



TMRE 2018

The Truth About Trust

October 31, 2018 // V 2.0

BRANDTRUST

The **truth** is, more trusted brands are better brands.



The more consumers
trust a brand, the more
they are **loyal** to it.









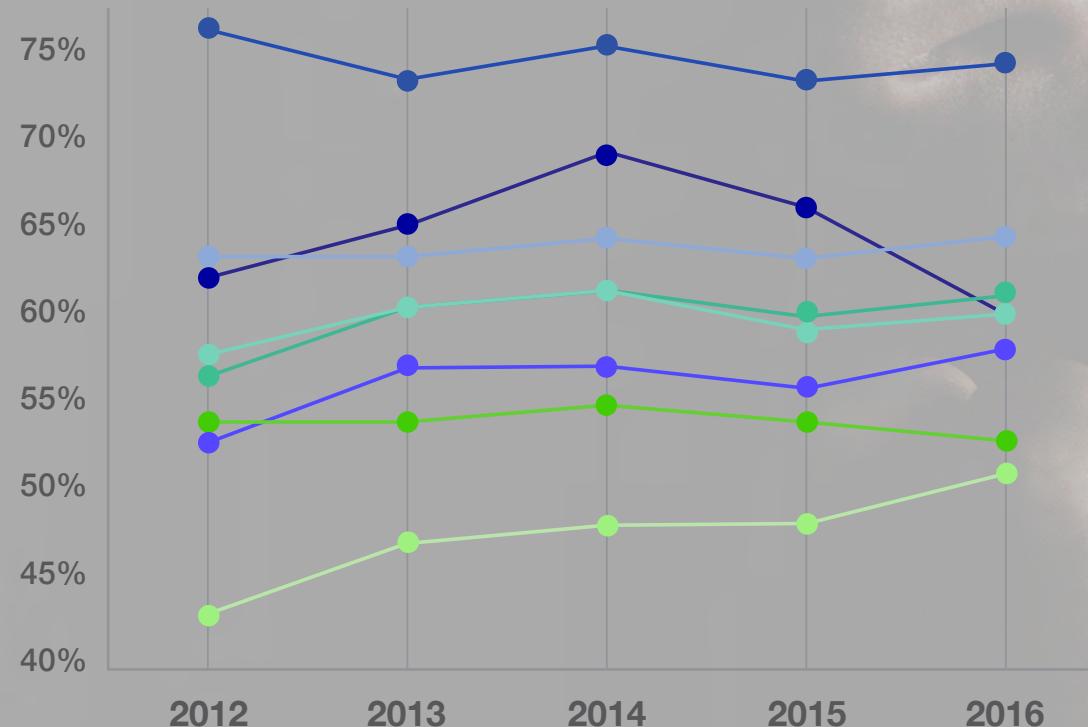
WELLS
FARGO





We have **trust** issues.

TRUST IN EVERY INDUSTRY SECTOR, 2012—2016



INDUSTRY	2012	2013	2014	2015	2016	5 yr. Trend
TECHNOLOGY	76%	73%	75%	73%	74%	▼ 2
FOOD & BEVERAGE	63%	63%	64%	63%	64%	▲ 1
CONSUMER PACKAGED GOODS	57%	60%	61%	60%	61%	▲ 4
TELECOMMUNICATIONS	58%	60%	61%	59%	60%	▲ 2
AUTOMOTIVE	62%	65%	69%	66%	60%	▼ 2
ENERGY	53%	57%	57%	56%	58%	▲ 5
PHARMACEUTICAL	54%	54%	55%	54%	53 %	▼ 1
FINANCIAL SERVICES	43%	47%	48%	48%	51 %	▲ 8

\$18B in sales shifted from large
to small food companies from
2009 to 2015¹

A close-up photograph of a young woman with long brown hair and green eyes. She is looking directly at the camera with a neutral expression. In the background, a grocery store aisle is visible, showing shelves stocked with various food items. The lighting is warm and focused on her face.

1Retrieved from:
fortune.com

The 25 largest food companies saw their combined market share decline from 49.4% to 45.1%¹



1Retrieved from:
fortune.com

So why don't we spend more time thinking about trust?

