

Imagine a world without trust

The first time I went grocery shopping in a Singaporean supermarket it took me far longer than expected to decide what to buy. Now I come to think of it the reason was simple - I was totally unfamiliar with many of the brands. I had no past experience with which to benchmark one type of orange juice against another, every choice felt like a bit of a gamble. I had no reason to *distrust* Brand X over Brand Y, I simply had nothing other than the packaging on which to base a choice. Imagine just how exhausting (not to mention slow) life would be if every day to day interaction was like that. By contrast, consider the last time you bought a coffee on your way to work - did you even give it a second thought?

Trust is a big subject at any time but especially at the moment when the world is confronted by economic woes and seems increasingly polarised and partisan. When we are overwhelmed by so many opinions and competing agendas, it would easy to conclude we are living through a 'crisis of trust'. Whilst it might be tempting to weigh in on such weighty matters but I'll leave that task to those more qualified.

Instead, I want to consider the importance of trust in our everyday lives as businesses, customers and consumers - with the often overlooked and seemingly insignificant things that have a huge impact, often without us realising it. I'm concerned with trust not as a profound, abstract concept to be debated by philosophers but as a pragmatic on-going transaction in the relationships customers have with brands - which can either

build or erode the confidence the former has in the latter. Failing to recognise the significance of trust at the ‘micro’ level leads many organisations to chase the wrong goals albeit for the right reasons. Customer loyalty, satisfaction, advocacy, employee engagement, retention and productivity, social impact and reputation are all certainly desirable in themselves but should be seen as *outcomes* stemming from something bigger, something simple and obvious that’s been staring us in the face. Yet, too often we fail to notice it because we’ve been over-thinking and complicating things. Hidden in plain sight, the secret ingredient powering so many customer objectives boils down to one simple question: are you building or impeding your customers’ confidence in you?

Without trust, everything falls apart.

But what exactly is trust? How do we foster and spread it? You won’t be surprised to learn there is no one size fits all answer to these questions. They will vary for every brand. As we shall see, trust comes in many flavours and it’s for each organisation to find which one works best for them and which is most congruent with their brand, their culture and their stakeholders. But, that is not to say there isn’t a universally valid approach for discovering the specific answers for your own business.

The intention of this book is simply to show you how to find your own best practice for building trust in the form of confidence, to discover what it looks and feels like to your audiences, and inspire you to be creative and distinctive in how you choose to

foster it. It's the magic ingredient that drives all sorts of positive outcomes. Its beauty lies in its very simplicity - it's the one thing everyone can understand and rally around.

Why now?

*"There has been a steady decline in the scores of leading brands - not necessarily because they are worsening, but because consumers' expectations of the best experiences are ever escalating."*²

It's tempting to look back on the not so distant past as a time when life was simpler for brands. Analogue technologies and media meant that brand and consumer relationships tended to be very one-sided. The customer experience itself was generally simpler and more linear. The opportunities to build customer confidence - and conversely erode it - were limited. Today, all this has been thrown up in the air. Today, the world can be bounded in a nutshell (or at least a smartphone) giving your customers unprecedented knowledge, reach and something new: a greater anticipation of what a brand experience *ought* to be like.

But this apparent abundance comes with a downside. Over the course of what we might call 'the digital era' two inter-related phenomena can be discerned. First, a growing yet vague sense of

² Ignite Growth: Connecting insight to action, 2018 UK Customer Experience Excellence analysis, KPMG Nunwood, November 2018

unease over the behaviour of big corporations, especially the behemoths of Silicon Valley, has led an increasing number of people to mistrust any business that so much as asks for an email address or has cookies on their website. The many are being tarred with the sins of the few making it harder to establish *any* kind of trust-based relationship with customers.

This unease is turning into a quiet rebellion - a mass opt-out event as people decide they've had enough of the social media filter bubble, personalised pricing, targeted display ads and brands using entirely unrelated data to discriminate against them. Customers are also feeling overwhelmed by the sheer volume of stuff they encounter every day. Exposed to so many marketing messages - both overt and covert - even the most relevant content is increasingly hard to land. Never before has so much been said by brands and yet so little actually heard by their customers. What's more there's a huge disconnect between the conversations which excite marketers - AI, Big Data, Digital Transformation, authenticity and purpose etc. and those their customers actually want to have: *"Why is it so hard to get through to your call centre?"*, *"How do I talk to a human being and not a chatbot?"*, *"Why does your satisfaction survey not let me tell you the one thing that's actually stopping me from returning?"*

Secondly, Customer Experience (CX) has, in recent years, emerged as a discipline in its own right. As such, it's faced with a paradox: why, despite record amounts of investment in CX technologies do customers themselves not getting any happier? Whether this is because their expectations are rising at a greater rate than the ability of brands to meet them is a moot point and probably at least partly true.

Another explanation is that the very customer technologies they are investing in are themselves having a detrimental effect on the customer's perception of their experience. Research by Leeds University Business School found that 'one-sided' customer technologies which remove a sense of agency (but which deliver cost saving efficiencies to the brand) are especially corrosive of customer trust. Put bluntly, customers aren't stupid; if they feel that a technology such as an AI chatbot is purely a cost saving device offering no meaningful benefit to themselves they will quickly see through it - and their trust in that brand will be chipped away.

