.



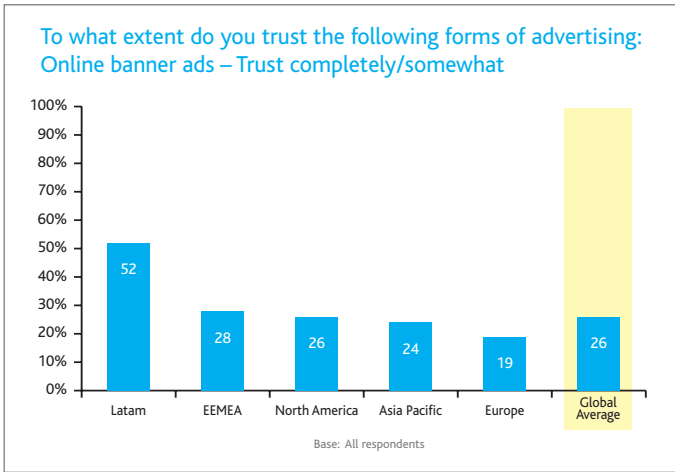


On the other hand, only consumer-generated media and branded web sites were trusted by more than half of all consumers. Search engine and banner advertising, along with text ads on mobile phones, each scored at the bottom of the list with fewer than 35 percent of total respondents. Regionally, Latin American consumers found these ads most believable, while Europeans trusted them the least.

“The positive thing about these new digital channels is that they are extremely scalable,” Carson said. “You can get a very high reach at a low cost, compared with traditional media. But it’s tempting to abuse it.”

**About the Global Online Consumer Survey**

The Nielsen Global Online Consumer Survey is conducted twice a year to gauge consumer attitudes and opinions to a variety of topics and current affairs. The April 2007 survey was conducted in 47 Markets: Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Japan, Korea, Latvia, Lithuania, Malaysia, Mexico, Netherlands, New Zealand, Norway, Philippines, Poland, Portugal, Russia, Thailand, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Turkey, UAE, United Kingdom, US and Vietnam. The margin of error of the survey is +/- 4% for n=500 and +/- 3% for n=1000.



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## The 47 Markets Included:

Argentina (ARG),	Australia (OZ),
Austria (AUT),	Belgium (BE),
Brazil (BZ),	Canada (CA),
Chile (CHI),	China (CHN),
Czech Republic (CZE),	Denmark (DK),
Egypt (EG),	Estonia (EST),
Finland (FIN),	France (FR),
Germany (GER),	Greece (GRE),
Hong Kong (HK),	Hungary (HUN),
India (IN),	Indonesia (INDO),
Ireland (IRE),	Italy (IT),
Japan (JP),	South Korea (KOR),
Latvia (LAT),	Lithuania (LITH),
Malaysia (MY),	Mexico (MX),
Netherlands (NL),	New Zealand (NZ),
Norway (NW),	Philippines (PH),
Poland (PO),	Portugal (PG),
Russia (RU),	Thailand (TH),
Singapore (SG),	South Africa (SA),
Spain (SP),	Sweden (SW),
Switzerland (SWZ),	Taiwan (TW),
Turkey (TK),	UAE (UAE),
United Kingdom (UK),	US (US),
Vietnam (VN).	

## About Nielsen BuzzMetrics

Nielsen BuzzMetrics is the global measurement standard in Consumer-Generated Media. With solid data-mining technology, superb research and Nielsen's unrivaled experience in media measurement and client services, BuzzMetrics helps today's companies, brands and business professionals better understand the influence and impact of CGM on products, issues, reputation and image.

## About The Nielsen Company

The Nielsen Company is a global information and media company with leading market positions and recognized brands in marketing information (ACNielsen), media information (Nielsen Media Research), business publications (Billboard, The Hollywood Reporter, Adweek), trade shows and the newspaper sector (Scarborough Research). The privately held company is active in more than 100 countries, with headquarters in Haarlem, the Netherlands and New York, USA. For more information, please visit: [www.nielsen.com](http://www.nielsen.com).