2012 PUBLIC AFFAIRS PULSE Survey

Americans' Views on Business In an Election Year

A national survey commissioned by:

PUBLIC AFFAIRS COUNCIL

Conducted by Princeton Survey Research Associates International

Executive Summary

As the nation endures a slow economic recovery and a contentious presidential campaign, the public has been scrutinizing the behavior of government and large companies. People are dissatisfied with efforts by these two major institutions to boost employment, spur economic growth or improve the partisan political environment.

Attitudes and expectations about these two institutions differ substantially, however.

Only four in ten Americans (41%) have a favorable view of the federal government. In addition, 58 percent have not too much or no trust and confidence in the federal government to solve important problems facing the country.

On the other hand, two-thirds of Americans (67%) say they have a favorable view of major companies, up from 61 percent in the 2011 Public Affairs Pulse survey. In addition, strong majorities of the public say private business should take on more responsibility for solving national problems that have traditionally been the responsibility of government.

At the same time, public opposition remains strong to corporate behaviors such as outsourcing jobs, paying executive bonuses and getting actively involved in political campaigns.

These are some of the major findings of the second annual Public Affairs Pulse, a survey commissioned by the Public Affairs Council, a nonpartisan, nonpolitical association of corporate and nonprofit public affairs executives. The survey, designed and executed by Princeton Survey Research Associates International (PSRAI), is based on telephone interviews in English and Spanish with 1,750 adults age 18 or older living in the continental United States. Interviews were conducted on both landline telephones and cell phones. The interviews were conducted from June 20 through July 11, 2012.

For results based on all the respondents, the results are subject to a sampling error margin of plus or minus three percentage points.

Signs of optimism

This latest Public Affairs Pulse survey finds Americans are less negative about the current state of the economy and more optimistic about their economic future than they were in 2011. Their views are still not positive, but they are improving.

Now, three in ten Americans (30%) say that economic conditions in the country will get better over the next 12 months, and two in ten (20%) say the economy will get worse. Forty-seven percent say conditions will stay roughly the same. These numbers are a reversal from those in the 2011 survey, when only 21 percent were optimistic about the future and 31 percent were pessimistic.

Business and jobs

With the unemployment rate still at about eight percent, the public is looking to business to create and retain jobs. This year, more people are giving business credit for job creation, though the private sector's marks are still negative. Sixty-three percent give business poor marks on the jobs front, down from 71 percent last year. Nonetheless, one-third of the public (34%) says major companies are doing well at creating jobs. That is up 10 percentage points from last year's survey.

Americans continue to be strongly opposed to sending jobs overseas. Eight in ten Americans (80%) say they would think less favorably of a company that moves jobs to other countries where wages are lower. What's more, seven in ten (72%) say they would think less favorably of such a company even if the purpose of its outsourcing were to lower prices for American consumers.

Government regulation

Americans remain sharply divided on the value of government regulation of business. They are concerned about the potential negative economic impact of regulation on middle-class Americans, yet many believe there is too little regulation in some areas. Roughly one-third of the public falls into each of three categories: those who think business is over-regulated, those who think it is under-regulated and those who think it is regulated the right amount.

When asked to judge whether government regulation or the power of major companies is the bigger threat to “the future economic well-being of middle-class Americans,” 52 percent agree that “the power of the federal government to regulate what major companies do” is the greater threat. Forty percent say “the power and influence of major companies” is the larger threat. These numbers show some movement since the last Public Affairs Pulse survey, with a fear of corporate power rising from 33 percent in 2011 to 40 percent now.

Business involvement in politics

Since the Supreme Court’s decision in the *Citizens United* case, which said companies and unions could spend funds from their treasuries to directly support federal candidates, business involvement in politics has received increased scrutiny. Many Americans don’t approve of companies that take advantage of the rights granted by the court’s decision.

A majority (57%) say they would think less favorably of a company that pays for ads in support of a specific candidate. Only eight percent say it would make them think more favorably, and 33 percent say it would make no difference. Paying for issue ads is less controversial, with only 43 percent considering such a strategy to be unfavorable.

More than half of the public (54%) says they would think less favorably of a company that hires lobbyists to represent its interests on policy issues. Ten percent would think more favorably of these companies, and 35 percent say it would make no difference.

Yet when presented with a range of reasons for a company to lobby — such as protecting jobs, opening new markets or reducing costs — a strong majority of the public finds lobbying acceptable.

Table of Contents

Chapter 1: Improvement in Attitudes Toward Business

Though the nation's economic recovery has been slower than many had hoped, Americans are starting to look a bit more favorably upon some of the big institutions they deal with every day, including large corporations and the government.

Yet attitudes and expectations about these two institutions differ substantially.

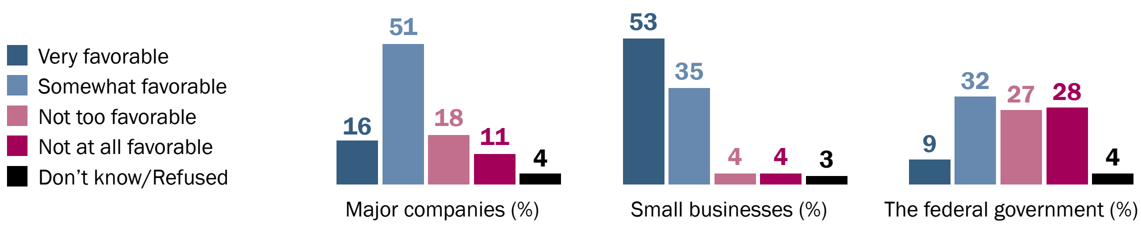
Two-thirds of Americans (67%) now say they have a favorable view of major companies, up from 61 percent in the 2011 Public Affairs Pulse survey. This includes 16 percent who hold very favorable views and 51 percent who hold somewhat favorable views.

Just under one-third (29%) say they have unfavorable opinions.

In contrast, only four in ten Americans (41%) have a favorable view of the federal government, up six percentage points from 35 percent in 2011. Fifty-five percent now hold negative views, down from 61 percent in last year's survey.

Overall Favorability

Americans have more favorable views of business — particularly small business — than of government. Some 67 percent of Americans have a positive view of major companies, compared with just 41 percent who have a positive view of the federal government. And 88 percent have a favorable view of small business.



Attitudes by age

Positive attitudes toward major companies are fairly consistent across age groups — a finding that counters an assumption that young people tend to be more anti-business. In fact, 71 percent of the Generation X group (age 36-47) hold favorable views about major companies, and 68 percent of Millennials (age 18-35) hold favorable views. Sixty-seven percent of Baby Boomers (age 48-66) and 64 percent of older Americans have similar, positive attitudes about companies.

Trust is still lacking

While overall attitudes toward businesses have become more positive, many Americans don't have much trust and confidence in major companies to "do the right thing."

For example, the current survey found 55 percent of Americans have a lot of trust or some trust in companies, while 44 percent do not trust major companies. Those numbers are essentially unchanged from findings in the 2011 survey.

Trust in major companies is fairly consistent across most demographic groups. Higher-income groups ($75,000 and up) are somewhat more trusting of business (60%-39%), while those with lower incomes are split (52%-47%). Whites (57%-42%) and Hispanics (61%-39%) express higher levels of trust in business than do African-Americans (44%-56%).

As in the 2011 Public Affairs Pulse survey, there are substantial variations by company type. All companies and industry sectors have not earned the same levels of trust.

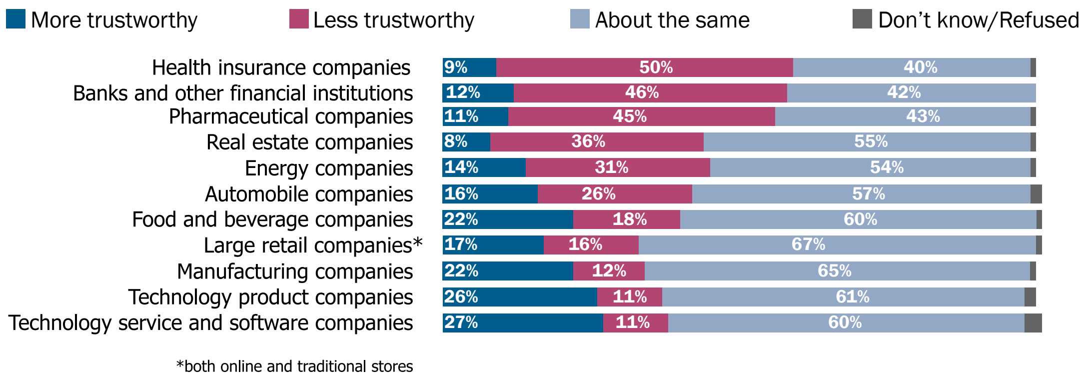
Health insurance companies are currently the least trusted category, with half of Americans (50%) saying they are less trustworthy than the average company. These findings are similar to those in the 2011 study, although there has been a slight uptick in the percentage saying these companies are more trustworthy. That favorable number should not be over-interpreted, since it is still mired in the single digits.

Banks and other financial institutions have lost ground in the past year. Now, 46 percent say financial institutions are less trustworthy, up from 41 percent in 2011. And the percentage saying financial institutions are more trustworthy has dropped from 16 percent in 2011 to 12 percent now.

In terms of levels of distrust, next come drug companies (45%), real estate companies (36%), energy companies (31%), automobile companies (26%), food and beverage companies (18%), large retail companies (16%), manufacturing companies (12%), technology product companies (11%) and technology service and software companies (11%). Most of these ratings are essentially unchanged from the 2011 survey (where the sector was listed as an option last year).

More or Less Trustworthy?

Although general favorability for major companies is up from last year, Americans don't always trust companies to "do the right thing." Trust levels vary widely according to sector, with health insurance companies, banks and pharmaceutical firms considered the least trustworthy.



Longstanding negative views

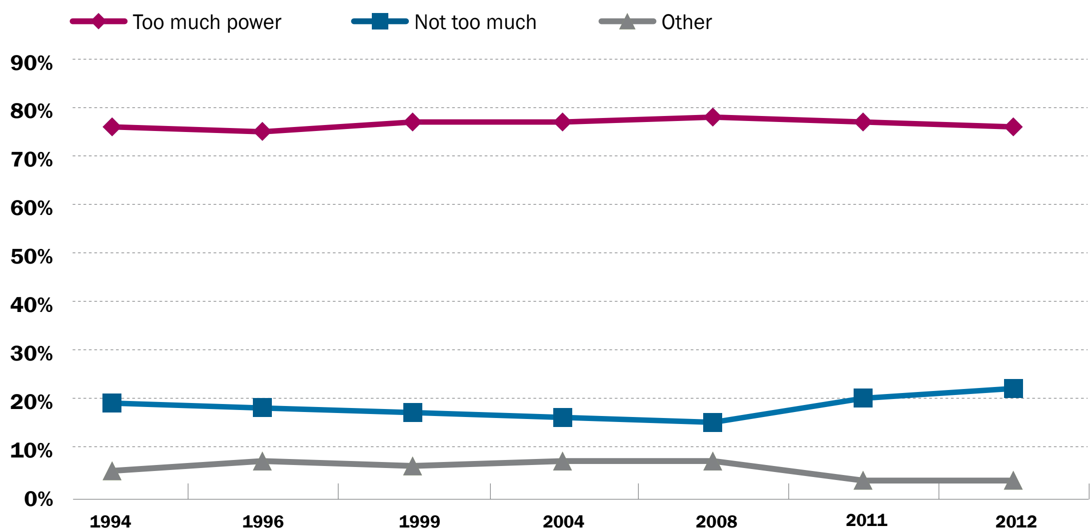
It's clear that Americans' views about large companies have many dimensions. General favorability is up, but public trust and confidence — particularly in certain industries — has plateaued. Other attitudes about big business have been consistently negative for many years, no matter which party is holding the presidency or whether the economy is experiencing boom times or recessions.

For example, three-quarters of Americans (76%) say "too much power is concentrated in the hands of a few large companies." Only 22 percent say "the largest companies do not have too much power." These numbers have not budged since at least 1994.

Americans also say that major companies make too much money. This latest survey found that 63 percent of Americans agree that companies' profits are too high, while 34 percent say most major companies "make a fair and reasonable amount of profit." These percentages are almost identical to those from the 2011 Public Affairs Pulse survey, when 62 percent said big companies' profits were too high.

Stable Views on Corporate Power

Three-quarters of Americans (76%) say "too much power is concentrated in the hands of a few large companies." Only 22 percent say "the largest companies do not have too much power." These numbers have been fairly consistent since 1994.