Trust is a **basic human need**
that fuels the success of
better brands. Yet...

What is trust,
really?

What factors need to be
present in order to create
it?

What happens when it
is broken?

What we know about trust

A close-up photograph of a woman laughing heartily. Her hands are pressed against her cheeks, fingers spread wide, capturing the moment of pure joy. She has bright red lipstick on her lips, which are wide open in a hearty laugh. Her short, light-colored hair is visible. The background is dark and moody, with delicate white and yellow flowers floating around her, suggesting a dreamlike or natural environment.

What we **know** about trust

01

Academic research reveals that trust comes down to two factors: **Integrity and Competence**

02

Brandtrust research concludes there is another dimension, **emotional in nature**, that provides a more complete definition of brand trust

**System 1 (*the non-conscious*) drives
95% of decision-making**

5% Conscious

- Responsible for conscious thought
- Rationalizes decisions that have already been made
- Is adept at answering “what” & “how” questions, but not “why”

95% Non-Conscious

- Responsible for non-conscious thought
- Makes decisions very quickly
- Is adept at knowing “why”



11 million bits of data
every moment...

Yet, you are only
aware of 40 to 50
bits of data

We live in an
attention economy



We rely on **heuristics**,
or rules of thumb



We're **social**
animals...

We have **limited**
willpower



Elements of Trust

01

Trust can be broken down into **motivational factors** (emotional, i.e. integrity) and **technical factors** (rational and calculative, i.e. competence)

02

Emotional factors, such as integrity and congruency with brand values, play a **more significant role in determining and maintaining trust** than rational factors

