

THE TRUST FACTOR

Why trust is vital to your commercial success
and how to build it



 **marketreach**
unleash the magic of mail





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INTRODUCTION

We've always known that trust is important for individuals, brands and organisations. Indeed, *Harvard Business Review* regards trust as one of the “foundations” of business*.

Yet surprisingly little is understood about how trust works between brands and organisations and their customers and prospects.

This report demonstrates a breakthrough in our understanding of trust.

It investigates the many valuable ways in which trust gives organisations a competitive edge in the world of business.

Because without trust, no relationships are possible. Either personally, or in the commercial world.

Until now, trust was often considered as a binary attribute. People, brands and organisations were simply seen as ‘trusted’ or ‘not trusted’.

Reality is not so simple. In fact, understanding trust and its commercial implications is a massive challenge. But one that brands and organisations simply must master if they are to survive and thrive.

* Frances X. Frei and Anne Morriss, “Begin with Trust,” *Harvard Business Review*, May-June 2020

A groundbreaking way to measure trust

Our goal is to demonstrate the commercial advantage and benefits that growing and maintaining trust can bring to brands and organisations.

We aim for nothing less than to develop a structured, scientific and objective understanding of how trust can be defined according to the ways consumers think, feel and behave.

Many institutions have investigated trust in the past, from many perspectives. But never in such depth in the UK, with such rigour and with such a thoroughly commercial focus as this project does.

This has enabled us to develop a proven and consistent scientific metric to establish what constitutes trust.

We have achieved this by:

- working with a panel of leading industry and global academic experts
- building partnerships with world-class specialists to carry out an unprecedented programme of nationally representative qualitative and quantitative research
- and using the latest scientific approaches including Structural Equation Modelling (SEM). This is a powerful statistical technique that analyses the relationships between those variables that can be directly observed and those which are latent. These are then used to establish which factors contribute to building – or damaging – trust.

We have gone to such great lengths because trust is central to all successful relationships including those between brands or organisations and their customers. For the first time on a truly nationally representative scale, we have proved that – as Harvard Business Review says – for commercial relationships trust is truly ‘foundational’.

The eight pillars of trust

Our research has proven that trust is made up of many parts. Far from being monolithic, it is actually built on eight powerful and interconnected pillars. These are:

- | | |
|-----------------------------|--------------------------------------|
| 1. Reliability | 5. Familiarity |
| 2. Reciprocity | 6. Fame |
| 3. Aligned Interests | 7. Frequency of Communication |
| 4. Stake | 8. Tenure |

We will explore these pillars in depth later in this report. Expressed as simply as possible, any organisation that builds these pillars as part of its relationship with customers and prospects will build trust among them. Conversely, if the organisation loses the power of any pillar, this will result in a significant loss of trust – at a potentially serious commercial cost.

How to build trust through communications

Along with discovering the pillars on which trust is built, we have also established how organisations can use communications and advertising to build trust – the ‘Communications Formula’.

What happens when trust is lost?

While building and maintaining trust can be highly profitable for brands and organisations, losing trust can be commercially disastrous.

In fact, the research proves that organisations operating without trust have to spend more time and money than their competitors to achieve comparable results. We call this the Trust Deficit.

Explore your organisation’s level of trust

As part of our research, we have also created the Trust Explorer. This is an interactive tool designed to help you measure and improve your brand or organisation’s levels of trust.

FOREWORD



Emily Maitlis,
Broadcaster, podcaster and journalist

Trust is one of the most powerful currencies in human relationships – indeed the US commentator Thomas Friedman calls it ‘the only legal performance enhancing drug’.

Every time we call an Uber, buy from eBay or Vinted, pop on a seatbelt, or order food in a restaurant we are relying on the two-way system that essentially allows societies to function, business to thrive, and individuals to feel secure. Without trust, civilisation as we know it would essentially break down.

In my own world – broadcasting – trust is not just some abstract virtue – a bland noun tapestried in needlepoint above the hearth – it’s an active power. It is, indeed, the foundation upon which credibility, influence and democratic engagement rest.

In an era of polarised politics, digital misinformation and declining confidence in our most established institutions, the need to retain our sense of faith has never been more crucial. Trust is the bridge between reporter and reader, between those gathering the facts and those consuming. It is the unseen glue that bring a news story to life. If no one believes what you’re saying, they will quickly forget it.

Credibility is cumulative – it is built up through consistency, transparency, accuracy and fairness. A trusted journalist can shine a light on corruption, amplify marginalised voices and explain complex global or political events in a voice the public has come to understand. It is invaluable as a tool for strengthening democracy. When citizens believe their media sources they are more likely to engage in civic life, whether that’s at the ballot box, in a protest, or merely at a gathering in their own town hall.

When I research a story, I go to the heart of the characters involved. I want to hear, whenever possible, from ‘the horse’s mouth’. Even if ‘the horse’ wants to remain anonymous. When I relay things that I’ve been told- from the top of government, from heads of state, from those close to the Royal Family, from a victim perhaps – or even an alleged perpetrator – who wants their side of the story to be known, I have to be able to reassure them they are talking to someone who will protect their source.

“

Trust isn’t just a moral asset, it brings tangible economic gains.

”

In this way I know I have to earn the trust of those I hear from – and speak to. And by respecting the confidence of those who share the inner workings of their jobs – I can pass on a better understanding, I hope, to those trying to learn more about the inside story.

Obviously, sometimes I will be told things I’m not sure I should believe – conversations that don’t stand up to scrutiny- or serve a purpose that seems too convenient, too self interested. In those cases, I need to question, not blindly repeat. And that, in itself creates a bond of trust. If you, as an interviewer, aren’t willing to probe, or interrogate, or hold someone to account because it might become ‘uncomfortable’ then why should an audience give you the benefit of the doubt next time? Audiences who trust fact-checked media are less vulnerable to conspiracy or manipulation. Trust in journalism protects the health of our information ecosystems.

Beyond the ethics of the job we do, there is a practical incentive. Trust, as is shown in this report, is needed for journalism’s survival. Media organisations that enjoy strong public trust are more likely to retain their subscribers, attract long-term backers, and build a sustainable commercial

model in a volatile industry. Trust isn’t just a moral asset, it brings tangible economic gains. And that in turn enables more of the media to fulfil its core mission. Telling the truth in service of the public good.

But trust is a two-way street. It requires emotional commitment – as any relationship does. If the Uber lets you down, if the eBay package doesn’t arrive, if the seatbelt jams or the restaurant gives you food poisoning, then our trust is shaken, broken – sometimes destroyed. It’s easy to give up, badmouth a service, walk away from a new technology. But trust is also an act of courage. It requires each of us to invest – knowing that sometimes things don’t go according to plan. But without our ability to find reserves of faith, we will never build the relationships with each other and the wider world that we need to survive.



FOREWORD



Stephen Woodford,
CEO of the Advertising Association

Brands have always relied on trust. It was the key founding principle of the Advertising Association almost one hundred years ago, as those working in the newly burgeoning industry realised that if advertising couldn't be trusted, its value to brands and consumers could not be fully realised.

Since then trust has become ever more important, as markets became more sophisticated and the value of the brand itself became a major asset for businesses.

Congratulations to the Marketreach team for this fantastic new report and trust measurement tool, which both have an important role to play. Firstly, this report helps our understanding of how trust works – from the highly rational through to the very emotional factors. Secondly, with our long-held interest in public trust in advertising at the Advertising Association, we welcome all work that contributes and further develops our understanding of trust and how to protect and build it. Much of the work done to define the 8 key pillars in this report chimes closely with the work the advertising Think Tank Credos has also done in this space.

This report is also a timely reminder that trust is rising in importance when it comes to successful advertising campaigns that deliver profit to the bottom line. It has become a key competitive differentiator – one growing in critical importance – and we know this too from our own 'Value of Trust' report and research. It is ignored at your peril.

The insights within this new report will help our industry to ensure that trust is a key consideration in the work that we make for clients. It provides useful tools, insights and learnings for practitioners to apply immediately and incorporate into their strategy. It is also helpful to understand how best practice in direct mail can help brands build the trust they need to compete, win and grow in the marketplace.

Creating a tool to actually measure trust, using sophisticated mathematical analysis is an impressive and innovative feat. I look forward to seeing the results of future campaigns which integrate this tool and include Direct Mail as part of a media mix that delivers improved trust levels (and commercial success) for brands.



WHY YOU CAN TRUST OUR RESULTS

RESEARCH METHODOLOGY

This is the most in-depth investigation into the nature of trust in the commercial world carried out in this country, developed in collaboration with respected research agencies Tapestry and Map the Territory. It is underpinned by an incredibly thorough and totally bespoke methodology, to ensure that its results can truly be trusted.

QUALITATIVE RESEARCH

We started by exploring trust exhaustively via an extensive review of literature and existing research.

This was then supported by interviews with three academic experts on the topic. And followed up by interviews with six decision-makers from the worlds of brand and marketing. Finally, we held a collaborative Trust Workshop involving key stakeholders and one of our experts.