Chapter 2: Growing Economic Optimism

This latest Public Affairs Pulse survey finds Americans are less negative about the current state of the economy and more optimistic about their economic future than they were in 2011. Their views are still not positive, but they are improving.

The public still thinks the economy is in poor health: Only one percent say it is in excellent shape; six percent, good; 37 percent, only fair; and 55 percent, poor. As dismal as those numbers are, they are an improvement from last year's survey. The number saying the economy is in poor shape dropped 17 percentage points from the earlier finding of 72 percent, while those saying the economy is in only fair shape went from 23 percent to the current 37 percent.

Looking to the economic future, there has been something of a turn toward optimism. Now, three in ten Americans (30%) say economic conditions in the country will get better over the next 12 months, and two in ten (20%) say the economy will get worse. Forty-seven percent say conditions will stay roughly the same.

These numbers are a reversal from the 2011 survey, when only 21 percent were optimistic about the future and 31 percent were pessimistic.

This turnaround helps to provide one explanation for the increase in the favorable views of major companies and the federal government. While the relationship may not necessarily be cause and effect, those who are more positive about the future of the economy are more likely to be positive about business and government.

The newly optimistic bent is fairly distributed across demographic groups, with some exceptions:

- One group that turned substantially more optimistic is those making $75,000 a year and more. Now, 37 percent say the economy will improve, which is a 17-percentage-point rise from the 20 percent finding in the 2011 survey. Only 16 percent of this higher-income group think the economy will decline, down from the 30 percent who were pessimistic last year. Those making less than $75,000 have also become more optimistic than pessimistic (28% vs. 21% last year), but the change is smaller than in the higher-income group.

- Democrats show the largest jump in optimism, standing at 46 percent now, contrasted with 29 percent last year. Republicans have become less pessimistic, with 27 percent now expecting economic decline, compared with 40 percent in the previous survey.

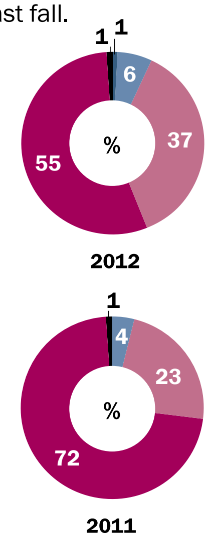
- African-Americans as a group are more optimistic than whites, with 51 percent saying the economy will get better. In contrast, one-third (33%) of Hispanics are similarly optimistic, and only a quarter of whites (26%) believe the economy will improve.

State of the Economy

Only 55 percent of respondents characterized the national economy as poor, compared with 72 percent last September. And they're optimistic about the future: Thirty percent now say the economy will get better, compared with 21 percent last fall.

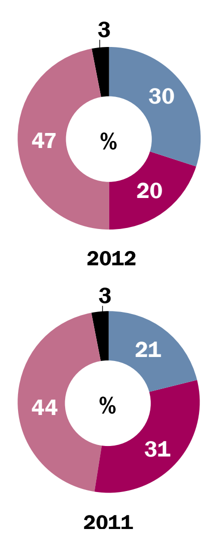
Would you say the national economy today is in excellent shape, good shape, only fair shape, or poor shape?

Excellent
Good
Only fair
Poor
Don't know/Refused



Over the next 12 months, do you think economic conditions in the country as a whole will get better, get worse, or stay about the same?

Better
Worse
Same
Don't know/Refused



Chapter 3: Business Does the Basics Well

One of the reasons Americans are generally positive about major companies is they believe firms do the basics of business well. Majorities say companies are doing a good job providing useful products and services and serving their customers.

One measure that has improved since the 2011 Public Affairs Pulse survey is that more people are giving credit to business for creating jobs — though the private sector's marks are still negative. Sixty-three percent give business poor marks on the jobs front, down from 71 percent last year. Nonetheless, one-third of the public (34%) says major companies are doing well at creating jobs. That is up 10 percentage points from last year's survey.

Useful products and good service

On three key dimensions of basic performance, major companies receive strong or very strong ratings from the public.

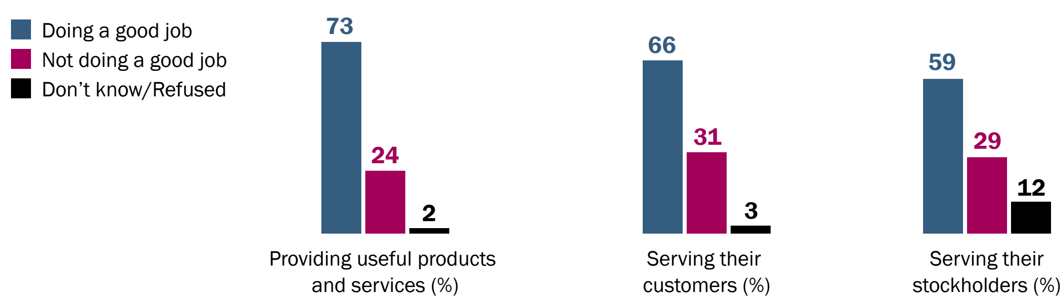
- More than seven in ten Americans (73%) say that major companies are generally doing a good job of providing useful products and services. About a quarter of Americans (24%) say companies are generally *not* doing a good job.

- Almost two-thirds (66%) say major companies do a good job of serving their customers. And only one-third (31%) say companies are *not* doing a good job.

Consumers often do not focus on another basic aspect of business management: efforts by corporate leaders to serve stockholders. A majority of Americans agree that major companies are succeeding in this dimension, with 59 percent saying that companies are meeting stockholder needs. Over one-quarter (29%) do not agree that stockholders are served well.

Business Basics Garner Good Reviews

On three key aspects of basic performance, the public gives major companies strong or very strong ratings.



The outsourcing controversy

While major companies are getting increased credit for creating jobs in this country, Americans remain firmly opposed to one often-discussed business strategy: moving jobs overseas.

Eight in ten Americans (80%) say they will think less favorably of a company that moves jobs to other countries where wages are lower. Only five percent say they would think more favorably of such a company. Fourteen percent say it would make no difference.

Even if the reason for moving the jobs overseas is to cut prices paid by American consumers, most people (72%) still say they would think less favorably of the company as a result. Only nine percent would look favorably on the company, and 18 percent say it would make no difference.

Concerns about executive compensation

Major companies have come under fire in recent years for how much top executives receive in salaries, bonuses and other perks. Often the point is made that the top executives are making many, many times the wages of the average worker in their businesses.

About seven in ten Americans (71%) say major companies are not doing a good job "paying their top executives fairly, without overpaying them." One in four (25%) say business is generally doing a good job on this.[1]

The public is a little more positive in their thoughts about what major companies pay regular employees. Forty-one percent say major companies generally do a good job setting fair pay scales, while a majority (56%) say companies do not do a good job on this. The same question drew a 38 percent-good and 56 percent-not-good response in 2011.

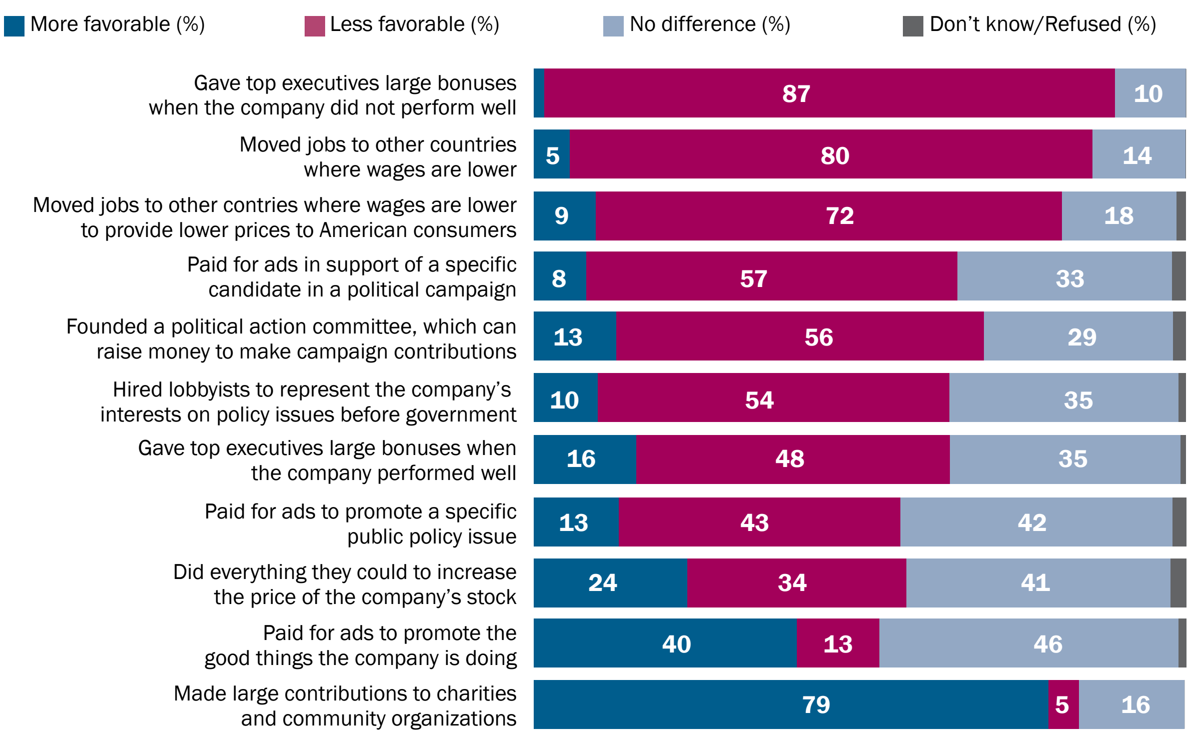
One aspect of executive compensation that does not sit well with the public is paying large bonuses to executives — no matter how well a company is performing.

About half of the public (48%) says they will think less favorably of a company if it pays large executive bonuses when a company is doing well. Only 16 percent say the bonuses would improve their views of the company. More than a third (35%) say it would not make any difference.

When a company is not doing well, the verdict on bonuses is overwhelmingly negative. Nearly nine in ten (87%) say they would think more unfavorably of a company that awards bonuses when times are bad, with only two percent being more favorable. Ten percent say it would make no difference.

Corporate Behavior

Executive compensation remains very controversial, with 87 percent of respondents saying they would look less favorably on a company that gave its top executives bonuses despite poor company performance. Corporate political activity also continues to be controversial, but not nearly as much as executive bonuses or outsourcing jobs to foreign countries.



1 These numbers are slightly more positive than the findings of the 2011 survey (76% not a good job-17% good job), but the wording of the question was changed, making an exact comparison impossible.

Chapter 4: Worries About Regulation

Government regulation of business is a topic that has generated debate in America for many years. What level of regulation is necessary to protect the interests of the public? When does regulation create an unjustifiable burden? How do we know?

Americans are still divided on the issue, and not just along party lines. There are basic ideological differences between the left and the right, but opinions sharpen — and take interesting turns — when the public is asked about the impact of regulation on the middle class or about the wisdom of increasing regulation on various types of companies.

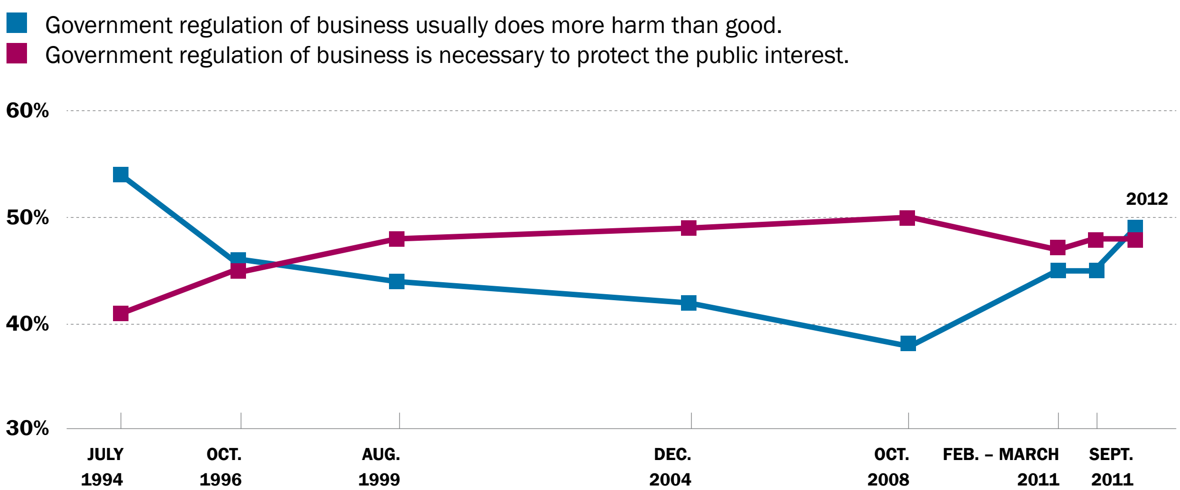
Different world views

Americans are split down the middle on the question of whether government regulation of business is necessary or whether it does more harm than good. This survey finds 48 percent agree that "government regulation of business is necessary to protect the public interest." About the same number, 49 percent, take the view that "government regulation of business usually does more harm than good."