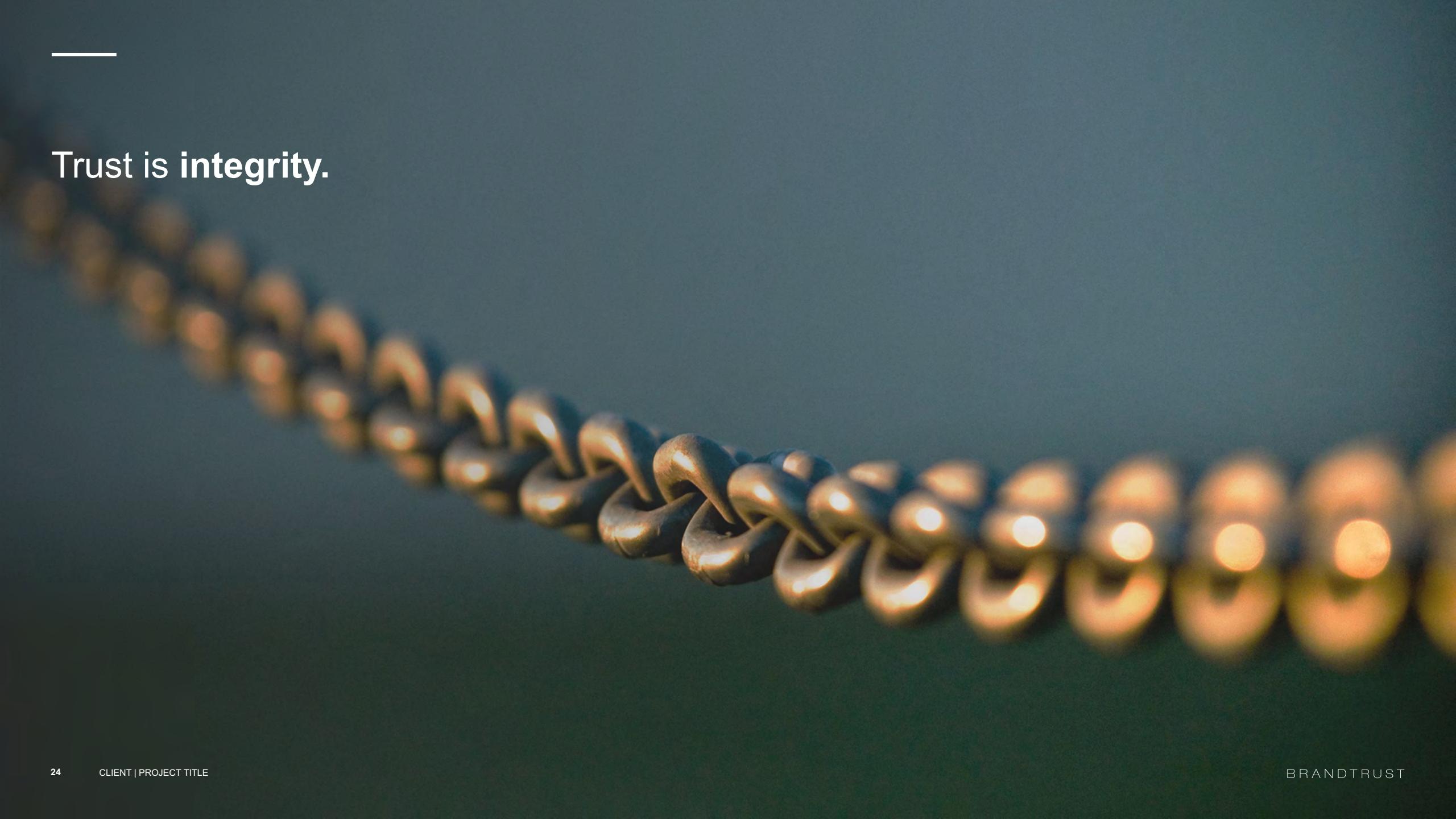
03

Long-term trust may not be lost when a brand under-delivers on a functional promise, as long as it compensates by sticking to its **fundamental values and promises** when rectifying mistakes

04

The opposite of trust is **disgust**, not mistrust. Even when of equal intensity, **lack of trust has a greater effect** on one's psychological state and than presence of trust does

Trust is **integrity**.



Will you do it?



Will you do it? Trust reflects the qualities of the brand as a partner, including:

01

Judgments of the brand's overall **dependability, reliability, and predictability**

02

A felt positive orientation of the brand toward the consumer (i.e. demonstrating that you are not merely self-interested by caring for the customer)

03

Faith that the brand will **deliver** what is **desired**

04

Security in the brand's **accountability** for its actions

Delgado-Ballester, 2004;
Glaeser, et al. 2000

Competence.
Can you do it?



Can you do it?

01

In addition to reliability on future satisfaction, trust often includes elements of intentionality, interest in the consumer's welfare, expertise and competence, and overall performance