Next, we completed a week-long ethnographic study with 20 consumers from all over the country, who represented the full range of demographics. Together, we reviewed the brand communications our panel received in that period. This was followed by ten 75-minute paired depth interviews investigating media's role in marketing and mail in particular.

QUANTITATIVE RESEARCH

We then sent a 20-minute online survey to a nationally representative sample of 4,000 individuals aged 18 and over.

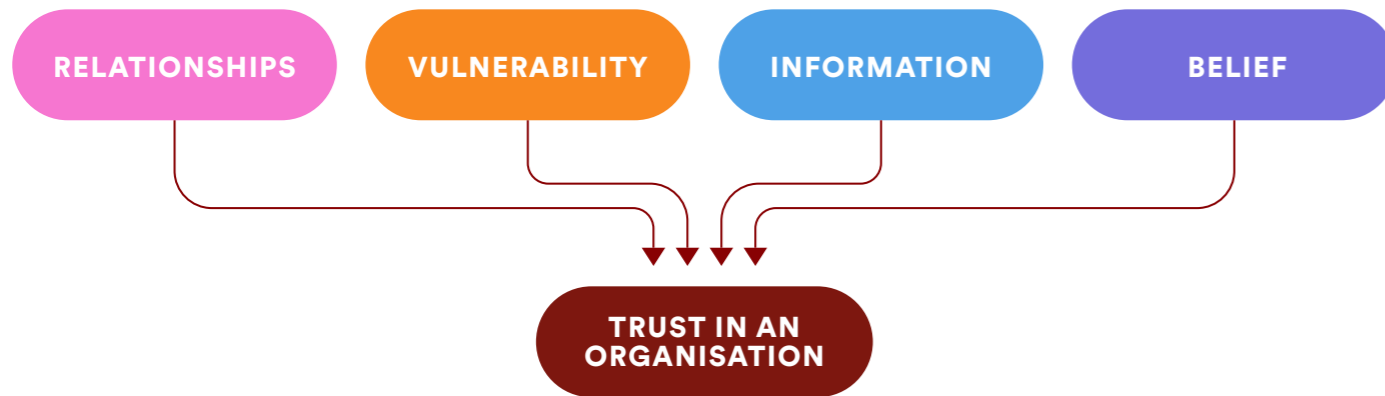
In this we measured no fewer than 125 potential attributes of trust, based on hypotheses from the qualitative stage of the project. We then quantified trust by using Structural Equation Modelling to consider these 125 attributes. We used this approach because only the most sophisticated mathematical analytics are powerful enough to distil the huge amount of evidence we have gathered.

01 WHAT IS TRUST AND WHY DOES IT MATTER SO MUCH?

Trust is a key and complex component of all human relationships. That also includes relationships with brands and organisations.

Trust does not exist in a vacuum. It is not absolute. It is a relative concept, and it is made up of a number of constituent parts.

In the course of our research, we identified four themes that are important for trust.



RELATIONSHIPS

Whenever people talk about trust, it is always in the context of a relationship, between them and other people, objects, organisations or systems.

INFORMATION

Trust is always shaped by information based on past experience. Experience is the source from which we draw information about trust. And any behaviour will be used to provide that information.

VULNERABILITY

Trust always involves a degree of potential risk or harm. The greater the level of trust, the lower the perceived risk.

BELIEF

Trust is never purely logical. It is informed by values, feeling and social norms. It is these which produce the feeling of 'confidence' on which trust is based.



A world without trust would be a world without relationships. One where no individual, brand or organisation could build lasting connections to anyone else.

“

It would be like one of those **dystopian Sci-Fi** films, you'd become pretty **jaded** and **withdrawn**.

Male, 67, Leeds

“

So much communication is done remotely these days – if I couldn't trust any forms of communication at all, that would just leave me feeling so **isolated** and **powerless**.

Female, 63, Pembroke

“

Trust is the cornerstone of people's lives. It's how we **engage** and **establish relationships**.

Female, 52, Bristol

A world like this would be a very hard place indeed in which to succeed commercially.



02 HOW CAN YOU MEASURE TRUST?

Marketreach has a wealth of consumer and brand knowledge. This means we already had a clear idea of the importance of trust to brands and organisations before we began this research.

In particular, we had a clear idea that trust is one of the key benefits of mail from a consumer's point of view. But this was only the starting point of our process.

In terms of 'unknown unknowns' we understood that we could not explain how trust is built, nor what it is 'made of', nor how to quantify its commercial value. Nor did we have an easy answer about how to measure it, although that is a task that is crucial for brands and organisations.

Together with our research partners, we went back through existing literature on the topic. We talked to experts on trust and marketing decision-makers. Then we carried out an in-depth ethnographic study on the impact of trust and communications on our audience.

We followed this up with a nationally representative quantitative survey. We then used Structural Equation Modelling (SEM) to crunch the numbers in order to measure trust.

SEM is the most robust method for analysing complex relationships between different variables – such as the level of trust in an organisation and the many different emotions and experiences that might contribute to that trust.

Using SEM allowed us to understand how different aspects of an organisation impact on each other, as well as how they impact on trust. This gives us a deeper and more accurate understanding about how trust is built, including things that impact trust indirectly as well as directly.

In the example in the diagram below, we're talking about a fashion brand. In particular, we're examining the way the brand's level of trust is affected either **directly** or **indirectly** by the clothes they sell.

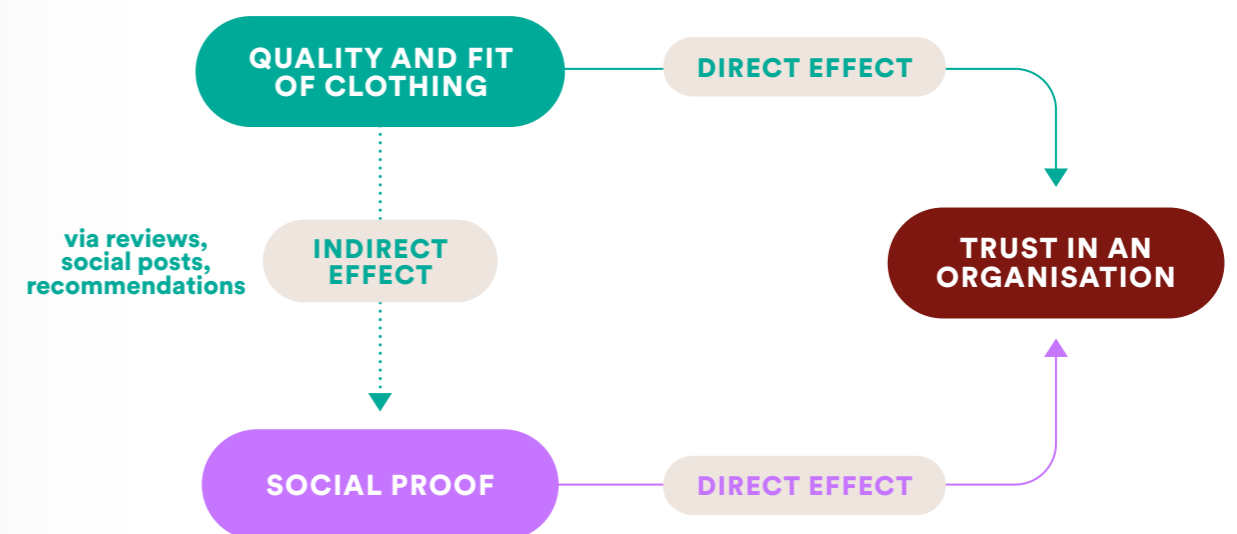
DIRECT EFFECT

When shoppers consistently find that the clothing is stylish, well-made, and fits as expected, they're more likely to return and make repeat purchases.

INDIRECT EFFECT

The **quality and fit of the clothing** can also have an **indirect effect** on a brand by influencing **customer reviews, social media posts, and peer recommendations**. When customers feel confident in the clothes, they're more likely to post their looks on Instagram, leave positive online reviews, or recommend the brand to friends. This 'social proof' builds the brand's reputation and makes existing customers feel proud to be associated with it. This builds trust even among people who may not have purchased recently or tried the latest collection.

Direct and indirect impacts on trust



03

THE COMMERCIAL IMPACT OF TRUST

As we have seen, without trust there are no relationships. And without relationships there is no business. So trust has a critical role to play commercially.

In fact, the very word 'credit' has its roots in the idea of trust – it comes from the Latin word 'credo' meaning I believe. When a loan is made, the lender has the belief that the borrower will repay them. When a purchase is made with the funds provided by that loan, the buyer has the belief that they will receive the product they need, and that it will work.

Without trust, there could be no large-scale trade or commerce at all.

Trust transforms people's behaviour. When people trust a brand or organisation, they are more open and willing to take action that might otherwise feel risky. This shift in mindset can directly influence commercial outcomes and impact the bottom line.

This commercial importance means that trust is more than just desirable for brands and organisations. It's absolutely essential from a commercial point of view.

