Adobe

Prioritize trust – increase customer loyalty.

An essential guide for the C-suite.

Why building trust could be the C-suite's number-one job.

Nearly half of all customers have lost trust in businesses in general. Many will stop buying from firms they don't trust. To bring them back, executives must find new ways to rebuild trust—especially online. Here is how to start:

Customers may trust you less than you think. According to PR firm Edelman's latest global survey, just **61%** of people trust businesses.[1] While that still puts firms ahead of governments (**52%**), the trust gap is large—and it matters.

For company leaders, trust means business. Seventy five percent of all executives told Adobe in a new global study their measure of trust is "financial performance".[2] For customers, trust means business too. When trust is broken, **55%** of people say they'll stop doing business with the firm. Even if customers don't always put their money where their mouth is, the business risk of customer distrust is real.

[1] 2022 Edelman Trust Barometer.
[2] Between Jan. 25 and Feb. 9, 2022, Adobe surveyed 12,066 consumers and 2,031 senior executives across 15 countries (US, India, Japan, Singapore, Malaysia, Thailand, Germany, UK, France, Netherlands, Belgium, Australia, Denmark, Sweden and New Zealand) to get their perspectives on trust in the digital economy.

For the C-suite, trust means business… customers agree

%

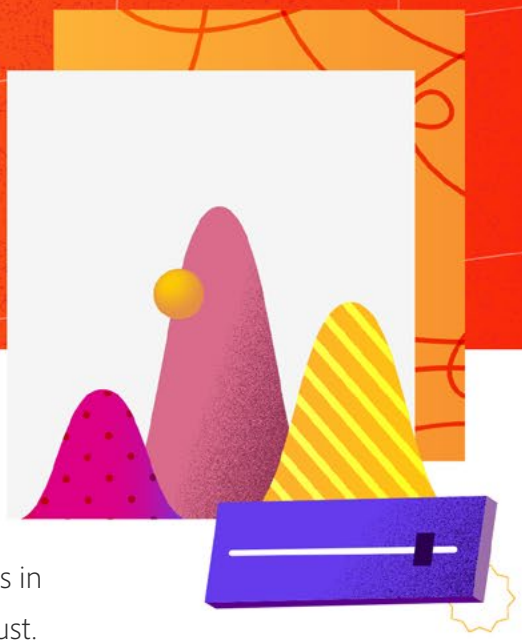
2022 Adobe global trust survey. EMEA = Germany, UK, France, Netherlands, Belgium, Australia, Denmark, Sweden.
1) n = 2,031, selection from 6 answers.
2) n = 20,066, grouped answers based on 5-point answer scale.

Building customer trust has never been easy, and Covid-19 just made it tougher. Seventy five percent of all executives (**69%** in EMEA)[3] told Adobe they have found it harder during the pandemic to build and maintain customer trust.

However, something even bigger is happening that's shaping how customer trust is being built. In the past, companies could often win trust by making products and services people wanted. In a digital economy, these rules have shifted. Global e-commerce revenue is now estimated to be $4.9 trillion.[4] Millions of small and midsize firms have joined marketplaces like Alibaba, Amazon, eBay, Flipkart, or Rakuten to sell products online.[5] Every firm – from small to multinational – now interacts with customers digitally, via websites, emails, text messages, social media, online training, and so on. All these interactions matter for trust. "Trust can be earned and broken across every experience and touchpoint," summarises Adobe's VP of International Marketing, Alvaro del Pozo.

[3] EMEA = Germany, UK, France, Netherlands, Belgium, Denmark, Sweden.
[4] Statista, E-commerce worldwide - statistics & facts, 02/2022.
[5] McKinsey Global Institute: Digital globalization: The new era of global flows.

Why do customers lose trust in your firm?

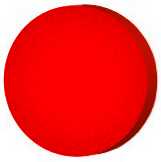


Nearly half of all customers have lost trust in businesses in general. Many will stop buying from firms they don't trust. To bring them back, executives must find new ways to rebuild trust—especially online. Here is how to start:

Building customer trust in a digital economy

Value

Products/services provide perceived superior benefit—at the right price.



Confidence

The purchase experience is inspiring, with relevant / personalised information—at the right moment.

Experience

Customers trust their data is being kept save. People have a choince on how their data is being used.

Source: Thomas Barta

A company could be losing trust with customers because:

Value is better elsewhere.