As the chart illustrates, anti-regulatory attitudes declined a bit in the early 2000s, but since 2008 a growing number of Americans have become more skeptical of government regulations. Nevertheless, it would be wrong to conclude that the public speaks with one voice about this issue. The divide that now exists is the same basic split that existed 15 years ago.

Attitudes About Government Regulation

It's worth noting that public attitudes about regulation haven't changed a great deal since the late 1990s. Americans are split about whether government regulation of business does more harm than good.



Federal regulation versus corporate power

Another approach to gauging public opinion about regulation is to ask about its impact relative to corporate power on America's large and now struggling middle class.

When asked to judge whether government regulation or the power of major companies is the bigger threat, 52 percent agree that "the power of the federal government to regulate what major companies do" poses the greater threat to the middle class. Forty percent say "the power and influence of major companies" is the larger threat "to the future economic well-being of middle-class Americans." These numbers show some movement since last year, when only 33 percent were more concerned about corporate influence.

For the first time, this year's Public Affairs Pulse survey asked respondents why they answered as they did. The responses illuminate the concerns that lie behind fear of government regulation as well as fear of major companies. Those concerns echo arguments being made in the 2012 presidential and congressional campaigns.

Of those who see government regulation as the greater threat to the economic well-being of middle-class Americans:

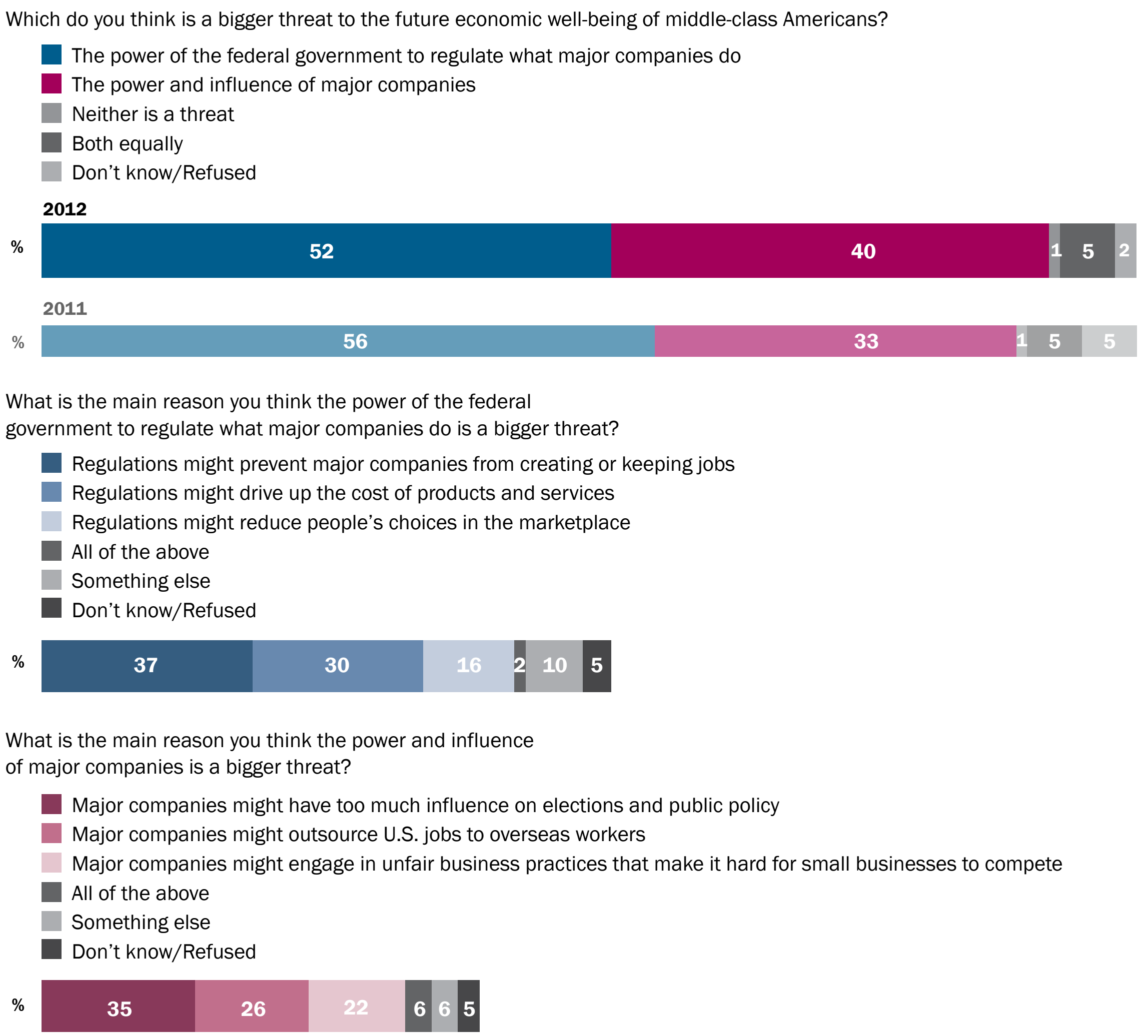
- More than one-third (37%) say they worry that regulations might keep major companies from creating new jobs or maintaining current employment.
- Thirty percent say regulations could drive up the prices of products and services consumers use.
- Sixteen percent say regulation might reduce consumers' choices in the marketplace.

Of those who see the power of major companies as the bigger threat to the middle class:

- More than one-third (35%) worry that companies might have too much influence on elections and public policy.
- About one-quarter (26%) worry that companies might outsource jobs to overseas workers.
- Twenty-two percent are concerned that large companies could use unfair tactics to make it hard for small businesses to compete.

Regulatory vs. Corporate Threats

A strong majority still feels that the power of the federal government to regulate big companies is a bigger threat than the power/influence of those companies, although the numbers have weakened since last fall.



Proper levels of regulation

Another way to discern attitudes toward regulation is to ask whether regulation is at the proper level. Roughly one-third of the public falls into each of three categories: those who think business is over-regulated, those who think it is under-regulated and those who think it is regulated the right amount.

In this latest survey, 31 percent say there is too much government regulation, 32 percent say there is too little, and 35 percent feel it is at the proper level. These numbers are somewhat similar to those in the 2011 Public Affairs Pulse survey, although concern about too much regulation has risen four percentage points since last year.

On closer inspection, regulation looks more positive

While Americans seem to be cautious about regulation in general, they are not hesitant to call for tougher rules when asked about specific industries or policy areas.

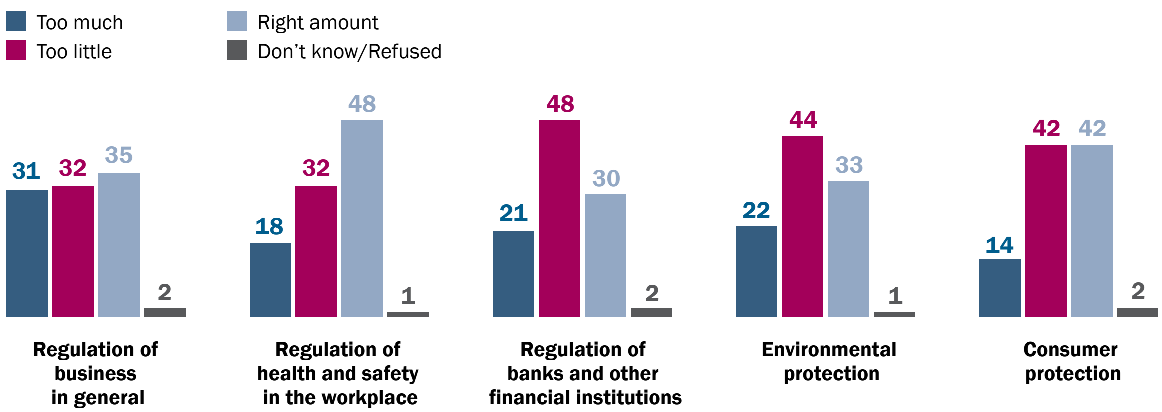
The economic crisis has left nearly half of Americans (48%) saying there is too little regulation of financial institutions.

Only one in three (30%) think the financial sector is regulated at the right level, while 21 percent say it is over-regulated. Americans' views on the often contentious topic of environmental regulation follow the same pattern. Forty-four percent say the government is doing too little in the area of environmental protection, 33 percent say it is doing the right amount, and only 22 percent say government is doing too much.

More than four in ten Americans (42%) also believe there is too little consumer-protection regulation.

Government Regulation

Americans continue to have mixed feelings about government regulation.



Chapter 5: Businesses' Role in Solving National Problems

The public does not have a lot of confidence that the federal government is going to be able to solve the important problems facing the nation. Majorities want private businesses to step up and take on more of the financial burden of managing these issues.[2]

The question is whether major companies can meet these expectations given their other priorities and the lack of public trust in CEO leadership.

Not much confidence in federal government

The public has serious doubts about whether the federal government can effectively handle the challenges that face the nation. Only 41 percent say they have "some" or "a lot" of trust and confidence that the government can solve the nation's most important problems. A majority (58%) say they have "not too much" or no trust at all that the government can solve these problems.

Time for business to step up

Strong majorities of the public say private businesses "should take on more financial responsibility for solving national problems that have traditionally been the responsibility of government" in a number of key areas.

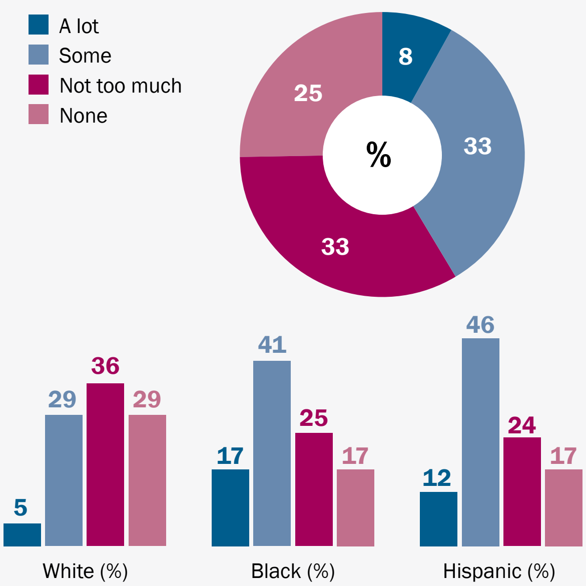
- More than seven in ten (72%) say business should provide community services such as food banks, free clinics and job training for the poor.
- Sixty-eight percent say business should take on more responsibility for improving the quality and affordability of health care.
- About two-thirds (66%) say business should help improve the quality of education.
- Sixty-two percent say business should shoulder more of the burden for providing relief for disasters like floods, tornadoes and earthquakes.

The public view is more evenly split on whether business should be involved in "building and maintaining roads, bridges and mass transit." Fifty percent agree with such financial involvement, and 48 percent don't like the idea.

Trust/Confidence in Federal Government

58 percent of all respondents have "not too much" or no trust and confidence in the federal government to solve important problems facing the country. Hispanics, however, are more optimistic: 58 percent of Hispanic respondents said they have "a lot" or "some" trust in the federal government.

In general, how much trust and confidence do you have in the federal government to solve the most important problems facing this country?