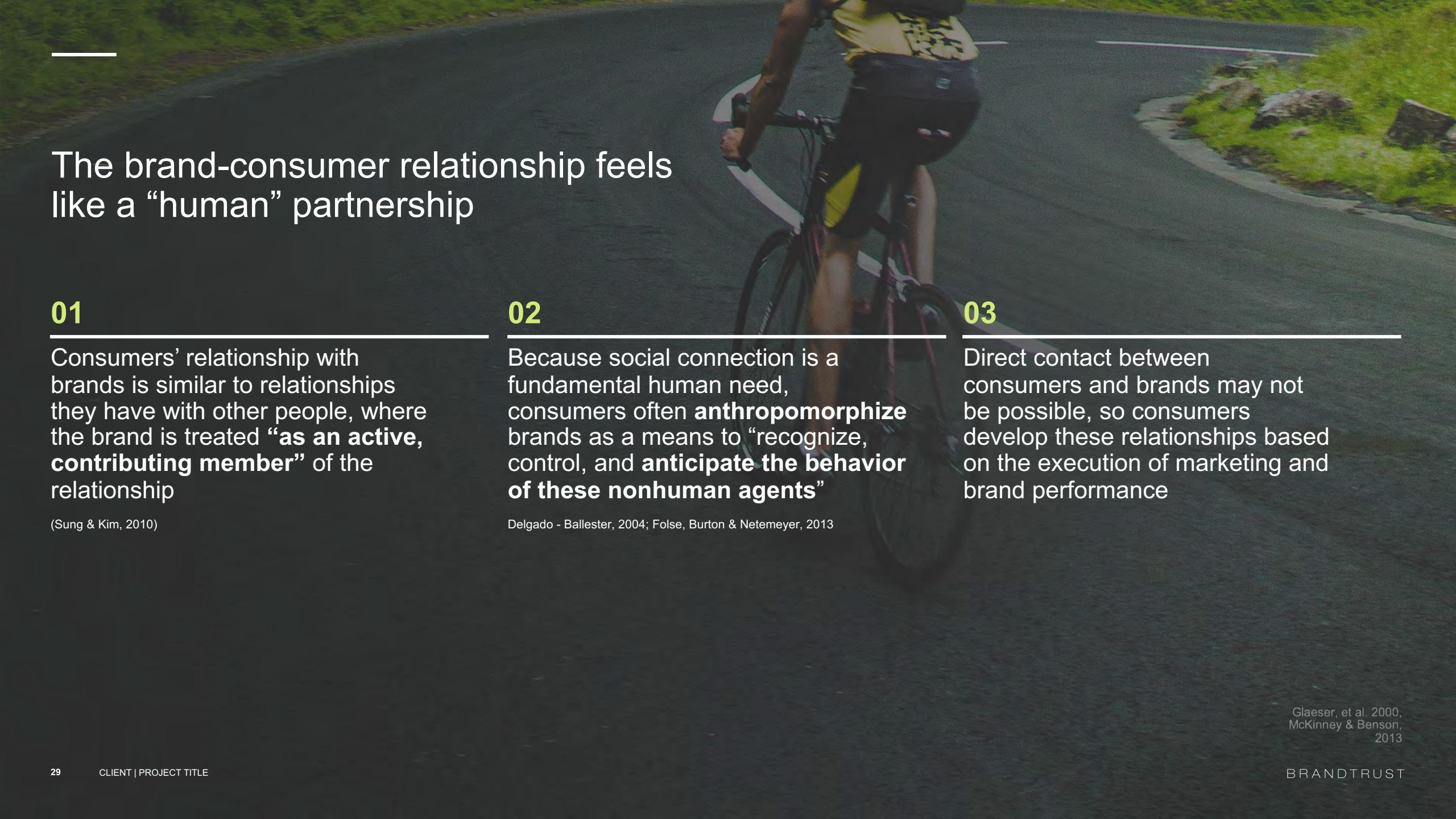
02

Measures of past trusting behavior are better in indicating and predicting trust (Glaeser, et al. 2000)

03

Long-term trust is not necessarily lost when a brand under-delivers on a functional promise, as long as they compensate by sticking to their fundamental values and promises when rectifying the mistakes

Glaeser, et al. 2000,
McKinney & Benson,
2013



The brand-consumer relationship feels like a “human” partnership

01

Consumers' relationship with brands is similar to relationships they have with other people, where the brand is treated **“as an active, contributing member”** of the relationship

(Sung & Kim, 2010)

02

Because social connection is a fundamental human need, consumers often **anthropomorphize** brands as a means to “recognize, control, and **anticipate the behavior of these nonhuman agents**”

Delgado - Ballester, 2004; Folse, Burton & Netemeyer, 2013

03

Direct contact between consumers and brands may not be possible, so consumers develop these relationships based on the execution of marketing and brand performance

Glaeser, et al. 2000,
McKinney & Benson,
2013

“Trust is something we want and something we seek out, but we use the most basic semiotics and personal interactions to choose where to place our trust. We trust people *[and companies]* based on the hints they give us in their vocal tones, in the stands they take on irrelevant points of view and yes, on what others think.”

- Seth Godin

Amazon® is a **trusted** brand



Amazon® is a **trusted** brand

01

In a 2012 article of Entrepreneur, **Amazon ranked as the most-trusted brand**, coming away with highest overall brand trust score as well as placing first in every individual trust value

02

Chief brand strategist, Brad VanAuken, gives credit to the brand's **product accessibility, functionality, and customer experience**

03

VanAuken also asserts that the brand adds **real and reliable** value to consumers



What we uncovered: These are the pillars that we uncovered in Emotional Inquiry® interviews with consumers who trust and use Amazon.