Trusted brands like PayPal, Sony and adidas offer things people love. That bar is high. Apple's new iPhone 13 was just greeted with reviews describing it as "mostly disappointing" (ZDNet) and saying that it "may be the weakest upgrade ever" (Bloomberg). Even for the most sophisticated version of the most celebrated consumer phone on Earth, it was hard to make the news. Customers now take a great product at a competitive price for granted—it's table stakes.

The experience is better elsewhere.

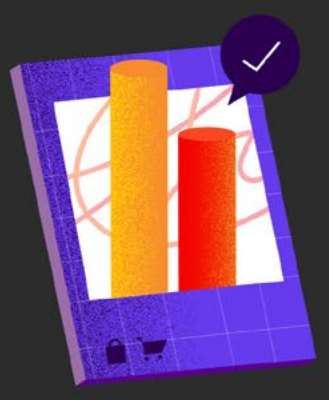
We've all become online experience experts. In a world where Amazon lets us buy everything anytime, where Disney+ streams our favourite movies 24/7, people have seen good and bad online. Customers will quickly judge how your firm stacks up. They'll lose trust online if...

- **The experience isn't perfectly working.** Each year, millions of flight tickets, hotel rooms, and sweaters go unsold because websites are clunky or crash. A hotel chain, for example, discovered trust broke down the moment guests were forwarded from the website to the booking engine. The form was buggy. People had to fill in too many personal details and subscribe to a newsletter—simply to reserve a room. In a major effort, the company replaced the entire booking portal. Conversions have since almost doubled. Amazon may not be the world's most creative shop, but it works. Retail is detail—online and in-store.

- **The experience isn't inspirational.** Retail firms have learned for decades how details like light, colour and presentation change people's willingness to buy. The same holds true online. Fast-growing beauty firm L'Occitane en Provence, for example, is constantly perfecting the balance of creativity and simplicity—online and in store. Even top management consultancy McKinsey complements its strong C-suite presence with the award-winning design of its online publications. Once you've seen good, you can't unsee it.

- **The experience isn't personal.** Netflix, for example, constantly analyses customer viewing behaviour and proposes things to watch next—it hooks people in. Studies have shown that people will buy more if a recommendation is relevant. Timing matters. There's often no point sending suggestions a day later. The customer might have already moved on. In competitive markets, personalisation now means: Real time.

Personalisation is also a double-edged sword—powerful when it's good; damaging when it's not. Seventy two percent of customers (**70%** in EMEA) told Adobe they'll lose trust in brands if personalisation is done poorly (e.g., false recommendations or errors). Most firms have a long way to go: Only **31%** of customers (**25%** in EMEA) told Adobe the benefits from data sharing outweigh the risks. As long as the wrong product shows up under "you might also like", firms would be better off by skipping personalisation altogether.



Customers aren't confident firms handle their personal data well.

Data concerns have become the new trust battleground. In their widely published study on online shopping behaviour, researchers Kim, Ferrin, and Rao made a startling discovery: data worries trump product value.[6] The researchers offered hundreds of people to buy a product online. First, the candidates checked out the actual product. But even if they wanted it, many skipped the purchase if they didn't trust the company would handle their personal data well. Adobe's study came to a similar conclusion: Sixty eight percent of customers (**64%** in EMEA) said when a company disrespects their data preferences, they'll take their business elsewhere.

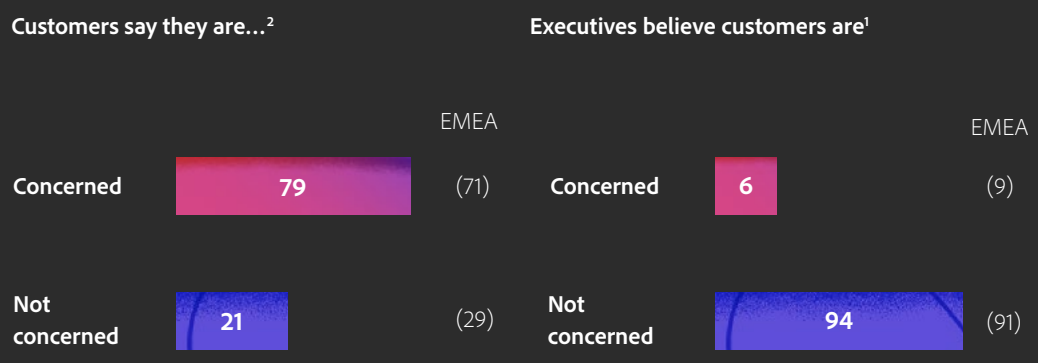
The data message hasn't made it into the C-suite yet. Just **6%** of executives believe customers are concerned about how their company is using their data. In reality, **79%** of customers are concerned, and **81%** want a choice on how firms are using their data. However only **41%** of all executives (**43% in EMEA**) have privacy and governance processes down as a real priority, Adobe found.