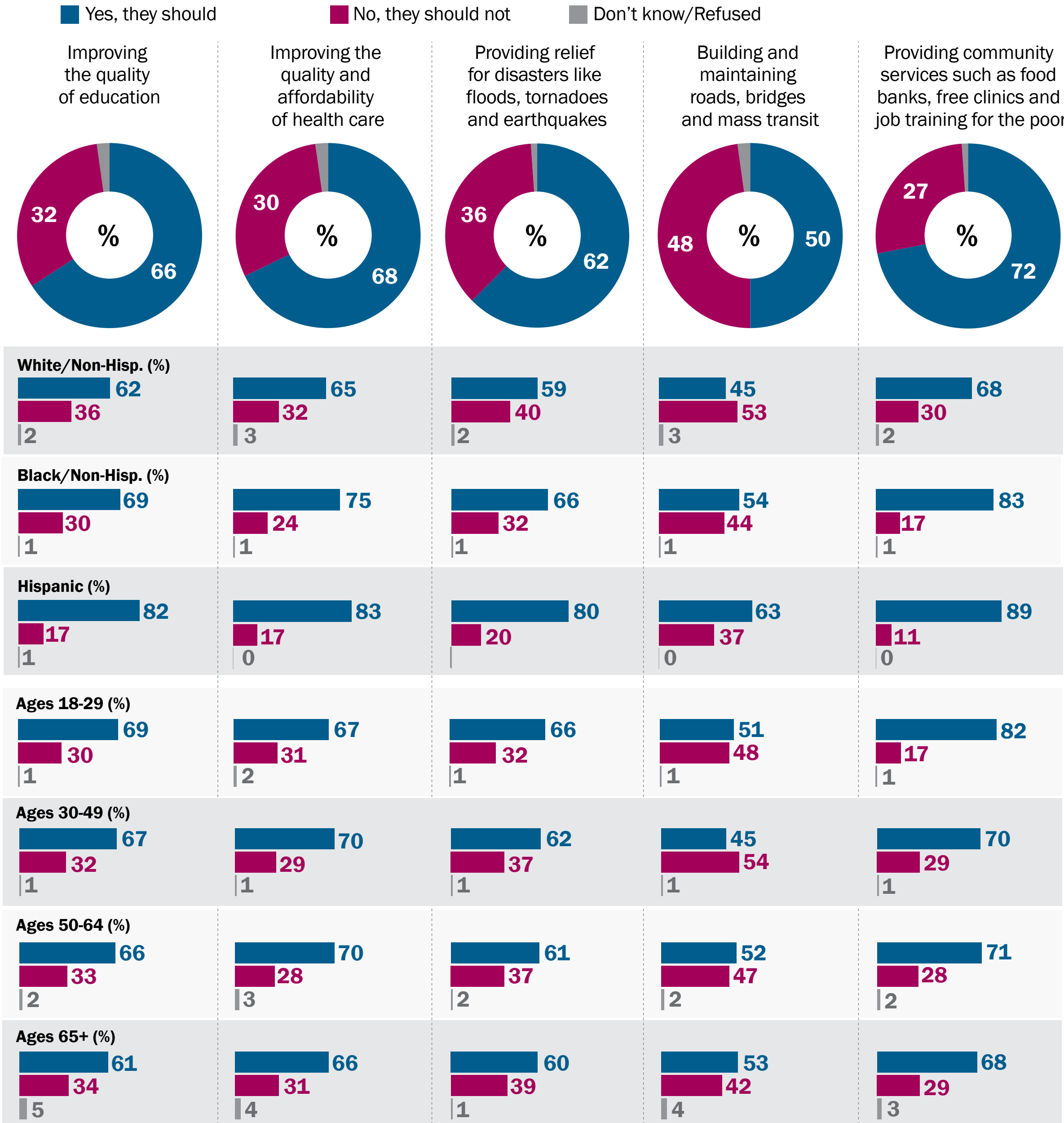


2 The questions in the survey about business involvement stress taking on "more financial responsibility for solving national problems." The 2011 survey included similar questions, except that they were phrased that business should be "more involved in trying to help solve national issues." The results from both surveys are similar, suggesting strongly that Americans do mean that business should commit corporate money and resources to address national problems.

Private-Sector Expectations

Respondents conveyed their expectations for companies to improve education and health care, provide disaster relief, offer social services and even build and maintain roads.

Should private businesses take on more financial responsibility in this area or not?



Concerns about CEOs

Public support for business involvement in these problem areas is not without qualification. Negative attitudes toward CEOs of major companies make many reject the idea of business executives collaborating with government leaders. Only 43 percent say "The leaders of major U.S. companies should get involved in helping government leaders address the nation's top problems." A majority (55%) take the view that "It is better to keep business and government separate and not involve business leaders." These numbers are slightly more unfavorable to business leaders than the findings from the 2011 survey.

Some Americans are concerned about businesses taking advantage of the opportunity to provide public services. In this survey, 49 percent say "Giving businesses a bigger role [in providing public services] is too risky because they might put profits ahead of the public interest." And yet, 46 percent say "Businesses should have a bigger role in providing public services because they run things better than government does."

Chapter 6: Lobbying and Politics

Many Americans not only have a negative view of government; they also are critical of firms that seek to influence public policy or support political candidates. But as with attitudes about regulation, these views are more complex than they appear at first glance.

Is lobbying good or bad?

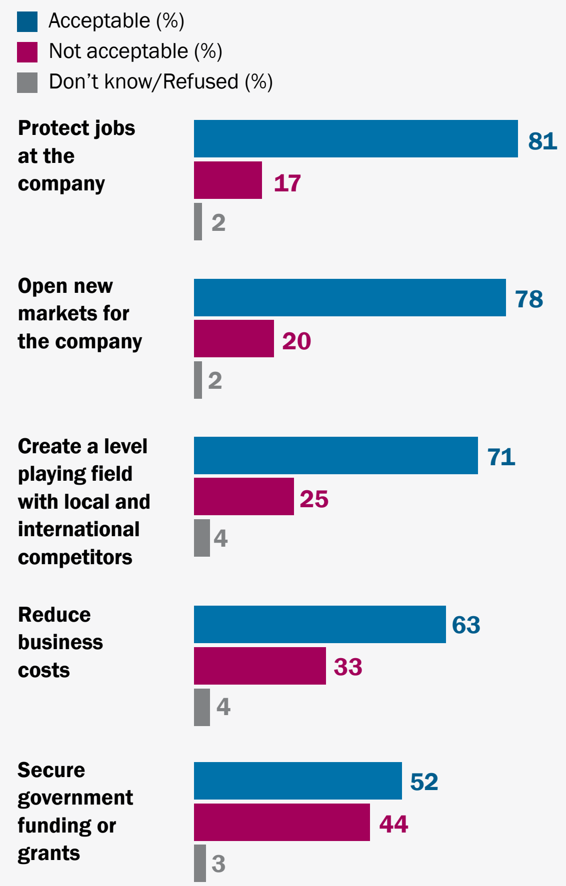
More than half of the public (54%) says they would think less favorably of a major company that hires lobbyists to represent its interests on policy issues. Ten percent would think more favorably of these companies, and 35 percent say it would make no difference.

Yet when presented with a range of reasons for a company to lobby — such as protecting jobs, opening new markets or reducing costs — a strong majority of the public finds lobbying acceptable. Even lobbying to obtain government funding or grants is acceptable to a majority of Americans (52%).

Lobbying

Although the majority of respondents looked less favorably on companies hiring lobbyists to represent the company's interests on policy issues, they indicated approval of lobbying for a specific reason.

Would you consider each of the following types of lobbying by major companies to be acceptable or not?



Campaign finance

Since the Supreme Court's decision in the *Citizens United* case, which said companies and unions could spend funds from their treasuries to directly support federal candidates, business involvement in politics has received increased scrutiny.

Many Americans don't approve of companies that take advantage of the rights granted by the court's decision.

A majority (57%) say they would think less favorably of a company that pays for ads in support of a specific candidate. Only eight percent say it would make them think more favorably, and 33 percent say it would make no difference.

It should be noted that the public is now less opposed to direct business spending on ads supporting specific candidates, compared with the 2011 survey, when 63 percent disapproved of this strategy.

Another direct route into electoral politics — forming a corporate political action committee, or PAC — is not viewed favorably by most Americans. Fifty-six percent say they would think unfavorably of a company that forms a PAC, which can give campaign contributions to candidates from funds raised from executives, employees and stockholders. Thirteen percent would view the company more favorably, and it would not make any difference to 29 percent.

While the public's view of involvement in electoral politics is negative, its view of corporate involvement in policy issues, writ large, is divided. When asked what they think of a company that pays for ads to promote a specific public policy issue, not a candidate, Americans have mixed opinions. Forty-three percent say it would make them less favorable toward the company, and 42 percent say it would make no difference. Thirteen percent say corporate sponsorship of such ads would make their opinions more favorable.

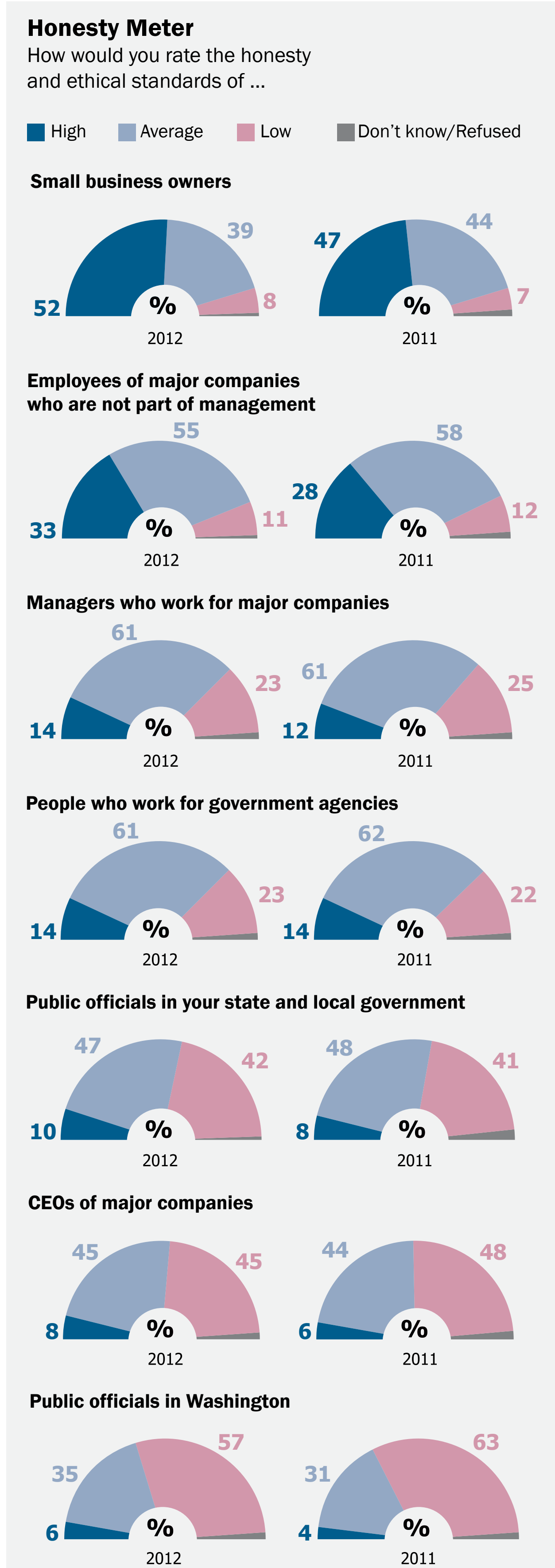
Chapter 7: Americans Love Small Business

Americans' love affair with small business is going strong.

Almost nine in ten adults (88%) have a favorable view of small business, compared with the 67 percent positive view of major companies. Perhaps more tellingly, a majority of Americans (53%) have a *very* favorable view of small business, in contrast to only 16 percent who say the same about major companies.

When it comes to public perceptions about honesty and ethics, small business is again on top. A majority of Americans (52%) say small business owners have high ethical standards, compared with only eight percent who say that about CEOs of major companies. Just eight percent say small business owners have low ethics, compared with 45 percent who think corporate CEOs are ethically challenged.

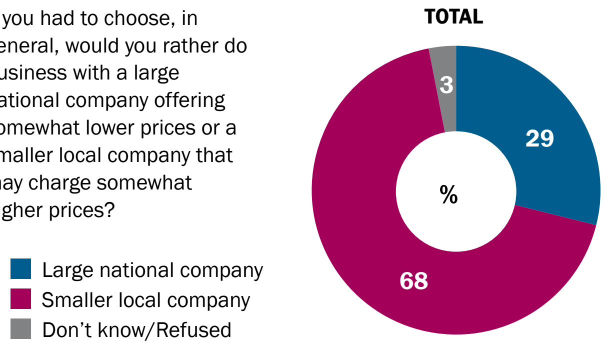
And there has been an uptick in consumers' preference for dealing with a small local company over a large national or multinational corporation. More than two-thirds of the public (68%) say they would prefer do business with "a smaller local company that may charge somewhat higher prices." Only 29 percent would rather do business with "a large national company offering somewhat lower prices." The preference for smaller and local has risen from the 62 percent finding in the 2011 survey.