Integrity

TRANSPARENCY

Operating in such a way that it is easy for others to see what actions are performed

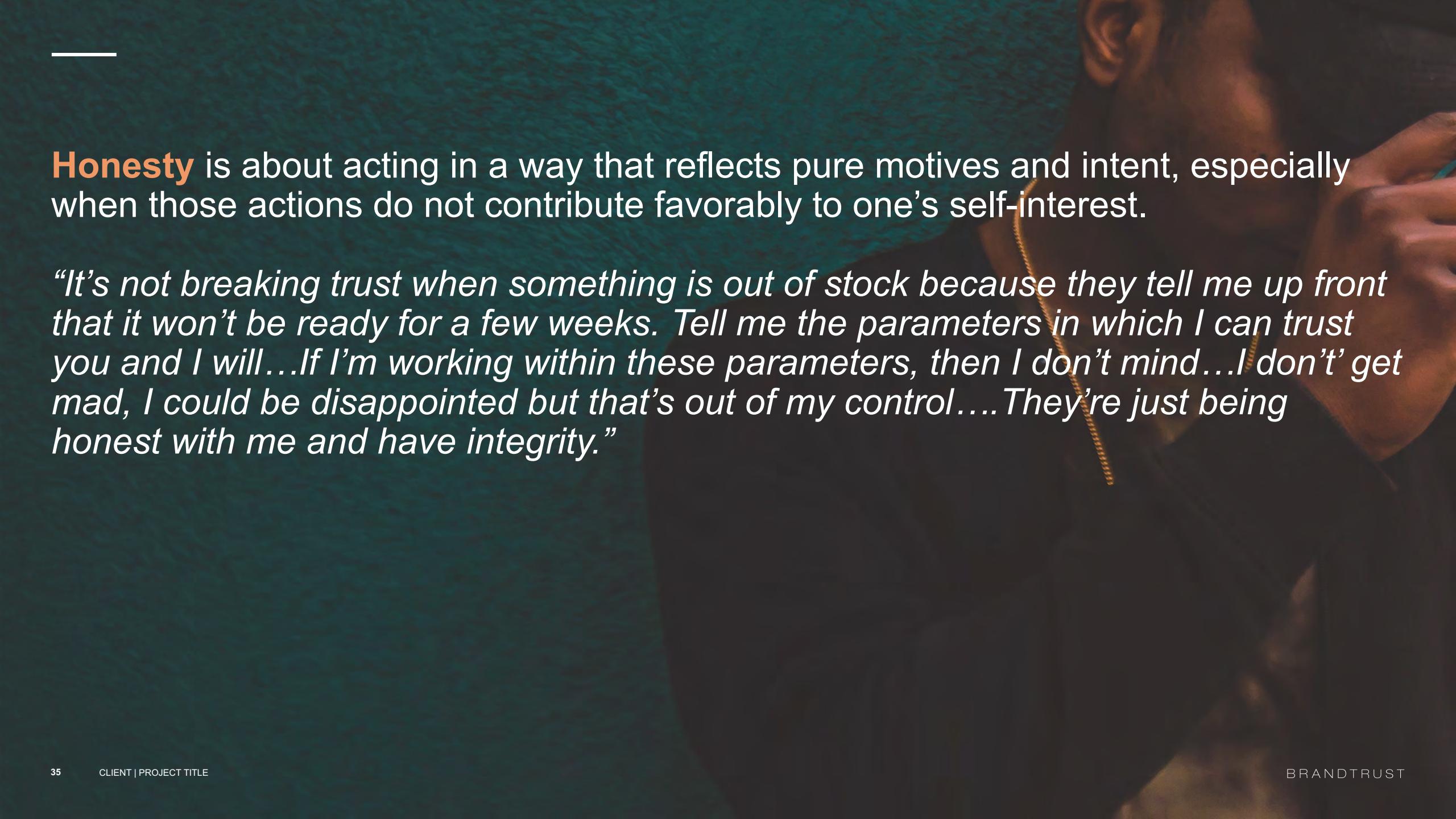
HONESTY

Behaving in a way that is upright and with pure intention



Transparency means operating in such a way that it is easy for others to see what meaningful actions are being performed. It is a proactive measure to ensure that consumers feel safe and correct with the choices they make.