A further reason for trust being so important right now is that customers are enduring a period of stress as inflation bites. Brands who remain tone deaf to this reality will come to regret it. Furthermore, brands who pursue a self-indulgent narrative about their values and 'purpose' will do well to ensure that these are aligned with those of their customers. We need to beware the disconnect between what brands want to believe they are trusted for - and what their customers actually care about most.

Faced with this landscape of economic uncertainty, technological change and ever-changing consumer wants and needs brands today are looking for ways to stand out and remain competitive. Intuitively, most recognise that a focus on their customers' experience ought to lie at the heart of how to achieve this, yet many struggle to know what exactly they should *do*.

The findings of the 2018 KPMG Nunwood study quoted above suggest a disconnect between how brands see customer

experience and how their customers see it - investing in making existing processes more efficient through technology without taking sufficient account of the customer outcome the process is there to support.

Digital technologies have the potential to make an important contribution to making it easier for customers to interact with those organisations who use them well. But, that's not enough. Brands who want to achieve a sustainable differentiation in their marketplace need rather to see digital as part of wider customer experience strategy informed by an understanding of what really drives customer behaviour.

The biggest challenge is not finding the right solution, it's finding the right problem

There seems to be no shortage of experts and vendors offering CX services and solutions. But it's easy to become confused about what is meant by the phrase. Is it the same thing as the 'user experience' (UX) a customer has when they visit a website or use an App? Is it the use of data and analytics to serve up a more tailored online experience or marketing communication? Is it the use of an AI-driven chatbot to anticipate customer service enquiries? Or is it what goes through my head when I walk out of a store because there's too long a queue at the check-out?

It's all the above and more. CX is the sum of the often myriad ways in which your customer discovers and engages with your brand over time and across channels. Ultimately, a CX strategy is about creating the optimal conditions for the customer

behaviours we want to encourage. Does this require us to use latest technology? Of course, but we must also pay close attention to the timeless drivers of human behaviour. The truest measure of CX success is the extent to which your programme helps your customer achieve *their* objectives. Digital is a means not the end. It allows us to reduce friction from (some) customer touch points, to offer more tailored experiences and to gather deeper knowledge. But, does focusing on it too much cause us to lose sight of the bigger picture?

The very absence of the human element in so many digital interactions is what makes emotional engagement more important than ever. Seduced by shiny new toys many organisations have been sold a vision of a future where all the tough decisions are outsourced to an AI. Hoover up all the data and ‘intel’ you can find about your customers and use this to decide whether their social media profile makes them an insurance risk, whether to charge them a ‘personalised’ price for a flight, even whether to put them at the back of a call-centre queue. The technology exists to do these things and much more, but, just because you can doesn’t always mean you should.

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A truly effective customer experience does not have to mean a ‘great’ (and expensive to deliver) one. It is achieved more simply, when we step back, take an holistic view, and design an environment aligned with how customers really want to engage,

based on an understanding of what role they expect your brand to play.

Why read on?

When the biggest challenge to meeting customer goals is not a lack of potential solutions but an excess of them it's hard to know where to find impartial advice. To the hammer all problems look like a nail whereby we first decide on the solution and then retrofit the problem to fit it.

Whilst it might be smart to know the right answers you need to be sure you're asking the right questions. For example, if asked: *'What loyalty programme should we have?'* we might respond by asking: *'What does your customer consider loyal behaviour to look like?'* and: *'What's stopping them from behaving in this way right now?'* Above all: *'How is their current experience not living up to their expectations?'* It is typically the answer to this last question which reveals where the 'trust gap' sits. In short, we need to be entirely agnostic when it comes to prescribing a solution and realise that the first and most important task is to diagnose the right problem.

If there's one thing more complex than understanding how the universe works it's understanding how people do. Customers, clients, supporters - whatever you want to call them - don't exist in a vacuum but interact with a multitude of organisations and with each other using ever-changing means. The old models of marketing and economic theory haven't kept pace with the Customer Revolution but there is a wealth of new insights that we can now draw upon to help us. That's the discussion this

book wants to ignite. I don't claim to have devised a '*Theory of Everything for CX*' but I do want to bring to light some ideas from a wide range of sources to challenge, provoke and enlighten.

The following chapters represent an attempt to make sense of the chaos and confusion typically faced by anyone whose job involves customers, giving a perspective on what organisations need to consider if they are to survive - and maybe even thrive - in this new world order. Today's marketplace requires us to use a wide range of often surprising skills and knowledge. In the past, these were the preserve of experts who operated in silos and pushed solutions that supported their own agenda. This made it hard to get an objective, disinterested answer to the one, simple question that businesses ask themselves every day about their most important asset - their customers: "*If we need them to be loyal, what then should we **do**?*".

This book aims to do three things. First, it draws upon the smartest thinking out there on what *really* matters to customers - and how to uncover what this insight means for your own organisation. Next, it explores the question of *how* to influence behaviour in a way that supports both your goals and those of your customer. Finally, it suggests ways to make your own customers' experience far more effective at driving loyalty.

Above all, it aims to provide some simple principles to help you navigate what can seem a very complex landscape - and maybe even make you more valuable to your customers.

"Do the little things."

St. David

Key take-outs:

- *For customers, trust is first and foremost about having confidence in their anticipated experience of a brand*
- *For brands, trust is about knowing what that anticipated experience needs to look like - and delivering it*
- *A major challenge for brands is not so much finding the right solution but identifying the right problem*
- *The starting point should be to get the basics of the customer experience right*