When it comes to responsible data use, company executives and customers aren't on the same page. That's also an opportunity. Tackling the data challenge will open new doors for firms who lead the way and find new ways to give customers their data confidence back.

Personal data: Customers and the C-suite aren't on the same page

%

Responsible use of data: Are customers concerned?



2022 Adobe global trust survey. EMEA = Germany, UK, France, Netherlands, Belgium, Australia, Denmark, Sweden.
1) n = 2,031, reverse display of answers. Executives where asked if customers "trust" the firm.
For easier comparison, we have translated "trust" with "no concern", and distrust with "concern"
2) n = 20,066, grouped answers based on 5-point answer scale

[6] Kim, Ferrin, Rao: A trust-based consumer decision-making model in electronic commerce: The role of trust, perceived risk, and their antecedents.

How to fix the customer trust gaps.

Trust is hard to build and easy to destroy, as the saying goes. For sustainable, profitable growth, it's never been more urgent to get online customer trust-building right. The task can look daunting. Answering three questions can help executives make tangible progress—in a matter of weeks:

1. **How much customer trust does our firm enjoy today?** This often means sitting down with, for example, the CMO and the CTO to get a first read on where trust is being built and lost today—across all key customer touch-points. Some digging might be needed. Improving measurement can often be done fast—and at relatively low cost.

2. **Is the current technology set up to building customer trust?** To find out, executives could launch a rapid trust audit. Led by a cross functional team (e.g., CMO, CTO) such an audit reviews the existing technology around five simple questions:

c. How good are the security standards we are building into our customer interactions?

d. How responsibly are we treating private customer data?

e. When it comes to their data, how much choice and transparency are we giving customers today?

f. Do we have the tools and resources to create a compelling customer experience?

g. Are we able to personalise well (also, in real time), or is our personalisation today a trust-risk?

Speed matters. Don't try and do the perfect trust audit. 2-3 weeks are often enough time for your teams to report back. Getting trust right isn't about absolute perfection. It's about finding the big levers—and acting fast.

3. **How could we build more trust from the top?** Even with the best intentions, no company leader can build customer trust alone. Take data protection. It's not uncommon to have 10 or more internal guidelines for how one snippet of customer data can be used. In a perfect world, the sum of all rules leads to perfect customer trust. Unfortunately, things don't work this way. Consulting firm Deloitte, for example, has found that adherence to data processes and systems inside companies is typically mixed (at best).[7] Policies will never be sufficient. It's a team effort.

Building customer trust starts in the C-suite. "When you are the CEO, you've got to realise that every time you say or do something, it's got a massive consequential effect. The whole company pivots," explains DBS Bank CEO Piyush Gupta.[8] Studies have consistently shown that firms with higher internal trust also build more trusted customer relationships. Researchers Sucher and Gupta call it the "real deal: creating products and services that work, having good intentions, treating people fairly, and taking responsibility for all the impacts an organization creates, whether intended or not".[9] Building trust with employees often comes down to basics. When Adobe asked employees what builds their trust with the top leadership team, **75%** mentioned "practice what they preach", and **74%** said "personal support". It's good advice.

[7] Building Consumer Trust. Protecting personal data in the consumer product industry, Deloitte University Press.
[8] CEO Excellence. The Six Mindsets That Distinguish the Best Leaders from the Rest, Scribner, 2022.
[9] Sandra J. Sucher and Shalene Gupta The Power of Trust: How Companies Build It, Lose It, Regain It, Harvard Business School, faculty and research, 2021.

Building more customer trust in a digital economy is about deploying technology right—and about building trust at home. Both go hand in hand. Only the top management can lead the quest for more trust. It might even become the C-suite's most important job.

Learn how Adobe can help you start building customer trust and delivering a connected customer experience, right from the start.

Learn more

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