"I've never had an experience where the Amazon said it was one thing and what it actually was was a "womp womp". Amazon acts with authenticity... transparency... justice.... They do that by leaving in the really bad reviews. They know you may not buy that product or any product from them because of it, but they let you decide. You can gauge for yourself if the review is legit or someone had a bad day, It doesn't faze me if there are a few one star reviews if in proportion to everything else it's not too many. I appreciate that amazon doesn't cover those up or take them out."



Honesty is about acting in a way that reflects pure motives and intent, especially when those actions do not contribute favorably to one's self-interest.

"It's not breaking trust when something is out of stock because they tell me up front that it won't be ready for a few weeks. Tell me the parameters in which I can trust you and I will...If I'm working within these parameters, then I don't mind...I don't get mad, I could be disappointed but that's out of my control....They're just being honest with me and have integrity."

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Operating in such a way that it is easy for others to see what actions are performed

INTEGRITY

Behaving in a way that is honest and with pure intention

Competence

CONSISTENCY

Behaving in a way that is uniform in application over time

EARNED

Acquiring or deserving as a result of effort or action

Consistency means people come to expect whatever a brand has established as the norm. Delivering less than the norm creates confusion and uncertainty. Consistency allows the relationship to be seamless and effortless, and focused on how you make their lives better. Over time, they learn that they can count on you.

“To trust a company it has to be easy, make sense and be consistent. Consistency is huge in trust. That they deliver on their promise. Once I build trust, I don’t have to think so much. It is easy, relieving. It tells me that I’m efficient and making smart decisions. That I’m on top of certain trends. It feels good and makes me proud to be smart. And, I get that with Amazon. Their website always delivers the same experience each time, and when I’m in a rush for a product, it’s always delivered on time, every time. That consistency allows me to relax and just trust that Amazon will take care of it.”

Earned. Trust, like interest, grows over time. In this modern age, it must be earned through the little things you do more than the big things you say. Trust is hard to earn, and easy to lose. It is not given freely and not recuperated without difficulty. Focusing on making and keeping promises helps earn trust in the long run.

We just had our first baby and were living in a second floor condo. Going out was rough. I'd gone out to buy wipes and diapers and formula, but I'd always get something wrong. I remember my spouse telling me that she'd just check out Amazon and see if she could order them online. I thought, surely, we'd buy the wrong size or brand or that it would arrive too late or something. We had doubts. She ordered a couple of boxes of diapers and they were the right thing. Then, she started buying more baby stuff from Amazon, and they came correct and on-time every time. Amazon had earned our trust. We were skeptical at first, but they delivered each time. This was a time when we were vulnerable. So having things delivered to us without having to go to the store was one less worry. And it was a good deal. I guess it was a little bit of a load off. I can do this...

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EARNED

Acquiring or deserving as a result of effort or action

Vulnerability

RECIPROCITY

Responding to a positive action with a positive action in return

HAVE MY BACK

Protecting someone else's interests even to the detriment of your own

Reciprocity. Trust is an emotional exchange of risk and reward. When both parties are active participants in this exchange, there is a sense of partnership and equality. One must extend trust in order to receive it in return.

A few years ago, I purchased a soccer jersey from eBay. The pictures looked legit, but it turned out to be counterfeit. I found an authentic one on Amazon for almost the same price. At that point, I stopped buying things from eBay. I was pretty mad. I felt let down. I had to go through the buyer protection steps with paypal and it worked out, but it was a hassle and I had to pay shipping. When the Amazon package arrived, I was like a kid at Christmas. I ripped it open and it was authentic. It made me trust them more. I got what I initially wanted, without a headache. Because they did not let me down, I am loyal to them. I look there first. I wanted to reward Amazon for taking care of me...Trust is a benefit to both of us. We both get what we want.

Have my back. In order for consumers to trust in a brand, the brand needs to demonstrate that it has the consumer's best interest at heart. The brand must show that they are not only self-interested, but also will defend the interests of their consumers. In doing so, they help consumers feel comfortable with the risk and vulnerability they bring to the relationship.