We approached this crucial topic from various perspectives. The chart opposite is based on a direct question to consumers about what leads them to consider or engage with an organisation. It shows that after value for money, trust is the single most important factor that leads consumers to choose which organisation to interact with (the precise scores are so close that they may effectively be read as equal.)

Trust is regarded as more important than good customer service, high quality or even the fact that a customer has had a good experience with a brand or organisation in the past.

Trust plays an absolutely vital role in persuading people to consider your product or service.

“

For me, [trust] makes me act very differently. So if I trust an organisation, I will think of them first or they'll be in my mind for products or services that I want to use. I'm more willing to spend my money with them or even investigate about upgrades or potential premium packages. If it's a company that I don't trust, then I'm less likely to even engage, to even read what they're sending or to even inquire about the possible services that they have to offer.

Male, 41, Birmingham

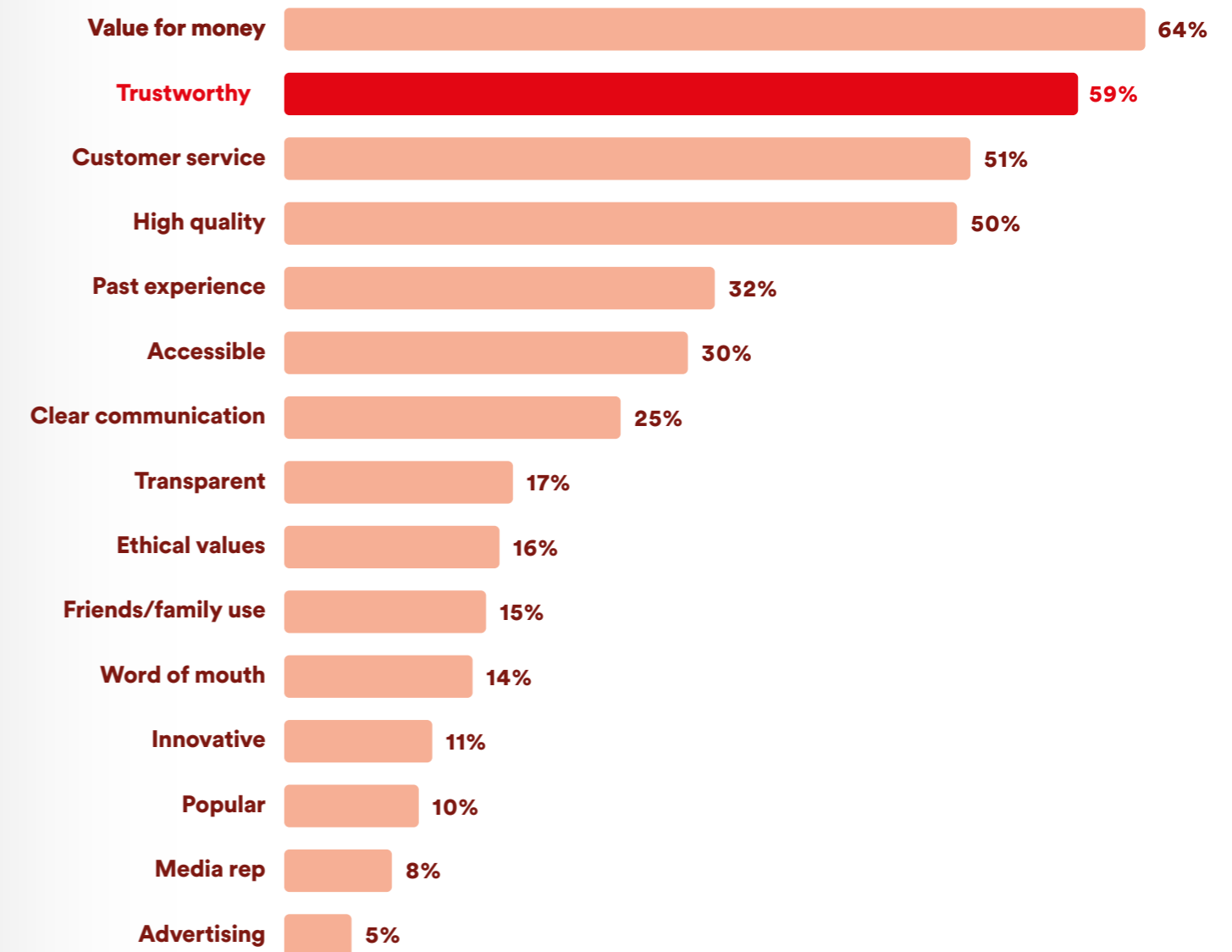
“

Just because of my familiarity and my positive experience with my bank, I may well be inclined to spend more money with them, compared to a new service. I'll be more likely to recommend them to other people compared to services which I'm less familiar with or don't trust.

Male, 35, London

Trust is absolutely vital when considering an organisation*

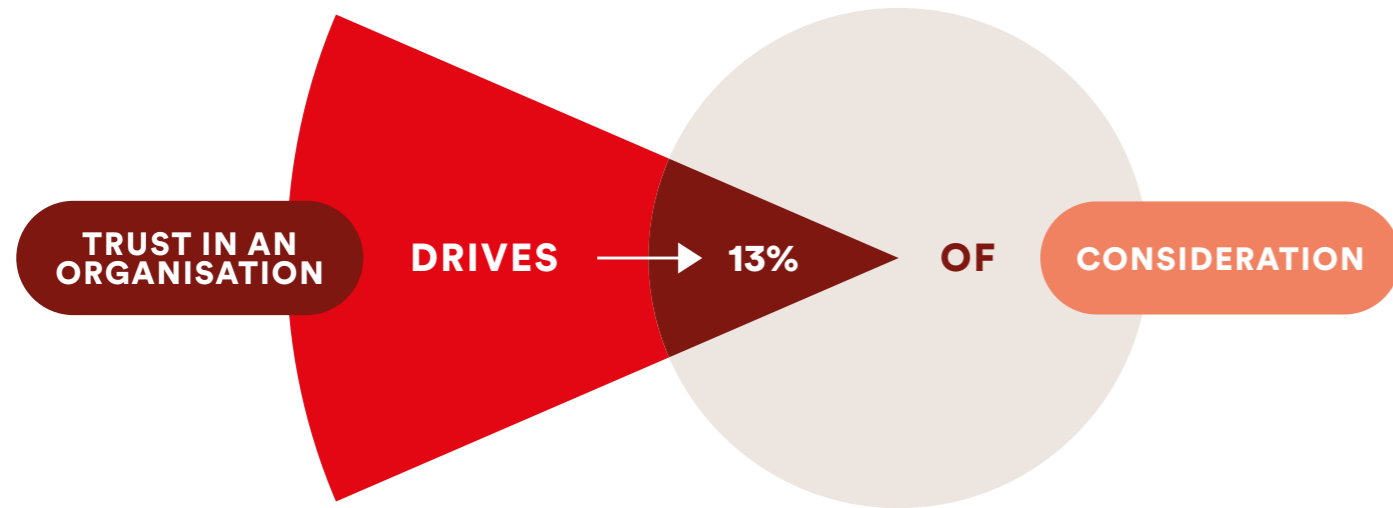
Reasons for choosing an organisation (% mention)



* Q. Which of these are important to you and reasons for engaging with an organisation? Base 4038

From another perspective SEM enables us to measure how much of consideration of an organisation comes from trust. It confirms and quantifies that there is a direct relationship between trust and consideration. Indeed, trust is responsible for **13%** of consideration. This proves that trust directly translates into business value and is the largest factor influencing it.

Trust is absolutely vital when considering an organisation*



* Structured equation modelling output. Base 4,038

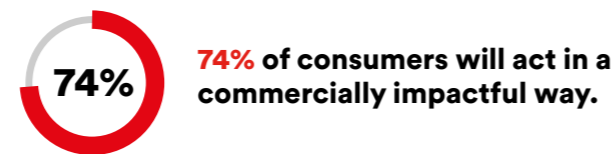
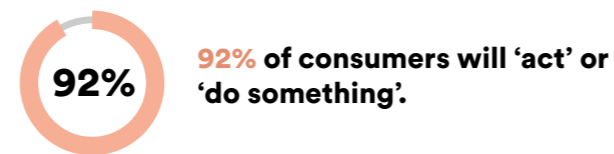
We know that the most successful brands and organisations are those that are most mentally and physically available to potential customers. To achieve that, they have to be considered by those customers.

In the chart above, we can clearly see that trust leads directly to consideration. This will then lead to the potential for improved commercial results.

So trust is not simply a desirable quality. It is an absolutely essential driver that persuades consumers to do something.

And this trust leads directly to action.

