PERSONAL RECOMMENDATIONS, NEWSPAPER EDITORIAL AND CONSUMER OPINIONS POSTED ONLINE ARE THE MOST TRUSTED FORMS OF ADVERTISING

SYDNEY, 9 JULY 2009 – Australians trust personal recommendations, followed by newspaper editorial and consumer opinions posted online above any form of advertising, according to the latest twice-yearly Nielsen Consumer Survey of over 500 Australian Internet consumers and over 25,000 consumers globally.

The Nielsen survey, the largest of its kind, shows that more than nine in every ten Internet consumers (93%) trust recommendations from people they know, whilst 67 percent trust what they read in the papers and 64 percent trust consumer opinions posted online.

And while online and mobile advertising are enjoying revenue growth in Australia as advertisers trial new platforms, traditional advertising channels still hold more weight with consumers overall, with the exception of email subscriptions and branded websites. Sixty percent of consumers said they trusted advertisements in newspapers, and 57 percent trusted radio and television advertisements.

Mobile advertising fared particularly poorly in its level of trust amongst Australian consumers – 88 percent of Australian respondents to Nielsen’s survey said they didn’t trust text ads on mobile phones. Also showing low levels of trust were search engine ads (73% don’t trust) and online video and banner ads (77% and 81% respectively don’t trust). See chart 1.
“The explosion in consumer generated media over the last couple of years – Nielsen now tracks over 100 million sources – means consumers’ reliance on word of mouth in the decision-making process, either from people they know or online consumers they don’t, has increased significantly,” says Mark Higginson, Director of Analytics, Nielsen Online. “However, some of the newer forms of advertising consumers are seeing, such as video ads online or advertisements sent via SMS, are less familiar and therefore cause a certain level of skepticism.”

Nielsen’s Trust in Advertising survey was first conducted in April 2007 and in the two years since then personal recommendations has seen the greatest increase in levels of trust from 77 percent in April 2007 to 93 percent in April 2009 – an increase of 16 percentage points. Brand sponsorships and ads before movies saw the next greatest increase in level of consumer trust in the past two years, up 14 percentage points and 13 percentage points respectively. See chart 2.

“With more and more avenues opening up for advertisers to spruik their messages, consumers appear to be looking more to their peers for trusted advice and recommendations,” notes Higginson. “This trend further emphasises the importance for organisations to understand and maximise the power of social and consumer generated media.”

Chart 1: Consumer trust in advertising

Source: Nielsen Global Online Consumer Survey April 2009 / Base: All Australian Respondents (n=500)
**Chart 2: Change in level of trust, April 2007 vs April 2009**

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<th>Source: Nielsen Global Online Consumer Survey April 2009 and April 2007 / Base: All Australian Respondents (n=500)</th>
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<td>NB: Editorial content, billboards/outdoor advertising and online video ads not covered in April 2007 survey</td>
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**About The Nielsen Global Online Consumer Survey**

The Nielsen Global Online Consumer Survey, conducted by Nielsen Consumer Research, was conducted from 19th March – 2nd April 2009 among 25,420 Internet consumers in 50 markets across Europe, Asia Pacific, North & Latin America and the Middle East, including 500 respondents in Australia. The largest half-yearly survey of its kind, the Nielsen Global Online Consumer Survey provides insight into the opinions and preferences of Internet consumers across the world.

Nielsen will be releasing a white paper on Wednesday, 15 July covering consumers’ trust in advertising, how they see the benefits of advertising as well as comparing the effect on consumers of TV and online video advertising. For a copy of the whitepaper please contact Deanie Sultana (deanie.sultana@nielsen.com).

**About The Nielsen Company**

The Nielsen Company is a global information and media company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and business publications (Billboard, The Hollywood Reporter, Adweek). The privately held company is active in more than 100 countries, with headquarters in New York, USA. For more information, please visit, [www.nielsen.com](http://www.nielsen.com)