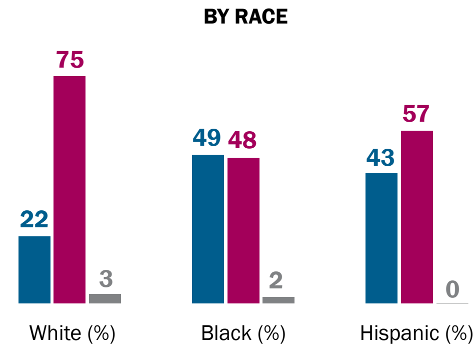


Local Preference

There has been an uptick in consumers' preference for dealing with a smaller local company, compared with the large national or multinational corporation. Only 29 percent would rather do business with "a large national company offering somewhat lower prices."

If you had to choose, in general, would you rather do business with a large national company offering somewhat lower prices or a smaller local company that may charge somewhat higher prices?





Small business and the middle class

Americans believe small businesses have been key to the economic well-being of the middle class for the past 50 years. And they expect small businesses to continue to boost the middle class for the next five decades. Small business is seen as more important than government, big business and unions in keeping the middle class economically healthy.

Specifically, 51 percent say small business should get the credit for supporting the middle class for the past 50 years.

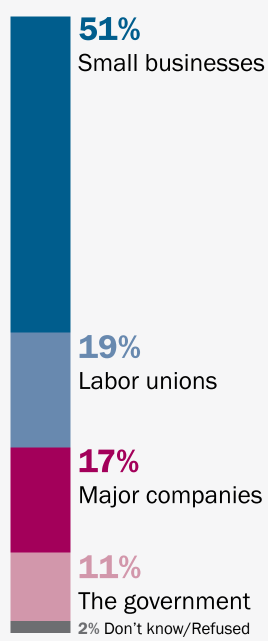
Asked which has been the most important to the economic well-being of middle-class Americans over the last 50 years, a majority of the public (51%) choose small businesses. That overshadows labor unions (19%), major companies (17%) and the government (11%).

When the public considers the next 50 years, small business is seen as the key player again: 49 percent say small business will be most important to the economic well-being of middle-class Americans. Major companies are named by 19 percent; and the government, by 18 percent. Labor unions, faced with declining membership, are considered the key player by only 11 percent of Americans.

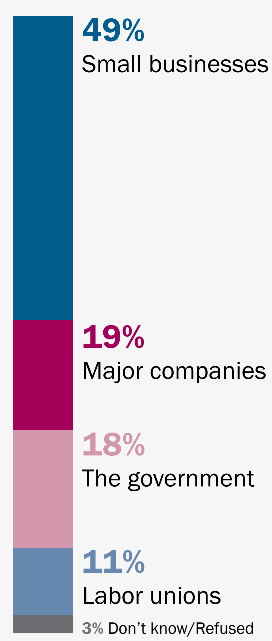
Impact of Various Institutions on the Middle Class

Views about labor unions and the government change when people shift from the past to the future. Americans clearly expect unions to play a smaller role over the next 50 years, yet they see government playing a larger role.

Over the last 50 years, which one of the following do you think has been most important to the economic well-being of middle-class Americans?



Thinking ahead to the next 50 years, which one of the following do you think will be most important to the economic well-being of middle-class Americans?



Chapter 8: How Americans Make Their Opinions Known

Americans are increasingly talking *about* business and directly *to* business through email and social media, as well as through traditional channels. Online communications are particularly well used by "activists" — Americans who speak out more often and more forcefully than the average person.

Tools to praise and criticize companies

Every consumer has had positive and negative experiences dealing with businesses, both large and small. It is informative to analyze how Americans respond to those different experiences.

Whether the experience is good or bad, people tend to react in similar ways. Most tell friends and family what they think about a company (81% to express positive views and an identical 81% to express negative views). Many also change their buying habits to purchase more or less of the company's products or services (69% to express positive views and 73% to express negative views).

Contacting a company to praise or complain is done through many channels. Poor experiences are more likely to generate a letter, phone call or email to a company than are positive experiences. The reverse is true, however, when it comes to posting comments online.

Expressing Positive and Negative Views

Today's citizens have a multitude of tools available to express their views about companies. Younger consumers tend to use the Internet more frequently to post both positive and negative comments and reviews, but all respondents listed word of mouth and their own consumer behavior as the top actions taken to express opinions of companies.

- Largest percentage and significantly different from at least lowest percentage
- Higher percentage and significantly different from two groups
- Low percentage and significantly different from lowest percentage
- Smallest percentage and significantly different
- Not different from any other percentage

ACTION TAKEN TO EXPRESS POSITIVE VIEWS ABOUT A COMPANY IN THE PAST FIVE YEARS	Total	Ages 18-35	Ages 36-47	Ages 48-66	Ages 67+
Let friends and family know what you think about the company	**81%**	**85%**	**85%**	**82%**	**69%**
Started to buy or bought more of the company's products or services	**69%**	**73%**	**80%**	**66%**	**53%**
Posted positive comments or reviews about the company on the Internet	**37%**	**52%**	**51%**	**26%**	**13%**
Sent a letter, or made a telephone call to the company itself	**36%**	**32%**	**41%**	**40%**	**25%**
Became a 'fan' of the company through social media	**34%**	**52%**	**37%**	**23%**	**13%**
Sent an email to the company itself	**30%**	**27%**	**45%**	**29%**	**17%**

- Largest percentage and significantly different from at least one group
- Higher percentage and significantly different from at least one group
- Smallest percentage and significantly different
- Not different from any other percentage

ACTION TAKEN TO EXPRESS NEGATIVE VIEWS ABOUT A COMPANY IN THE PAST FIVE YEARS	Total	Ages 18-35	Ages 36-47	Ages 48-66	Ages 67+
Let friends and family know what you think about the company	**81%**	**80%**	**81%**	**86%**	**76%**
Refused to buy the company's products or services	**73%**	**74%**	**78%**	**75%**	**62%**
Sent a letter, or made a telephone call to the company itself	**48%**	**39%**	**54%**	**53%**	**42%**
Sent an email to the company itself	**36%**	**35%**	**39%**	**39%**	**25%**
Contacted a government agency or your elected representatives	**23%**	**20%**	**13%**	**27%**	**30%**
Posted negative comments or reviews about the company on the Internet	**21%**	**31%**	**18%**	**18%**	**9%**

- Thirty-six percent of Americans have sent a letter or made a phone call to tell a company of a good experience, while 48 percent have used these methods to report a bad experience.

- Sending an email to report a positive experience to the company has been the route for 30 percent of adults, with even more — 36 percent — using email to lodge a complaint.
  - » Those in Generation X (age 36-47) were the most likely to send an email to a company to praise it (45%). Thirty-nine percent of both Gen X and Baby Boomers sent a critical email to companies.

- More than a third (37%) posted positive comments online, an increase from 32 percent in the 2011 survey. Posting negative comments was done by 21 percent of adults, about the same level as in the previous poll.
  - » Fifty-two percent of Millennials and 51 percent of Generation X posted positive comments online. Only 13 percent of those age 67 and up reported doing so.
  - » More than a third of adults (34%) reported becoming a “fan” of a company on social media after a positive experience, a jump from 27 percent in 2011. Fifty-two percent of Millennials said they became a fan of a company on social media.

- Twenty-three percent of the public reported negative experiences with a company to a government agency or elected official — the same level as in 2011.

Understanding activists

Americans have complicated and demanding lives, but some adults are more engaged in public activities than others.

People who are more likely to participate in a wide variety of these activities also are more likely to speak out when they have something to say about business performance and other issues. This survey found one-quarter (25%) of the public may be categorized as “activists,” based on their civic and political activities.

Activists tend to be older and better educated, but easy assumptions are tripped up by the diverse political and demographic profile of this group. In some ways, these more engaged citizens share views with the public overall. Sixty-five percent of the activists have favorable views of major companies, while 68 percent of the non-activists do. Where activists distinguish themselves is in their greater distrust of certain types of companies, including banks and other financial institutions (57% vs. 41% for less active adults) and pharmaceutical firms (55% vs. 41%).

Activists speak up

On virtually every dimension of reacting to good or bad experiences with business, activists are more likely — and usually much more likely — to speak up than non-activists.

Activists are almost twice as likely as less active adults to send an email to express positive views about a company (47% vs. 24%) and are much more likely to send an email to criticize (53% vs. 31%).

They are also much more likely than their counterparts to send a letter or call a company to offer praise (53% vs. 29%) or to criticize it (70% vs. 41%).

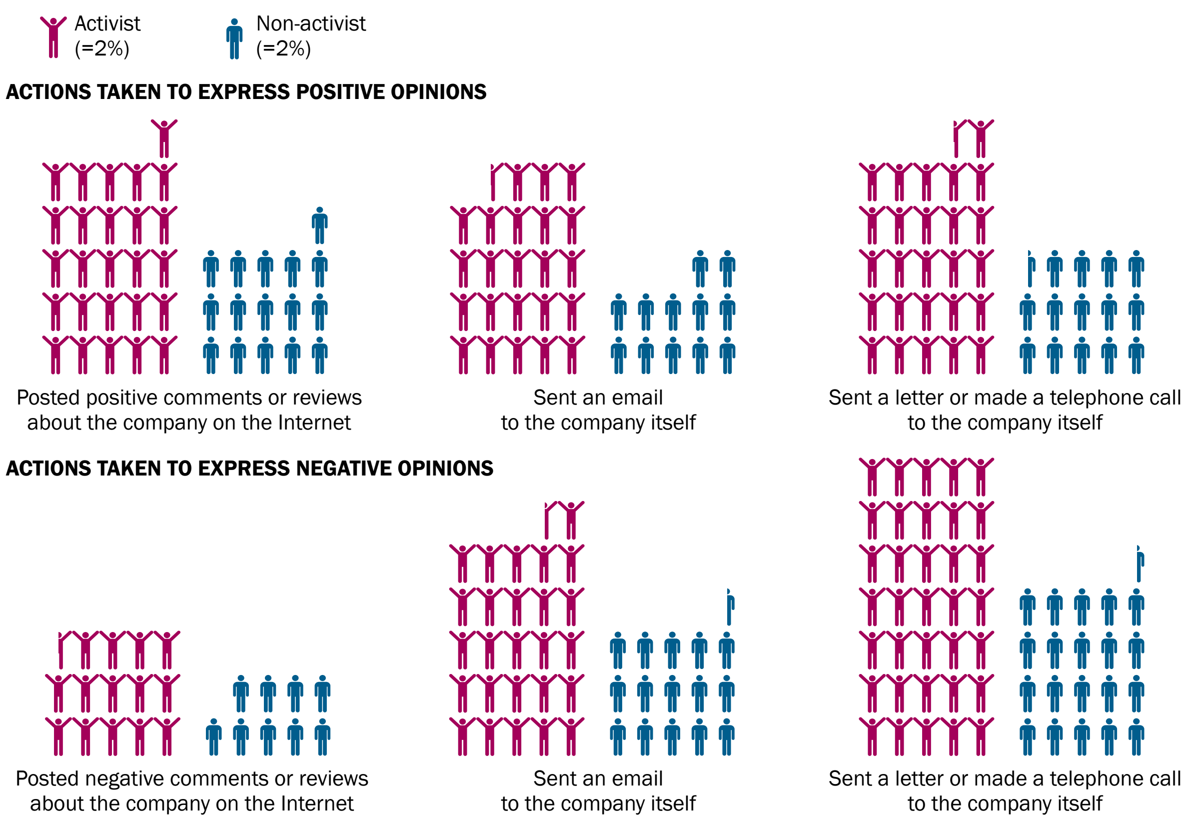
Interestingly, when compared with non-activists, activists are quicker to put positive comments about a company online (52% vs. 32%). They are less likely to post negative comments than positive ones and only somewhat more likely to post negative comments than non-activists (29% vs. 18%).

Activists are, however, very quick to contact government officials and agencies with a complaint: 44 percent have done so, compared with 16 percent of non-activists.

Clearly, a company that chooses to ignore activists does so at its own peril. It not only is missing opportunities to attract positive reviews; it also may be inviting greater scrutiny.