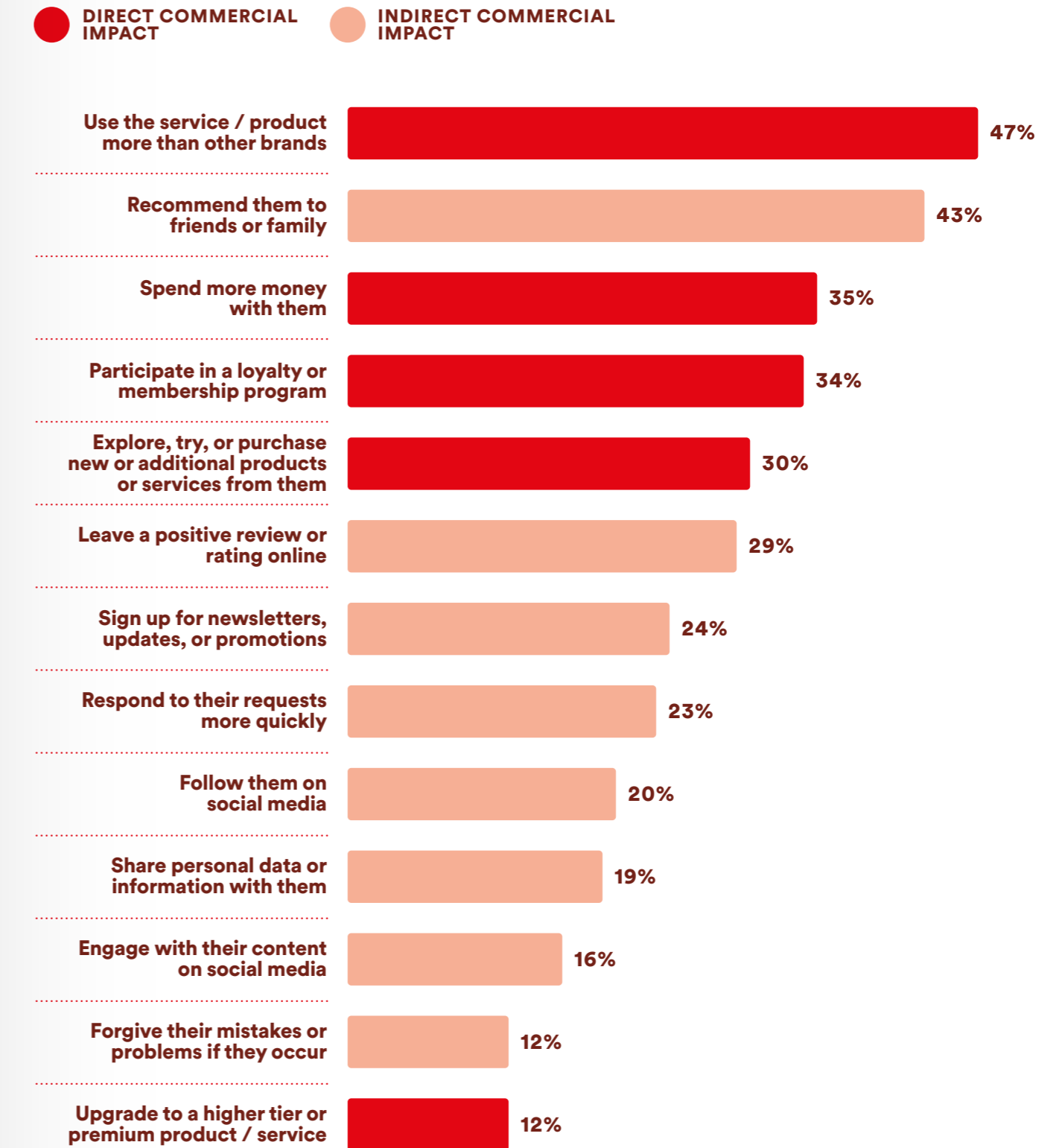
For example, we know that, if they trust a brand or organisation:



And in the chart opposite, we can see the immense power of the full range of direct and indirect commercial effects that trust drives.

Trust drives these actions†

Actions more likely taken if someone trusts a brand (%)



† Q. If I trust a company / organisation / brand, I am more likely to... Base. 4,038

04

TRUST IS THE FOUNDATION OF ALL SUCCESSFUL RELATIONSHIPS

This is true for organisations in all sectors – commercial organisations, public institutions and charities. It’s true of our personal relationships too.

We asked our research respondents about a wide range of brands and organisations across all sectors with which they have a relationship. We did that so that we could understand whether trust has the same impact on all organisations or whether it varies by sector. Because people have such individual relationships with charities, we have treated them as a separate sector.

The results are very clear indeed.

Trust leads directly to usage for commercial companies*



For commercial organisations, there is a direct relationship between trust and usage. It really is that simple, as we can see in this chart.

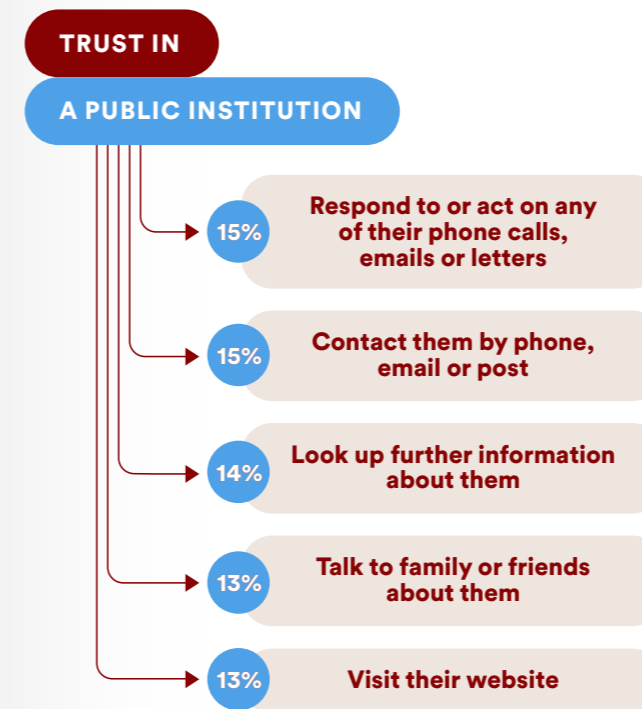
When people have trust in commercial organisations, it makes those people more likely to take a huge range of actions.

For example, they’re much more likely to purchase from that brand or organisation, look up further information about them, or visit their website. (In fact, trust alone is responsible for 7% of all these actions.)

So it is clear that trust gives commercial organisations a valuable commercial edge over their competitors – at no extra cost.

* Structured Equation Model output. Base. All answering about a commercial company (Banks, Insurance companies, Retailers, Telecoms and Utility companies) n= 1,680-1,926

Trust drives interactions with public institutions†

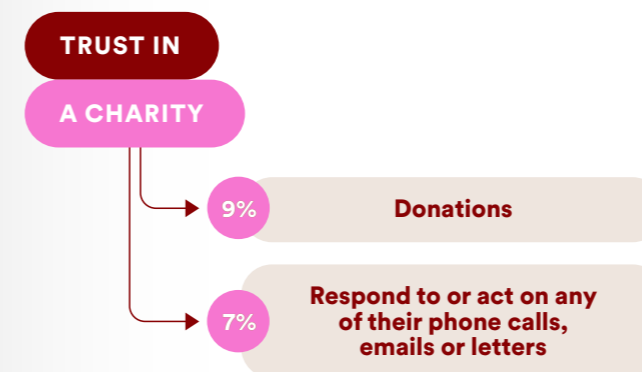


Trust also has a huge effect on how people feel about public institutions such as the Department of Work and Pensions (DWP), or the Driver and Vehicle Licensing Authority (DVLA).

As this chart shows, the more trusted the institution is, the more people are prepared to interact with and talk about them. Trust is responsible for 15% of people’s preparedness to respond to their communications, for 13% of their readiness to visit the website and to talk about them to their family and friends. Trust also impacts 15% of their willingness to contact the institution directly and for 14% of their likeliness to look up more information about them. So it is clear that significant benefits are being driven by trust .

† Structured Equation Model output. Base. All answering about DWP, DVLA, HMRC, Passport Office, Local water company, Local Council n= 263-525. NOTE: NHS is excluded as there are no direct effects between Trust in the NHS and actions

Trust drives donations for charities‡



Finally, for charities, trust plays a critical role too.

It has a direct effect on people’s likelihood to give to them and to act in response to requests for help from them. In fact, it’s responsible for 9% of their readiness to give a donation, and 7% of their willingness to respond to communications from a charity. An untrusted competitor would have to invest money to increase that willingness.

‡ Structured Equation Model output. Base. All answering about a charity n= 1942

05

WHAT IS TRUST BUILT ON?

One of the most significant discoveries to come out of this research is the number of distinctive elements which have a unique and measurable role in creating trust.