I remember ordering bed sheets from Groupon Goods because I was moving and I wanted my new apt to have new linens. I was in my new apartment hoping and tracking the order. It said that it was delivered, and it never was. I told them and they would not fix it. That would not happen with Amazon. Groupon Goods left me hanging for a really, really long time and I never got them. Their customer service was hard to get through to. It was a headache. It made me feel like I was had. Like why did I do that? It was a dumb decision. I think that Groupon Goods is more disorganized and more profit focused. I feel like they focus on getting things on the website and then they can't get the product to the customer...To go back would feel risky.

The unique ways that Amazon **builds** and **keeps** trust: Amazon's promise – to make shopping for virtually anything convenient, painless and regret-free – is credible and realized.

01

They are **open 24/7**, making the shopping process involve just a few clicks.

02

Their superior search and browse functionality, user reviews and product information **provide a world-class** and more transparent **experience**.

03

Dependable, **fast delivery saves time** and headaches and requires honesty, transparency and follow-through.

04

Amazon fosters community with consumers and between consumers through user recommendations, **ratings** and product suggestions

Amazon does all the little things well to communicate in a big way that they understand **why** people come to them and then they execute like crazy.

Hierarchy of Trust

ASPIRATIONAL TRUST

“They are who I am”
Personification of brand
Deep Bond

EMOTIONAL TRUST

“I am who I say I am”
Alignment on values
Brand congruency

MOTIVATIONAL TRUST

“I do what I say I will do”
Integrity

FUNCTIONAL TRUST

“I am able to do what I say I can do”
Basic competence
Ability to deliver results

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Words here

Key takeaways

A photograph of two women in a field of tall grass and yellow flowers. They are both wearing light-colored dresses and are holding hands, looking upwards towards the sky. The background is dark and out of focus.

01

Uncover the unique ways that trust is built in your category and brand

02

Develop, articulate and then live your brand purpose

03

Understand the make or break moments for trust when it comes to your brand and then maximize those aspects of your customer experience

04

Work hard to understand the simple heuristics and cognitive biases that lead to trust

05

Live by notion that the little things you do are often more important than the big things you say

06

Include a trust measurement in your regular brand health tracking

Questions?

Appendix



A photograph of a person's face, partially obscured by a pair of dark-rimmed glasses. The person is looking directly at the camera with a neutral expression. In the background, there is a soft-focus view of what appears to be a map or a landscape with green and blue colors.

OPEN QUESTIONS.

Sometimes a big step starts with an open question. We asked ourselves two. Are we the best network we could possibly be? Honestly and humbly, No. Do we want to get there? Fervently and definitely, Yes. So for starters, we've decided to become India's first Open Network. Which means you have open access to our tower maps, our internet strength, our strong signal zones and our weak spots.



Brand Trust Assessment

Brand Reliability

The extent to which the consumer believes that the brand accomplishes its value promise.

It is essential for trusting in a brand because the accomplishment of the promise that the brand represents to the market leads the consumer to be confident about the occurrence of future satisfaction.

Brand Intentions

The extent to which the consumer believes that the brand would hold consumers' interests ahead of its self-interest when unexpected problems with the consumption of the product arise.

It describes the aspect of a belief that goes beyond the available evidence to make individuals feel that the brand's behavior is guided or motivated by favorable and positive intentions towards their welfare and interests, despite future problematic situations with the consumption of the product.

Brand Trust Assessment Questions: Brand Reliability

01

X is a brand name that meets
my expectations.

CONSISTENCY

02

I feel confidence in X
brand name.

CONSISTENCY

INTEGRITY

HAVE MY BACK

03

X is a brand name that never
disappoints me.

CONSISTENCY

INTEGRITY

04

X brand name
guarantees satisfaction.

CONSISTENCY

INTEGRITY

Brand Trust Score Questions (BTS): Brand Intentions

05

X brand name would be honest and sincere in addressing my concerns.

CONSISTENCY

06

I could rely on X brand name to solve the problem

CONSISTENCY

INTEGRITY

HAVE MY BACK

07

X brand name would make any effort to satisfy me.

CONSISTENCY

INTEGRITY

08

X brand name would compensate me in some way for the problem with the [product].

CONSISTENCY

INTEGRITY

Change the way you think
about how people **think.**

BRANDTRUST