Activists Speak Up

On virtually every dimension of reacting to good or bad experiences with business, activists are more likely — and usually much more likely — to speak up than non-activists.



About the Public Affairs Council

The **Public Affairs Council** is a nonpartisan, nonpolitical association for public affairs professionals. Its mission is to advance the field of public affairs and to provide members with the training and information resources they need to achieve success while maintaining the highest ethical standards. More information is available at **www.pac.org.**

About Princeton Survey Research Associates International

Princeton Survey Research Associates International is an independent firm dedicated to high-quality research providing reliable, valid results for clients in the United States and around the world. More information is available at **www.psra.com.**

APPENDICES

2012 Public Affairs Pulse Survey

Final Topline 7/13/2012

Data for June 20-July 11, 2012

Princeton Survey Research Associates International
for the Public Affairs Council

Sample: n=1,750 national adults, age 18 and older, including 700 cell phone interviews
Interviewing dates: 06.20.2012-07.11.2012

Margin of error is plus or minus three percentage points for results based on Total [n=1,750]
Margin of error is plus or minus four percentage points for results based on Form A respondents [n=879]
Margin of error is plus or minus four percentage points for results based on Form B respondents [n=871]

LANDLINE INTRO:
Hello, my name is ________ and I'm calling for Princeton Survey Research. We're conducting a study about some important issues today and would like to include your household. May I please speak with the YOUNGEST [RANDOMIZE: (MALE / FEMALE)], age 18 or older, who is now at home? [IF NO MALE/FEMALE, ASK: May I please speak with the YOUNGEST (FEMALE/MALE), age 18 or older, who is now at home?]

CELL PHONE INTRO:
Hello, I am ________ calling for Princeton Survey Research. We are conducting a national research study of cell phone users. I know I am calling you on a cell phone. If you would like to be reimbursed for your cell phone minutes, we will pay all eligible respondents $5 for participating in this survey. This is not a sales call.

[IF R SAYS DRIVING/UNABLE TO TAKE CALL: Thank you. We will try you another time.]

VOICEMAIL MESSAGE [LEAVE ONLY ONCE — THE FIRST TIME A CALL GOES TO VOICEMAIL]: I am calling for Princeton Survey Research. We are conducting a short national survey of cell phone users. This is NOT a sales call. We will try to reach you again.

CELL PHONE SCREENING INTERVIEW:
S1 Are you under 18 years old, OR are you 18 or older?

IF 18 OR OLDER, READ INTRODUCTION TO MAIN INTERVIEW: We're interested in learning more about people with cell phones. If you are now driving a car or doing any activity requiring your full attention, I need to call you back later.

Notes:
- Due to rounding, percentages may not add to 100%. An asterisk (*) indicates values less than 0.5%.
- An asterisk (*) next to a question number signifies a trend question.

***Q1** To begin... Just in general, is your overall opinion of [INSERT ITEM; READ AND RANDOMIZE] very favorable, somewhat favorable, not too favorable, or not at all favorable?

How about [INSERT NEXT ITEM]? [IF NECESSARY: Would you say your overall opinion of [ITEM] is very, somewhat, not too, or not at all favorable?]

	VERY	SOME-WHAT	NOT TOO	NOT AT ALL	DK/REF.[3]
	%	%	%	%	%
*a. Major companies					
Current	16	51	18	11	4
September 2011[i]	14	47	20	12	7
*b. Small businesses					
Current	53	35	4	4	3
September 2011	55	35	4	3	4
*c. The federal government in Washington					
Current	9	32	27	28	4
September 2011	7	28	27	34	4

***Q2** Would you say the national economy today is in excellent shape, good shape, only fair shape, or poor shape?

	CURRENT		SEPT. 2011
%	1	Excellent	*
	6	Good	4
	37	Only fair	23
	55	Poor	72
	1	Don't know/Refused	1

***Q3** Over the next 12 months, do you think economic conditions in the country as a whole will get better, get worse, or stay about the same?

	CURRENT		SEPT. 2011
%	30	Better	21
	20	Worse	31
	47	Same	44
	3	Don't know/Refused	3

3 Throughout this topline, "Don't know/Refused" may be abbreviated as "DK/Ref."

***Q4** Now I'm going to read you some pairs of statements. As I read each pair, tell me whether the FIRST or the SECOND statement comes closer to your own views — even if neither is exactly right. The (first/next) pair is …
[READ AND RANDOMIZE PAIRS BUT NOT STATEMENTS WITHIN EACH PAIR][4]

*a.		GOVERNMENT REGULATION OF BUSINESS IS NECESSARY TO PROTECT THE PUBLIC INTEREST.	GOVERNMENT REGULATION OF BUSINESS USUALLY DOES MORE HARM THAN GOOD.	NEITHER/BOTH/ DK/REF.
		%	%	%
	Current	48	49	3
	September 2011	48	45	6
	Feb-March 2011[ii]	47	45	8
	October 2008[iii]	50	38	12
	December 2004[iv]	49	41	10
	August 1999[v]	48	44	8
	October 1996[vi]	45	46	9
	July 1994[vii]	41	54	5
*b.		BUSINESSES SHOULD HAVE A BIGGER ROLE IN PROVIDING PUBLIC SERVICES BECAUSE THEY RUN THINGS BETTER THAN GOVERNMENT DOES.	GIVING BUSINESSES A BIGGER ROLE IS TOO RISKY BECAUSE THEY MIGHT PUT PROFITS AHEAD OF THE PUBLIC INTEREST.	NEITHER/BOTH/ DK/REF.
		%	%	%
	Current	46	49	5
	September 2011	46	47	7

Q5 Now I have a few questions about the middle class … Over the LAST 50 years, which ONE of the following do you think HAS BEEN most important to the economic well-being of middle-class Americans?
[READ AND RANDOMIZE 1-4]

	CURRENT	
%	51	Small businesses
	19	Labor unions
	17	Major companies
	11	The government
	2	(DO NOT READ) Don't know/Refused

4 In trend polls, responses were probed to determine whether or not respondents felt strongly about their selected statement. Full Pew Research Center trendline not reported.

Q6 Thinking ahead to the NEXT 50 years, which ONE of the following do you think WILL BE most important to the economic well-being of middle-class Americans? [READ 1-4 IN SAME ORDER AS Q5]

	CURRENT	
%	49	Small businesses
	19	Major companies
	18	The government
	11	Labor unions
	3	(VOL.) Don't know/Refused

***Q7** Which do you think is a bigger THREAT to the future economic well-being of middle-class Americans? [READ AND RANDOMIZE 1-2][5]

	CURRENT		SEPT. 2011
%	52	The power of the federal government to regulate what major companies do	56
	40	The power and influence of major companies	33
	1	(VOL.) Neither is a threat	1
	5	(VOL.) Both equally	5
	2	(VOL.) Don't know/Refused	5

Q8 What is the MAIN reason you think the power and influence of major companies is a bigger threat? [READ AND RANDOMIZE 1-3], or something else?
Based on those who think major companies are a bigger threat to the future economic well-being of middle-class Americans [N=702]

	CURRENT	
%	35	Major companies might have too much influence on elections and public policy
	26	Major companies might outsource U.S. jobs to overseas workers
	22	Major companies might engage in unfair business practices that make it hard for small businesses to compete
	6	(VOL.) All of the above
	6	Something else (SPECIFY)
	5	(VOL.) Don't know/Refused

5 Trend question wording was slightly different: "Which ONE of the following do you think is a BIGGER threat to the future economic well-being of middle-class Americans?"

Q9 What is the MAIN reason you think the power of the federal government to regulate what major companies do is a bigger threat?
[READ AND RANDOMIZE 1-3], or something else?
Based on those who think the federal government is a bigger threat to the future economic well-being of middle-class Americans [N=899]

	CURRENT	
%	37	Regulations might prevent major companies from creating or keeping jobs
	30	Regulations might drive up the cost of products and services
	16	Regulations might reduce people's choices in the marketplace
	2	(VOL.) All of the above
	10	Something else (SPECIFY)
	5	(VOL.) Don't know/Refused

***Q10** Now I'd like your opinion of the ethics and honesty of some different groups. First, how would you rate the honesty and ethical standards of ... [INSERT FIRST ITEM; RANDOMIZE; ALWAYS ASK a THRU c TOGETHER, IN ORDER; ALWAYS ASK d THRU g TOGETHER, IN ORDER]: High, average, or low? Next, how would you rate the honesty and ethical standards of ... [INSERT SECOND RANDOMIZED ITEM]: High, average, or low?

How about ... [INSERT ITEM]? [READ AS NECESSARY: How would you rate the honesty and ethical standards of ... [ITEM]?] [REPEAT AS NECESSARY: High, average, or low?]

	HIGH	AVERAGE	LOW	DK/REF.
	%	%	%	%
*a. Public officials in Washington				
Current	6	35	57	2
September 2011	4	31	63	2
*b. Public officials in your state and local government				
Current	10	47	42	1
September 2011	8	48	41	3
*c. People who work for government agencies				
Current	14	61	23	2
September 2011	14	62	22	2
*d. CEOs of major companies				
Current	8	45	45	2
September 2011	6	44	48	3
*e. Managers who work for major companies				
Current	14	61	23	2
September 2011	12	61	25	2

Q10 continued on next page...

Q10 continued...

	HIGH	AVERAGE	LOW	DK/REF.
	%	%	%	%
*f. Employees of major companies who are not part of management				
Current	33	55	11	1
September 2011	28	58	12	2
*g. Small business owners				
Current	52	39	8	1
September 2011	47	44	7	2

[READ TO ALL:] My next questions are about MAJOR COMPANIES. By this I mean major companies that do business in the United States, whether or not they also do business in other countries ...

***Q11** In general, how much trust and confidence do you have in MAJOR COMPANIES to do the right thing? A lot, some, not too much, or none?

	CURRENT		SEPT. 2011
%	10	A lot	8
	45	Some	46
	31	Not too much	33
	13	None	12
	1	Don't know/Refused	2

***Q12** Next, I'm going to read you some different kinds of MAJOR COMPANIES. As I read each, tell me if you think companies in this category are generally more trustworthy, less trustworthy, or about the same as other major companies. (First,) what about... [INSERT ITEM; RANDOMIZE]?
READ FOR FIRST ITEM, THEN REPEAT AS NECESSARY: Are they MORE trustworthy, LESS trustworthy or about the SAME as other major companies?

	MORE TRUST-WORTHY	LESS TRUST-WORTHY	ABOUT THE SAME	DK/REF.
	%	%	%	%
Items aF1 thru eF1: Based on Form A				
*aF1. Banks and other financial institutions				
Current	12	46	42	*
September 2011	16	41	42	1
*bF1. Energy companies				
Current	14	31	54	1
September 2011	14	33	51	2

Q12 continued on next page...

Q12 continued...