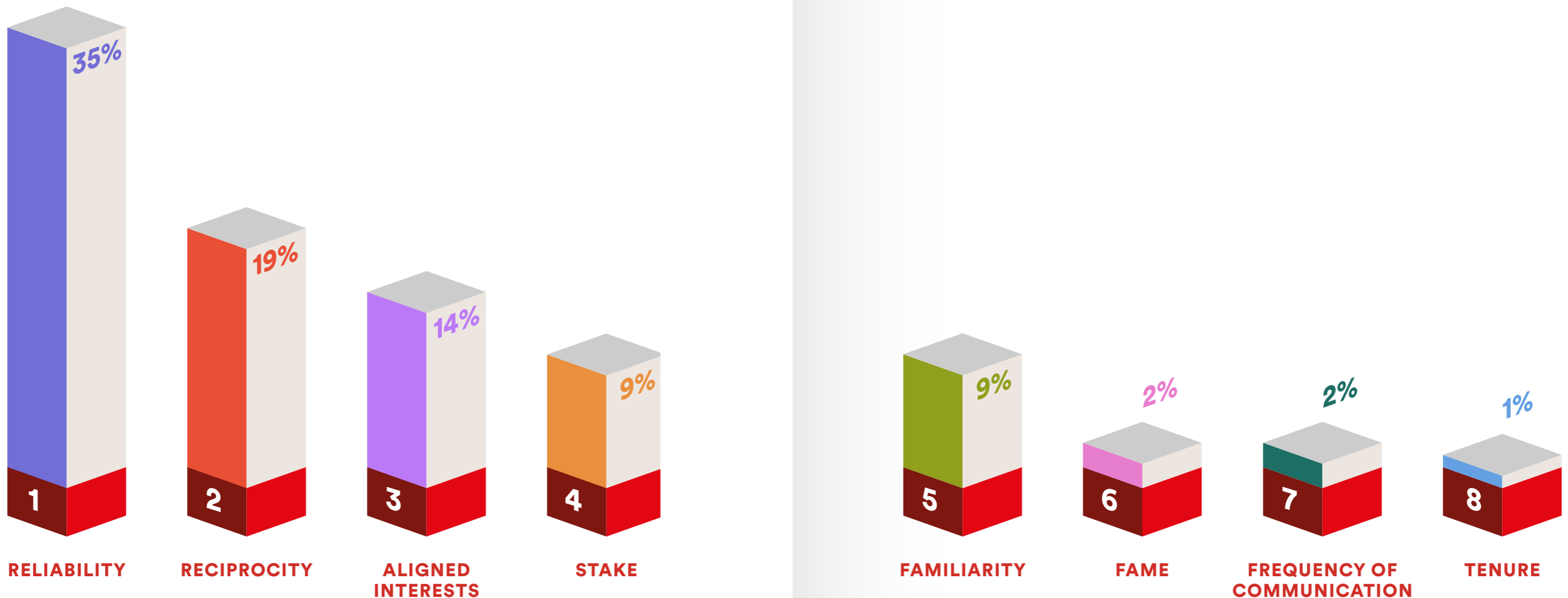
Each of these needs to be considered individually if trust is to flourish overall.

If we take the total amount of trust as 100%, we can then break it down into a number of variables.

As we have said, in the course of our research we tested a total of 125 individual variables including those that exploratory phases had suggested would have an impact on trust. We discovered that eight of these consistently play the most significant roles.

We call these the eight pillars of trust. The percentage on each pillar shows its relative importance to building trust.

The eight pillars of trust*



* Structured Equation Model output. Base 4038

THE EIGHT PILLARS OF TRUST EXPLAINED

Each pillar represents a different percentage of trust.



RELIABILITY

Reliability is the pillar with the largest impact. Reliability is based on a shared history of predictable and dependable behaviour, when promises and expectations are met repeatedly. Over time, this leads to a feeling of confidence. This confidence persuades the consumer that the organisation with which they're dealing can be trusted.

“

They've [HSBC] just always been really consistent and done what they said they'd do.

Male, 35, London



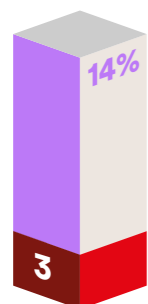
RECIPROCITY

People are more likely to trust other organisations when they feel trusted by them. Trust is very much a two-way street.

“

With PayPal – they trust me! No quibbles - I say there's an issue they instantly refund me and believe I'm telling the truth. Compared to websites like Temu or AliExpress who assume I'm lying.

Male, 55, London



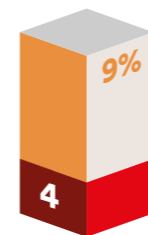
ALIGNED INTERESTS

Trust is strengthened by the perception that the other party has your best interests at heart. They are doing things for you, rather than simply taking money from you.

“

Apple is constantly talking about security and privacy, it makes me feel like they care about me, want to protect me and in turn that makes me trust them more.

Male, 28, Birmingham



STAKE

Trust grows when both parties have something at stake, and there is a balance between the risks the consumer takes by choosing an organisation and the risks that organisation is exposed to.

“

I trust Pets at Home partly because they have a reputation to worry about. If they don't do a good job, their reputation could be damaged, and people would hold them to account.

Female, 32, Wrexham



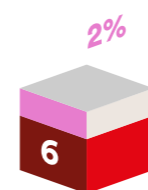
FAMILIARITY

Trust is helped by the sense that the consumer knows and recognises the organisation they're dealing with. This cuts down on the uncertainty involved in dealing with an 'unknown quantity', and leads to greater confidence.

“

I trust them because of my familiarity and previous positive experiences. As such, I'm more inclined to spend money with them.

Male, 35, London



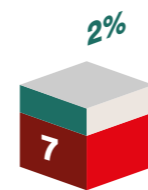
FAME

Because a brand or organisation is endorsed by other people the consumer trusts, it acts as social proof that the brand is also worthy of the consumer's trust.

“

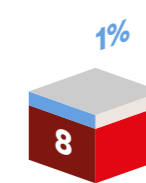
I trust people that I know of, companies that I know. I trust those. I do sometimes go to companies that I'm not familiar with, as long as I'm back up looking, researching their reviews and also word of mouth.

Female, 58, London



FREQUENCY OF COMMUNICATION

When a brand or organisation communicates with someone regularly through a blend of any media, it makes them more likely to be viewed as trustworthy.



TENURE

The length of someone's relationship with a brand helps determine the level of trust they feel towards it.



06 TRUST IS BUILT THROUGH PERSONAL EXPERIENCE

Our evidence shows that the pillars are based on an individual's personal experience of a brand or organisation. Each pillar represents a distinct aspect of trust and each is important.

Which means any brand or organisation should have a strategy for dealing with each of them individually.

Reliability really matters. This makes sense, as it would be hard to imagine anyone trusting a brand or organisation that kept on letting them down.

Reciprocity is vital too. This should come as no surprise. Feeling like you matter to the people you're dealing with is important for all of us.

As is understanding that your **interests are aligned** and that you both benefit when the organisation who are providing the goods or services you need have your needs at heart.

Stake and **Familiarity** clearly are crucial when it comes to building trust. Knowing that its reputation is on the line will naturally lead a brand or organisation to treat customers or service users better. And it is true that people generally tend to feel more comfortable when dealing with known quantities.

Communications also really matter when it comes to building trust – in terms of how people you know feel about them, and how often a brand 'talks' to you through any channel. The trustworthiness of the particular channels a brand or organisation uses can have a significant effect overall.

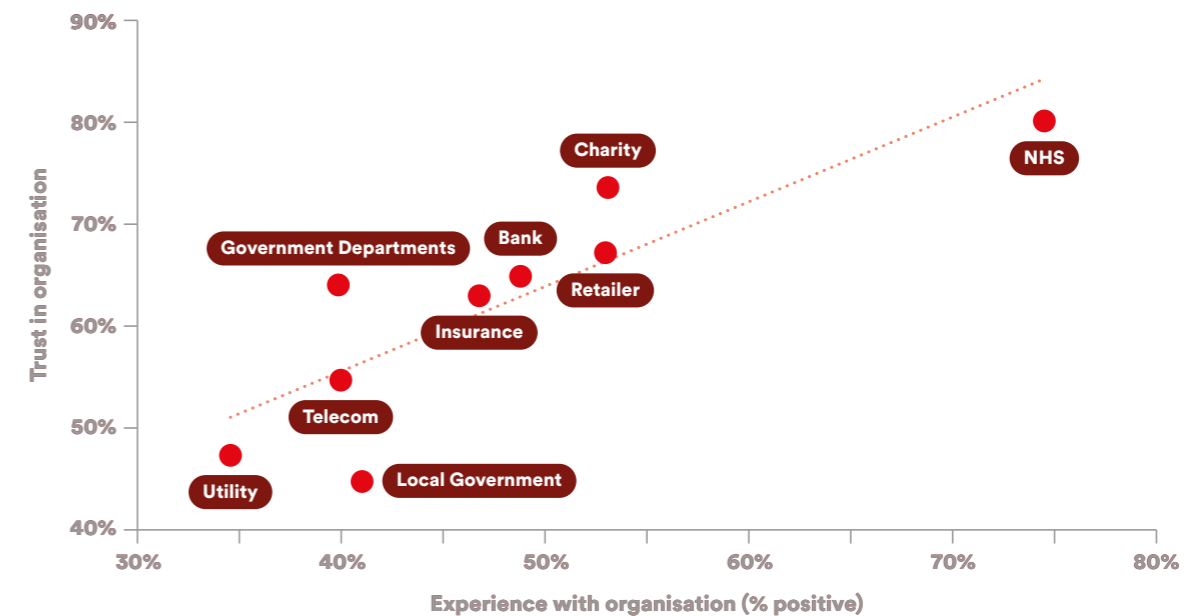
And it's also important to consider how long a customer or service-user has been dealing with a brand or organisation. **Tenure** matters. The longer the relationship the better, when it comes to building trust.

These pillars may seem like common sense. But they are more than that. They are proven scientifically. For the first time, they have been validated by extensive qualitative and quantitative research.

And while the individual scores may only reflect what happened in our particular research during a particular period of time, we can be confident that the hierarchy they establish is correct.

As we can see in the chart below, good experiences build trust in a brand or organisation. Bad experiences damage it.

Experience with an organisation correlates highly with trust*



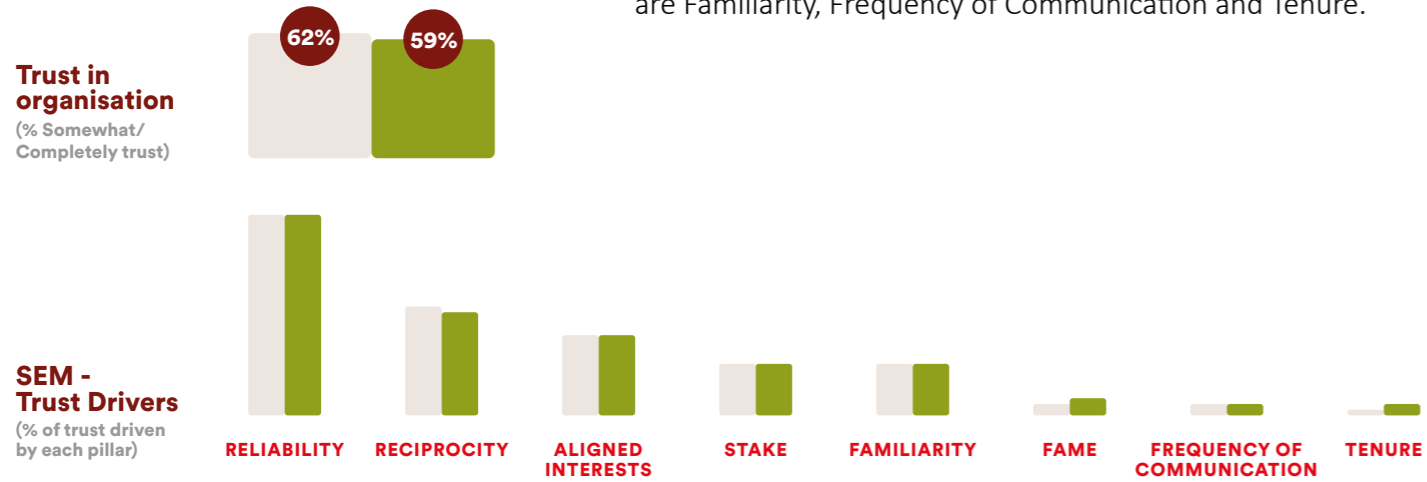
* TRUST Q. How much do you trust this company / organisation / brand? (% somewhat/completely); EXPERIENCE Q How would you describe your overall experience with this company / organisation / brand? (% positive/ very positive). Base. 4,038

DIFFERENT PILLARS MATTER MORE FOR DIFFERENT SECTORS

While we can see a clear overall hierarchy among the pillars, they do differ by sector.

What drives trust in commercial organisations?*

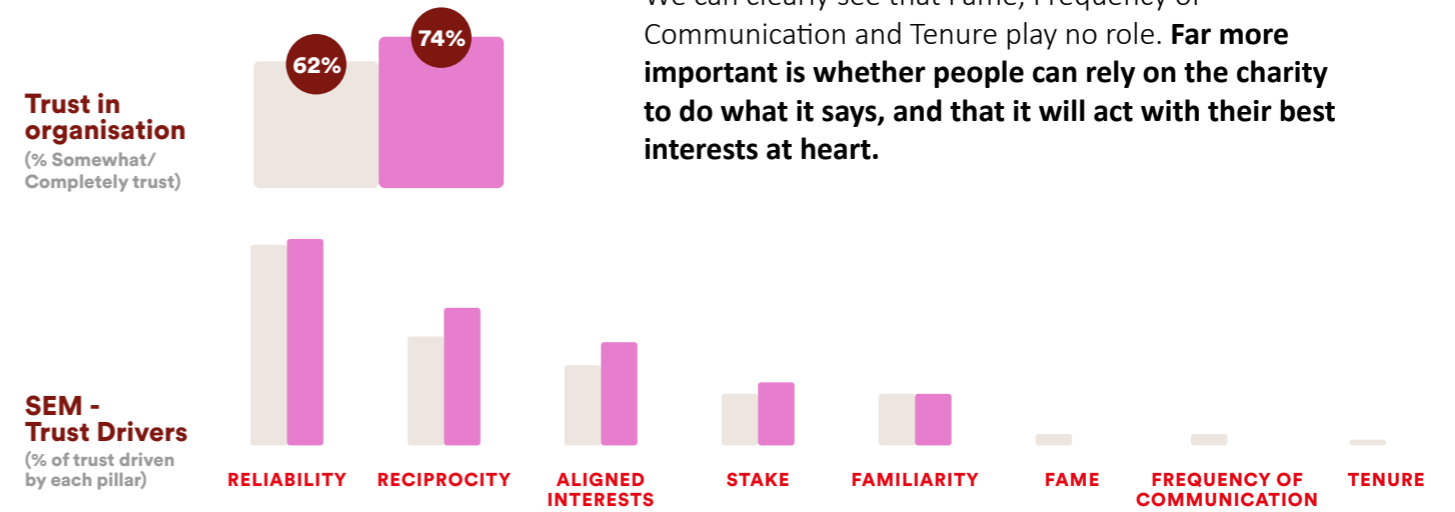
AVERAGE COMMERCIAL ORGANISATIONS



Reliability, Reciprocity and Aligned Interests play a critical role in driving trust for commercial organisations such as banks, insurance companies, retailers, telecoms and utilities. However other pillars still contribute slightly more than they would for organisations in other sectors. These are Familiarity, Frequency of Communication and Tenure.

What drives trust in charities?‡

AVERAGE CHARITIES

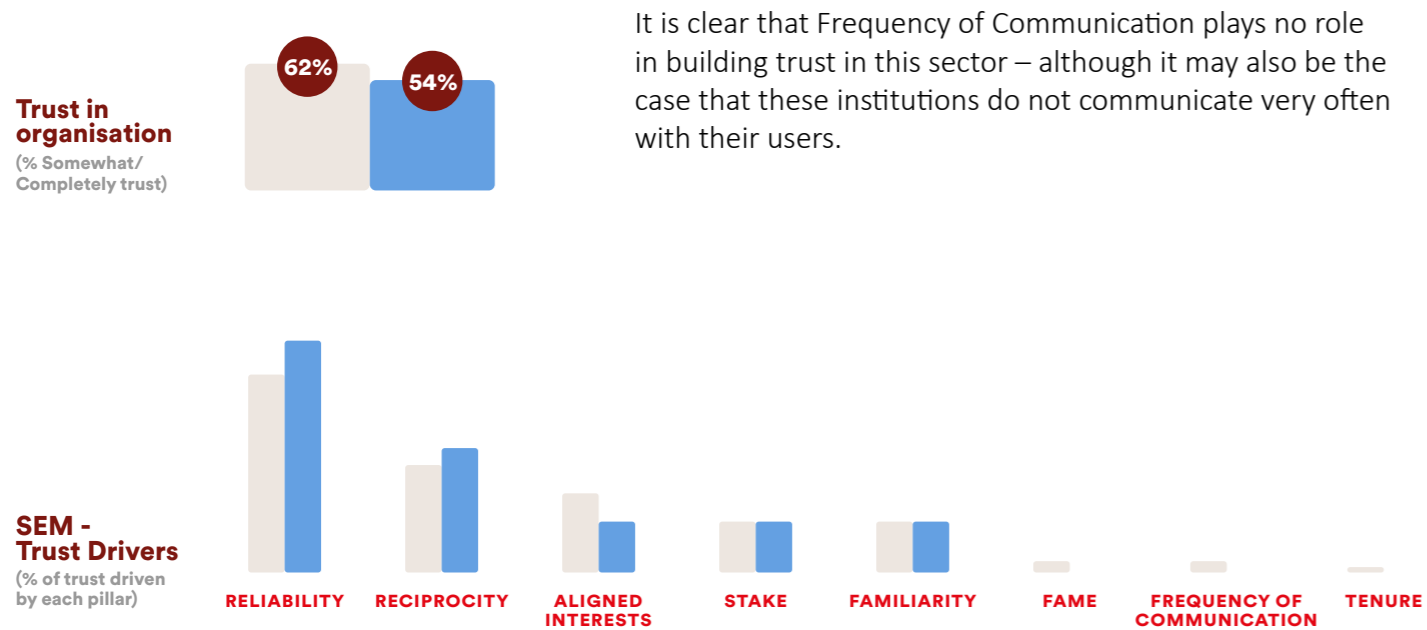


In the charity field, Reliability, Reciprocity, Aligned Interests and Stake are the key pillars. All score above the average figure.