	MORE TRUST-WORTHY	LESS TRUST-WORTHY	ABOUT THE SAME	DK/REF.
	%	%	%	%
*cF1. Large retail companies, both online and traditional stores[6]				
Current	17	16	67	1
September 2011	14	14	71	2
*dF1. Manufacturing companies				
Current	22	12	65	1
September 2011	17	14	66	3
eF1. Automobile companies				
Current	16	26	57	2
Items fF2 thru kF2: Based on Form B				
*fF2. Health insurance companies				
Current	9	50	40	1
September 2011	5	53	40	2
*gF2. Food and beverage companies				
Current	22	18	60	1
September 2011	18	16	65	1
*hF2. Pharmaceutical companies				
Current	11	45	43	1
September 2011	11	47	41	1
iF2. Technology product companies				
Current	26	11	61	2
jF2. Technology service and software companies				
Current	27	11	60	3
kF2. Real estate companies				
Current	8	36	55	1

6 Trend item wording was: “Large retail companies.”

***Q13** Now I'm going to read you a few more pairs of statements. As I read each pair, tell me whether the FIRST statement or the SECOND statement comes closer to your own views — even if neither is exactly right. The (first/next) pair is ... [READ AND RANDOMIZE PAIRS BUT NOT STATEMENTS WITHIN EACH PAIR][7]

*a.		TOO MUCH POWER IS CONCENTRATED IN THE HANDS OF A FEW LARGE COMPANIES.	THE LARGEST COMPANIES DO NOT HAVE TOO MUCH POWER.	NEITHER/BOTH/ DK/REF.
		%	%	%
	Current	76	22	3
	September 2011	77	20	3
	Feb-March 2011	78	16	6
	October 2008	78	15	7
	December 2004	77	16	7
	August 1999	77	17	6
	October 1996	75	18	7
	July 1994	76	19	5
*b.		MAJOR COMPANIES MAKE TOO MUCH PROFIT.	MOST MAJOR COMPANIES MAKE A FAIR AND REASONABLE AMOUNT OF PROFIT.	NEITHER/BOTH/ DK/REF.
		%	%	%
	Current	63	34	2
	September 2011	62	35	3
*c.		THE STRENGTH OF THIS COUNTRY TODAY IS MOSTLY BASED ON THE SUCCESS OF AMERICAN BUSINESS.	AMERICAN BUSINESS GETS MORE CREDIT THAN IT DESERVES FOR KEEPING THE COUNTRY STRONG.	NEITHER/BOTH/ DK/REF.
		%	%	%
	Current	60	37	3
	September 2011	60	36	4
*d.		THE LEADERS OF MAJOR U.S. COMPANIES SHOULD GET INVOLVED IN HELPING GOVERNMENT LEADERS ADDRESS THE NATION'S TOP PROBLEMS.	IT IS BETTER TO KEEP BUSINESS AND GOVERNMENT SEPARATE AND NOT INVOLVE BUSINESS LEADERS.	NEITHER/BOTH/ DK/REF.
		%	%	%
	Current	43	55	2
	September 2011	46	51	3

7 Full Pew Research trendline not reported.

***Q14** If you had to choose, in general, would you rather do business with a large national company offering somewhat lower prices OR a smaller local company that may charge somewhat higher prices?[8]

	CURRENT		SEPT. 2011
%	29	Large national company	34
	68	Smaller local company	62
	3	Don't know/Refused	4

***Q15** Now on the topic of GOVERNMENT REGULATION in this country ... Please tell me if you think government is doing too much, too little, or about the right amount in each of the following areas. (First,) what about ... [INSERT ITEM; RANDOMIZE]? READ FOR FIRST ITEM, THEN REPEAT AS NECESSARY: Do you think government is doing too much, too little, or about the right amount in this area?[9]

	TOO MUCH	TOO LITTLE	RIGHT AMOUNT	DK/REF.
	%	%	%	%
*a. Regulation of business in general[10]				
Current	31	32	35	2
September 2011	27	35	36	3
January 1996[viii]	35	19	38	8
*b. Regulation of health and safety in the workplace				
Current	18	32	48	1
September 2011	16	33	50	2
*c. Regulation of banks and other financial institutions				
Current	21	48	30	2
September 2011	20	47	31	3
*d. Environmental protection[11]				
Current	22	44	33	1
September 2011	21	46	31	2
January 1996	17	41	40	2
*e. Consumer protection				
Current	14	42	42	2
September 2011	11	45	40	3

8 In September 2011, question was asked of Form A respondents only.

9 January 1996 question items were rotated. Question wording was slightly different: "Now I'd like your opinion about government regulation in some different areas. (First,) do you think the government is doing too much, too little or about the right amount in the area of (ITEM)?"

10 Trend item wording was slightly different: "Regulation of business."

11 Trend item wording was slightly different: "Environmental regulations."

Q16 In general, how much trust and confidence do you have in the federal government to solve the most important problems facing this country ... a lot of trust and confidence, some, not too much, or none?

	CURRENT	
%	8	A lot
	33	Some
	33	Not too much
	25	None
	*	Don't know/Refused

Q17 We're interested in whether you think PRIVATE BUSINESSES should take on more financial responsibility for solving national problems that have traditionally been the responsibility of government. (First,) what about ... [INSERT ITEM; RANDOMIZE]?

READ FOR FIRST TWO ITEMS, THEN REPEAT AS NECESSARY: Should private businesses take on more financial responsibility in this area or not?

IF RESPONDENT ASKS WHAT KINDS OF PRIVATE BUSINESSES: Private businesses IN GENERAL

		YES, SHOULD	NO, SHOULD NOT	DK/REF.
		%	%	%
a.	Improving the quality of education	66	32	2
b.	Improving the quality and affordability of health care	68	30	2
c.	Providing relief for disasters like floods, tornadoes and earthquakes	62	36	1
d.	Building and maintaining roads, bridges and mass transit	50	48	2
e.	Providing community services such as food banks, free clinics and job training for the poor	72	27	1

***Q18** On another subject … We'd like you to rate the job major companies are doing in some different areas. (First,) what about … [INSERT ITEMS; RANDOMIZE]?

READ FOR FIRST ITEM, THEN AS NECESSARY: Do you think major companies are generally doing a good job or generally NOT doing a good job in this area?

	GENERALLY DOING A GOOD JOB	GENERALLY NOT DOING A GOOD JOB	DK/REF.
	%	%	%
*a. Serving their stockholders			
Current	59	29	12
September 2011	57	26	17
*b. Creating jobs			
Current	34	63	3
September 2011	24	71	5
*c. Paying their employees fairly			
Current	41	56	3
September 2011	38	56	6
*d. Paying their top executives fairly, WITHOUT overpaying them[12]			
Current	25	71	5
September 2011	17	76	6
*e. Protecting the environment			
Current	39	57	4
September 2011	38	56	6
*f. Serving their customers			
Current	66	31	3
September 2011	62	32	5
*g. Contributing time and money to support their local communities			
Current	39	57	4
September 2011	35	57	8
*h. Providing useful products and services			
Current	73	24	2
September 2011	72	24	4

12 Trend item wording was: "Not overpaying their top executives."

***Q19** Now I'm going to read you a list of things some major companies do. For each one, tell me if knowing this would make you feel MORE favorable or LESS favorable toward the company — or if it wouldn't make much difference either way. (First,/Next,) what if you found out a major company ... [INSERT ITEMS; RANDOMIZE]?

READ AS NECESSARY: Would knowing this make you feel more favorable or less favorable toward the company — or would it not make much difference?

	MORE FAVORABLE	LESS FAVORABLE	NO DIFFERENCE	DK/REF.
	%	%	%	%
Item aF1: Based on Form A				
*aF1. Hired lobbyists to represent the company's interests on policy issues before government[13]				
Current	10	54	35	1
September 2011	7	55	34	3
Item bF1: Based on Form A				
*bF1. Made large contributions to charities and community organizations[14]				
Current	79	5	16	*
September 2011	81	4	14	1
Item cF2: Based on Form B				
*cF2. Founded a political action committee, which can raise money from executives, employees and shareholders to make campaign contributions[15]				
Current	13	56	29	2
September 2011	9	59	29	2
Item dF2: Based on Form B				
*dF2. Did everything they could to increase the price of the company's stock[16]				
Current	24	34	41	2
September 2011	24	37	35	4

Q19 continued on next page...

13 In September 2011, item was asked of Total respondents.

14 In September 2011, item was asked of Total respondents.

15 In September 2011, item was asked of Total respondents.

16 In September 2011, item was asked of Total respondents.

Q19 continued...

	MORE FAVORABLE	LESS FAVORABLE	NO DIFFERENCE	DK/REF.
	%	%	%	%
*e. Paid for ads to promote the good things the company is doing				
Current	40	13	46	1
September 2011	40	14	46	1
Item fF1: Based on Form A				
*fF1. Paid for ads in support of a specific candidate in a political campaign				
Current	8	57	33	2
September 2011	5	63	30	2
Item gF2: Based on Form B				
*gF2. Paid for ads to promote a specific public policy issue				
Current	13	43	42	2
September 2011	13	41	43	4
Item hF1: Based on Form A				
*hF1. Gave top executives large bonuses when the company performed well				
Current	16	48	35	1
September 2011	16	49	32	2
Item iF2: Based on Form B				
*iF2. Gave top executives large bonuses when the company did NOT perform well				
Current	2	87	10	*
September 2011	2	87	9	1
Item jF1: Based on Form A				
*jF1. Moved jobs to other countries where wages are lower				
Current	5	80	14	*
September 2011	3	84	13	1
Item kF2: Based on Form B				
*kF2. Moved jobs to other countries where wages are lower in order to provide lower prices to American consumers				
Current	9	72	18	1
September 2011	8	74	16	2

***Q20** All citizens and companies have the legal right to lobby government to try to affect public policy decisions. Please tell me if you consider each of the following types of lobbying by major companies to be acceptable or NOT acceptable. (First, in general,) would it be acceptable to you if a major company lobbies to ... [INSERT ITEM; RANDOMIZE]?

READ AS NECESSARY: IN GENERAL, would this be acceptable or NOT acceptable to you?

	YES, ACCEPTABLE	NO, NOT ACCEPTABLE	DK/REF.
	%	%	%
Items aF1 thru cF1: Based on Form A			
*aF1. Secure government funding or grants			
Current	52	44	3
September 2011	50	45	5
*bF1. Protect jobs at the company			
Current	81	17	2
September 2011	85	14	1
*cF1. Open new markets for the company			
Current	78	20	2
September 2011	75	21	4
Items dF2 thru eF2: Based on Form B			
*dF2. Create a level playing field with competitors here and around the world			
Current	71	25	4
September 2011	72	22	7
*eF2. Reduce business costs			
Current	63	33	4
September 2011	64	31	5

***Q21** We're interested in what actions, if any, you have taken in the last five years to express POSITIVE views about a company when you were pleased with something they did, their products or services, or anything else about them. (First,) what about ... [INSERT ITEM; RANDOMIZE]?

READ AS NECESSARY: Have you done this in the last five years to express POSITIVE views about a company?

Based on Form A

	YES	NO	DK/REF.
	%	%	%
*aF1. Let friends and family know what you think about the company			
Current	81	18	*
September 2011	81	18	1
bF1. Sent a letter or made a telephone call to the company itself			
Current	36	64	*
cF1. Sent an email to the company itself			
Current	30	70	0
*dF1. Started to buy or bought more of the company's products or services			
Current	69	30	1
September 2011	66	33	1
*eF1. Posted positive comments or reviews about the company on the Internet			
Current	37	62	*
September 2011	32	67	1
*fF1. Became a "fan" of the company through social media			
Current	34	66	*
September 2011	27	72	1

***Q22** We're interested in what actions, if any, you have taken in the last five years to express NEGATIVE views about a company when you were unhappy with something they did, their products or services, or anything else about them. (First,) what about ... [INSERT ITEM; RANDOMIZE]?

READ AS NECESSARY: Have you done this in the last five years to express NEGATIVE views about a company?

Based on Form B

	YES	NO	DK/REF.
	%	%	%
*aF2. Let friends and family know what you think about the company			
Current	81	18	*
September 2011	82	17	1
bF2. Sent a letter or made a telephone call to the company itself			
Current	48	52	*
cF2. Sent an email to the company itself			
Current	36	64	*
*dF2. Refused to buy the company's products or services			
Current	73	26	1
September 2011	72	28	*
*eF2. Posted negative comments or reviews about the company on the Internet			
Current	21	79	*
September 2011	20	80	*
*fF2. Contacted a government agency or your elected representatives about the company			
Current	23	77	*
September 2011	23	76	1

***Q23** Just your best guess, would you say that most business executives try to obey the laws governing their profession or would you say most business executives try to find a way around the laws governing their profession?[17]

	OBEY THE LAWS	TRY TO FIND A WAY AROUND THE LAWS	DK/REF.
	%	%	%
Current	38	58	4
September 2011	36	59	5
Feb-March 2002[ix]	35	58	7
October 1997[x]	39	51	10
February 1987[xi]	45	48	7

***Q24** Now I'm going to read a list of activities. For each, please tell me if you have done this in the past 12 months or not. First, in the past 12 months, have you ... [INSERT ITEMS IN ORDER]? (Next,) have you ... [INSERT NEXT ITEM] [IF NECESSARY: in the past 12 months]?

	YES, HAVE DONE THIS	NO, HAVE NOT DONE THIS	DK/REF.
	%	%	%
*a. Contacted an elected official about an issue or concern			
Current	30	70	*
September 2011	31	69	*
*b. Attended a meeting on local, town or school affairs			
Current	37	63	*
September 2011	36	64	*
*c. Contributed money to or volunteered for a political party or candidate			
Current	21	79	*
September 2011	19	80	*
*d. Participated in a group that tries to influence public policy or government, not including a political party			
Current	18	82	1
September 2011	18	82	1
*e. Volunteered your time on a regular basis to a church, charity or other community organization			
Current	57	42	*
September 2011	56	44	*

17 Feb 1987 and Oct 1997 trend questions asked about "stock brokers on Wall Street" instead of "business executives."

[READ TO ALL:] Now I have a few last questions for statistical purposes only …

Q25 How likely is it that you, yourself, will vote in the November presidential election … [READ]

	CURRENT	
%	73	Very likely
	10	Somewhat likely
	4	Not too likely
	12	Not at all likely
	1	(VOL.) Don't know/Refused

Demographic questions not reported in this topline.