We can clearly see that Fame, Frequency of Communication and Tenure play no role. **Far more important is whether people can rely on the charity to do what it says, and that it will act with their best interests at heart.**

What drives trust in public institutions?†

AVERAGE PUBLIC INSTITUTIONS

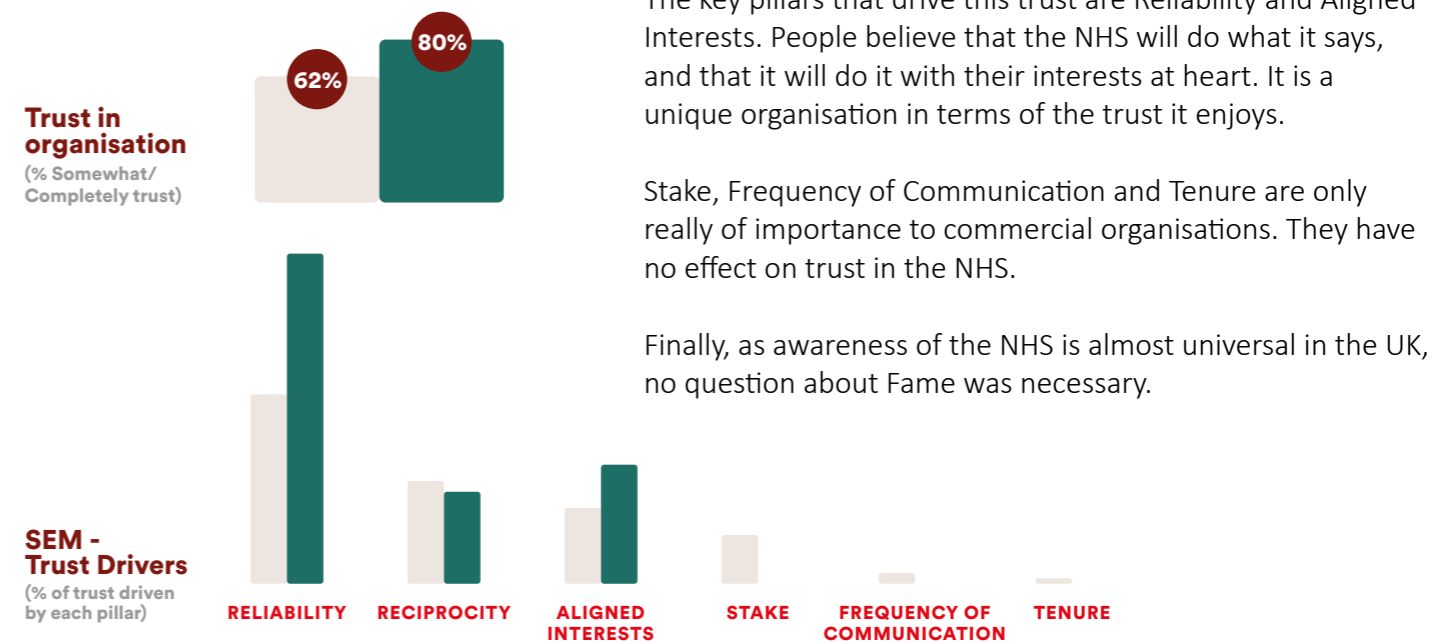


For public institutions such as HMRC and the DVLA, the key factors for building trust are Reliability and Reciprocity. Aligned Interests are less important than the baseline, while Stake and Familiarity are around the benchmark score.

It is clear that Frequency of Communication plays no role in building trust in this sector – although it may also be the case that these institutions do not communicate very often with their users.

What drives trust in the NHS?§

AVERAGE NHS



The NHS is consistently seen as **the most trusted** institution in the UK. Our research showed that it is almost one fifth more trusted than the average figure.

The key pillars that drive this trust are Reliability and Aligned Interests. People believe that the NHS will do what it says, and that it will do it with their interests at heart. It is a unique organisation in terms of the trust it enjoys.

Stake, Frequency of Communication and Tenure are only really of importance to commercial organisations. They have no effect on trust in the NHS.

Finally, as awareness of the NHS is almost universal in the UK, no question about Fame was necessary.

* Base. Average n=4038. All answering about a commercial company (Banks, Insurance companies, Retailers, Telecoms and Utility companies) n= 1,680-1,926

† Base. Average 4,038. All answering about DWP, DVLA, HMRC, Passport Office, Local water company, Local Council n= 263-525

‡ Base. Average 4038, All answering about a charity n= 1942

§ Base. Average 4038, All answering about the NHS n=125



Conjoint analysis measures the value of individual features by asking our sample to make choices between different combinations of them.

We presented our sample with a number of hypothetical communications, each a combination of source/sector, media channel, and type of message. Then we asked which combination of elements our panel would most trust,

By breaking up each of these communications into three parts – **messenger**, **medium** and **message** – we could then determine the relative importance of each element.

The results are clear:

- Messenger **50%**
- Medium **42%**
- Message **8%**

Messenger (the organisation or brand which is speaking) is a critical starting point. Provided the messenger is trusted and the medium is appropriate to the audience and message, then you can rely on the message getting through. This confirms what marketers have long known: a great ad can't fix a bad brand, and choosing the right media channel is critical to making sure that a message reaches the right audience in the right way.

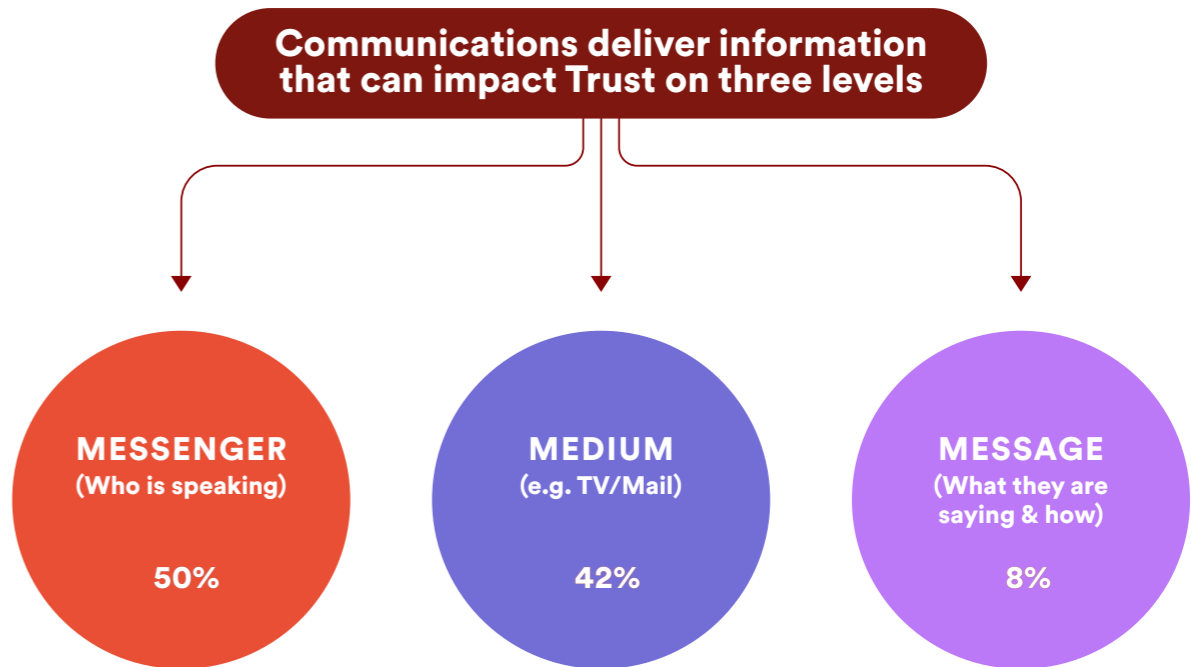
In short, the degree to which an audience trusts what a brand or organisation says in its communications depends mostly on two variables: Firstly, how much the brand is trusted, and secondly how much the channel is trusted.

07 THE COMMUNICATIONS FORMULA – HOW COMMUNICATIONS BUILD TRUST

As well as enabling us to understand how trust works and is built, our research has also given us the opportunity – and the information – to determine how a brand or organisation's communications work to build trust.

We call this the Communications Formula, and it is based on a separate 'conjoint' analysis.

Which elements build trust in communications?*



* Conjoint output n=4038

08

WHICH MEDIA BUILD TRUST BEST?

As we have seen, our research into how communications channels work primarily highlighted the power of brand. But the conjoint analysis also reveals how different channels affect trust.