THANK RESPONDENT: That concludes our interview. Have a nice (day/evening).

Endnotes

i September 2011 trends from a Public Affairs Council poll conducted by landline or cellular telephone from August 10-September 9, 2011, among 1,753 adults 18+ nationwide.

ii February-March 2011 trends are based on the Pew Research Center for the People & the Press's "2011 March Political Typology" survey. This study was conducted by telephone in two parts: February 22-March 1, 2011, among 1,504 adults 18+ nationwide and March 8-14, 2011, among 1,525 adults 18+ nationwide. Unless otherwise indicated, trend results reflect the views of the combined sample of 3,029 adults 18+ nationwide.

iii October 2008 trends are based on the Pew Research Center for the People & the Press's "Early October 2008 Political & Economic Survey." This study was conducted by telephone from October 9-12, 2008, among 1,485 adults 18+ nationwide.

iv December 2004 trends are based on the Pew Research Center for the People & the Press's "December 2004 Political Typology Survey." This study was conducted by telephone from December 1-16, 2004, among 2,000 adults 18+ nationwide.

v August 1999 trends are based on the Pew Research Center for the People & the Press's "Political Typology Survey." This study was conducted by telephone from July 14-September 9, 1999, among 3,973 adults 18+ nationwide [Form A: N=1,974 / Form B: N=1,999].

vi October 1996 trends are based on the Pew Research Center for the People & the Press's "October 1996 Pre-Election Typology Survey." This study was conducted by telephone from October 14-20, 1996, among 1,938 adults 18+ nationwide [including 1,546 registered voters].

vii July 1994 trends are based on the Times Mirror Center for the People and the Press's "New Political Landscape Survey." This study was conducted by telephone from July 12-25, 1994, among 3,800 adults 18+ nationwide [including an oversample of 197 black adults].

viii January 1996 trends from a Knight-Ridder poll conducted by telephone from January 5-15, 1996, among 1,206 registered voters nationwide.

ix February-March 2002 trends are based on the "2002 Religion and Public Life Survey" jointly sponsored by the Pew Research Center for the People & the Press and the Pew Forum on Religion and Public Life. This study was conducted by telephone from February 25-March 10, 2002, among 2,002 adults 18+ nationwide.

x October 1997 trends are based on an ABC News/Washington Post Poll. This study was conducted by telephone from October 9-13, 1997, among 1,515 adults 18+ nationwide.

xi February 1987 trends are based on an ABC News Poll. This study was conducted February 25-26, 1987, among 513 adults 18+ nationwide.

2012 Public Affairs Pulse Survey

Prepared by Princeton Survey Research Associates International
for the Public Affairs Council
July 2012

SUMMARY

The 2012 Public Affairs Pulse survey, sponsored by the Public Affairs Council, obtained telephone interviews with a nationally representative sample of 1,750 adults living in the continental United States. Interviews were conducted via landline (n_{LL}=1,050) and cell phone (n_C=700, including 313 without a landline phone). The survey was conducted by Princeton Survey Research Associates International. The interviews were administered in English and Spanish by Princeton Data Source from June 20 to July 11, 2012. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is ±2.8 percentage points.

Details on the design, execution and analysis of the survey are discussed below.

DESIGN AND DATA COLLECTION PROCEDURES

SAMPLE DESIGN

A combination of landline and cellular random digit dial (RDD) samples was used to represent all adults in the continental United States who have access to either a landline or cellular telephone. Both samples were provided by Survey Sampling International LLC (SSI) according to PSRAI specifications.

Numbers for the landline sample were drawn with probabilities in proportion to their share of listed telephone households from active blocks (area code + exchange + two-digit block number) that contained three or more residential directory listings. The cellular sample was not list-assisted, but was drawn through a systematic sampling from dedicated wireless 100-blocks and shared service 100-blocks with no directory-listed landline numbers.

CONTACT PROCEDURES

Interviews were conducted from June 20 to July 11, 2012. As many as five attempts were made to contact every sampled landline telephone number and as many as three for each sampled cell phone number. Sample was released for interviewing in replicates, which are representative subsamples of the larger sample. Using replicates to control the release of sample ensures that complete call procedures are followed for the entire sample. Calls were staggered over times of day and days of the week to maximize the chance of making contact with potential respondents. Interviewing was spread as evenly as possible across the days in field. Each telephone number was called at least one time during the day in an attempt to complete an interview.

For the landline sample, interviewers asked to speak with the youngest adult male or female currently at home based on a random rotation. If no male/female was available, interviewers asked to speak with the youngest adult of the other gender. This systematic respondent selection technique has been shown to produce samples that closely mirror the population in terms of age and gender when combined with cell interviewing.

For the cellular sample, interviews were conducted with the person who answered the phone. Interviewers verified that the person was an adult and in a safe place before administering the survey. Cellular respondents were offered a post-paid cash reimbursement for their participation.

WEIGHTING AND ANALYSIS

The first stage of weighting corrected for different probabilities of selection associated with the number of adults in each household and each respondent's telephone usage patterns.[18] This weighting also adjusts for the overlapping landline and cell sample frames and the relative sizes of each frame and each sample.

This first-stage weight for the i^{th} case can be expressed as:

Where S_{LL} = size of the landline sample
S_{CP} = size of the cell phone sample
AD_i = number of adults in the household
R = estimated ratio of the landline sample frame to the cell phone sample frame

The equations can be simplified by plugging in the values for S_{LL} = 1,050 and S_{CP} = 700. Additionally, we will estimate of the ratio of the size of landline sample frame to the cell phone sample frame R = 0.67.

The second stage of weighting balances sample demographics to population parameters. The sample is balanced by form to match national population parameters for sex, age, education, race, Hispanic origin, region (U.S. Census definitions), population density, number of adults in the household and telephone usage. The Hispanic origin was split out based on nativity; U.S. born and non-U.S. born. The basic weighting parameters came from a special analysis of the Census Bureau's 2011 Annual Social and Economic Supplement (ASEC) that included all households in the United States. The population density parameter was derived from Census 2000 data. The cell phone usage parameter came from an analysis of the January-June 2011 National Health Interview Survey.[19]

Weighting was accomplished using Sample Balancing, a special iterative sample weighting program that simultaneously balances the distributions of all variables using a statistical technique called the Deming Algorithm. Weights were trimmed to prevent individual interviews from having too much influence on the final results. The use of these weights in statistical analysis ensures that the demographic characteristics of the sample closely approximate the demographic characteristics of the national population. Table 1 compares weighted and unweighted sample distributions to population parameters.

18 i.e., whether respondents have only a landline telephone, only a cell phone, or both kinds of telephone.

19 Blumberg SJ, Luke JV. Wireless substitution: Early release of estimates from the National Health Interview Survey, January-June, 2011. National Center for Health Statistics. Dec 2011.

Table 1: Sample Demographics

	Parameter	Unweighted	Weighted
Gender			
Male	48.6%	47.4%	48.7%
Female	51.4%	52.6%	51.3%
Age			
18-24	12.8%	7.8%	12.6%
25-34	18.0%	12.0%	16.8%
35-44	17.2%	11.7%	16.2%
45-54	19.0%	18.6%	18.8%
55-64	16.0%	21.5%	15.9%
65+	17.0%	25.7%	17.2%
Education			
Less than HS Graduate	13.3%	5.9%	11.1%
HS Graduate	30.4%	25.6%	29.8%
Some College/Assoc Degree	28.5%	27.9%	29.0%
College Graduate	27.8%	39.1%	28.8%
Race/Ethnicity			
White/not Hispanic	68.0%	71.4%	66.6%
Black/not Hispanic	11.6%	10.8%	11.3%
Hisp., born in US	6.6%	4.5%	6.0%
Hisp., born outside US	7.4%	5.2%	6.9%
Other/not Hispanic	6.4%	4.9%	6.0%
Region			
Northeast	18.5%	17.7%	18.4%
Midwest	21.8%	25.4%	22.3%
South	37.0%	36.6%	37.3%
West	22.7%	20.4%	22.0%
County Pop. Density			
1 - Lowest	20.1%	23.8%	20.6%
2	20.0%	22.5%	20.6%
3	20.1%	20.9%	20.1%
4	20.2%	17.7%	20.0%
5 - Highest	19.6%	15.2%	18.7%
Household Phone Use			
LLO	7.6%	7.2%	7.5%
Dual	59.4%	73.9%	61.1%
CPO	33.0%	18.9%	31.4%
# of adults in HH			
One	17.0%	25.5%	17.2%
Two	52.9%	49.3%	51.5%
Three +	30.1%	22.9%	29.1%

EFFECTS OF SAMPLE DESIGN ON STATISTICAL INFERENCE

Post-data collection statistical adjustments require analysis procedures that reflect departures from simple random sampling. PSRAI calculates the effects of these design features so that an appropriate adjustment can be incorporated into tests of statistical significance when using these data. The so-called "design effect" or *deff* represents the loss in statistical efficiency that results from systematic non-response. The total sample design effect for this survey is 1.39.

PSRAI calculates the composite design effect for a sample of size n, with each case having a weight, w_i as:

$$deff = \frac{n\sum_{i=1}^{n} w_i^{2}}{\left(\sum_{i=1}^{n} w_i\right)^{2}} \qquad \textit{formula 1}$$

In a wide range of situations, the adjusted *standard error* of a statistic should be calculated by multiplying the usual formula by the square root of the design effect ($\sqrt{deff}$). Thus, the formula for computing the 95% confidence interval around a percentage is:

$$\hat{p} \pm \left(\sqrt{deff} \times 1.96 \sqrt{\frac{\hat{p}(1-\hat{p})}{n}} \right) \qquad \textit{formula 2}$$

where $\hat{p}$ is the sample estimate and n is the unweighted number of sample cases in the group being considered.

The survey's *margin of error* is the largest 95% confidence interval for any estimated proportion based on the total sample — the one around 50%. For example, the margin of error for the entire sample is ±2.8 percentage points. This means that in 95 out of every 100 samples drawn using the same methodology, estimated proportions based on the entire sample will be no more than 2.8 percentage points away from their true values in the population. The margin of error for estimates based on form 1 or form 2 respondents is ±3.9 percentage points. It is important to remember that sampling is only one possible source of error in a survey estimate. Other sources, such as respondent selection bias, questionnaire wording and reporting inaccuracy, may contribute additional error of greater or lesser magnitude.

RESPONSE RATE

Table 2 reports the disposition of all sampled telephone numbers ever dialed from the original telephone number samples. The response rate estimates the fraction of all eligible respondents in the sample that were ultimately interviewed. At PSRAI, it is calculated by taking the product of three component rates:[20]

- Contact rate — the proportion of working numbers where a request for interview was made[21]
- Cooperation rate — the proportion of contacted numbers where a consent for interview was at least initially obtained, versus those refused
- Completion rate — the proportion of initially cooperating and eligible interviews that were completed

Thus the response rate for the landline sample was 10 percent. The response rate for the cellular sample was seven percent.

20 PSRAI's disposition codes and reporting are consistent with the American Association for Public Opinion Research standards.

21 PSRAI assumes that 75 percent of cases that result in a constant disposition of "No answer" or "Busy" are actually not working numbers.

Table 2: Sample Disposition

Landline	Cell	
37,676	29,982	Total Numbers Dialed
1,198	400	Non-residential
1,322	205	Computer/Fax
16	----	Cell phone
17,158	10,592	Other not working
5,969	479	Additional projected not working
12,013	18,307	Working numbers
31.9%	61.1%	Working Rate
1,990	160	No Answer / Busy
1,815	7,839	Voice Mail
96	39	Other Non-Contact
8,112	10,269	Contacted numbers
67.5%	56.1%	Contact Rate
1,705	2,687	Callback
5,266	6,238	Refusal
1,141	1,344	Cooperating numbers
14.1%	13.1%	Cooperation Rate
86	77	Language Barrier
-----	558	Child's cell phone
1,055	709	Eligible numbers
92.5%	52.8%	Eligibility Rate
5	9	Break-off
1,050	700	Completes
99.5%	98.7%	Completion Rate
9.5%	7.2%	Response Rate