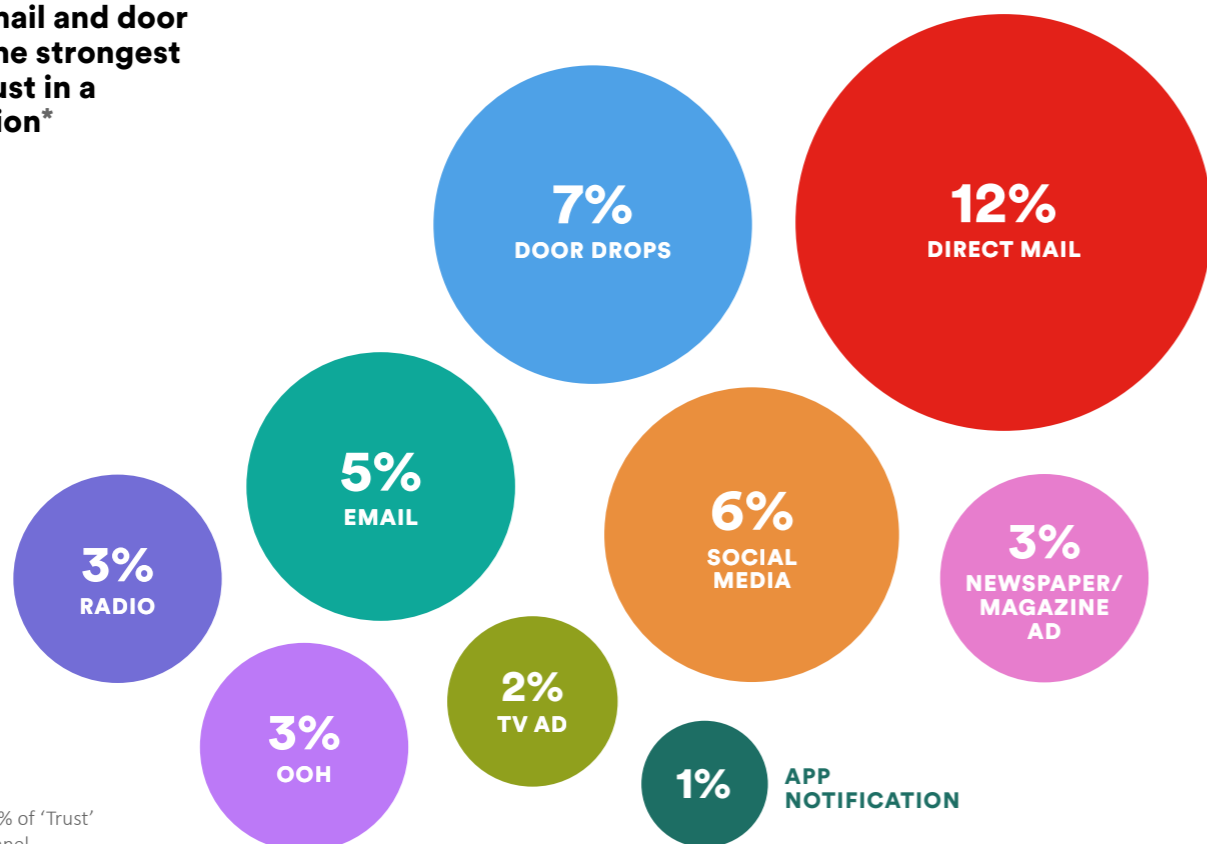
The results of our analysis are clear.

Mail, both direct mail and door drops, are the two most powerful channels of communication for building trust. This should come as no surprise. Mail is strongly associated with reliability, which is one of the strongest drivers of all of the pillars, and, as we see opposite, affects consideration.

In our research we called direct mail and door drops respectively “addressed letters or other mail in the post” and “unaddressed letters and flyers in the post”, using non-specialist language to make it easier for consumers to understand what we were talking about. In this report we have reverted to specialist language. In the same way, we referred to OOH as “posters” but use the specialist language in this report.

But whatever you call the individual medium involved, direct mail or door drop is trusted more than twice as much as TV, OOH, press or radio advertisement.

Both direct mail and door drops have the strongest impact on trust in a communication*

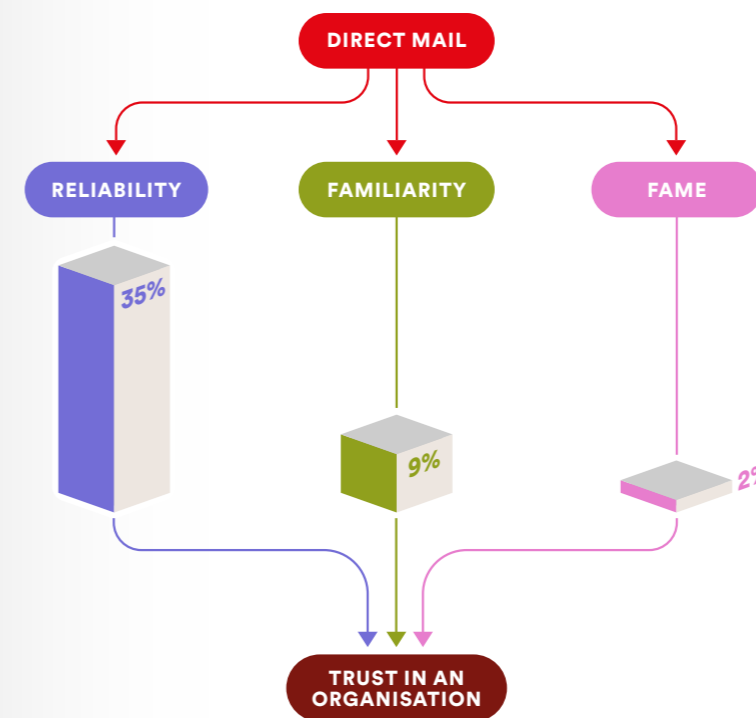


* Conjoint Analysis – % of ‘Trust’ driven by each channel

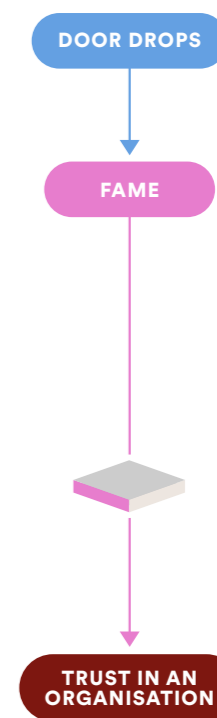
Why is direct mail so powerful? Direct mail drives **15%** of Fame and **2%** of Familiarity, together with **3%** of Reliability for organisations and so helps to build trust. Reliability itself directly drives **35%** of trust.

Door drops mainly build trust by creating Fame (**3%**). This is because it acts like ‘broadcast media’ (in the same way as TV), reaching large numbers of people with a consistent message.

Direct mail helps build reliability, familiarity and fame, which in turn lead to trust†



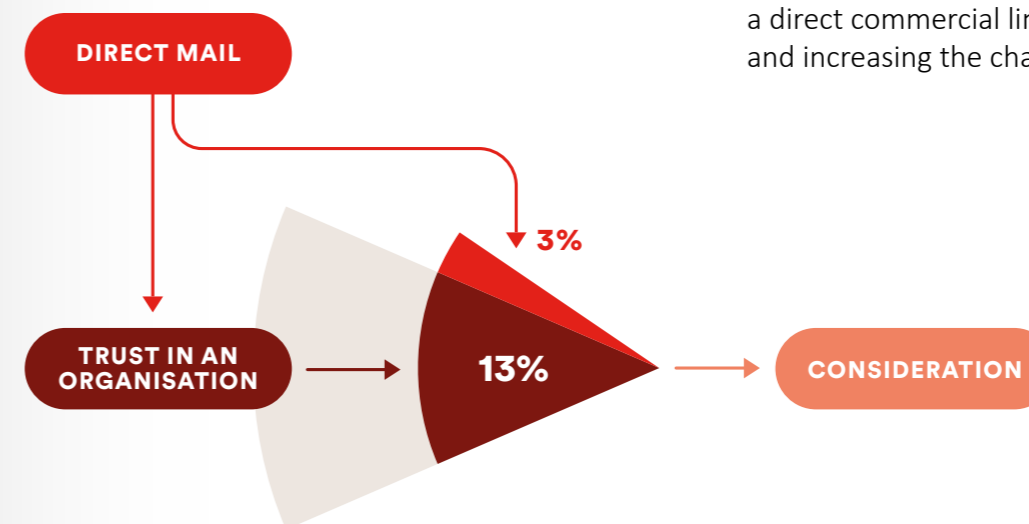
Door drops help build fame which leads to trust†



† Only independent variables that have a significant effect on the dependent variable are shown

Organisations who send direct mail also increase their chances of being considered‡

Direct mail has a direct impact on consideration for organisations and brands by 3%, as you can see in the diagram below (if you remember that trust is responsible for 13% of consideration.) So there is a direct commercial link between using direct mail and increasing the chance of making a sale.



‡ Email is the only other channel that has a direct effect on consideration



09

THE CHANNEL YOU CAN TRUST

Direct mail is **the single most trusted communications channel**.

This means that it is more trusted than TV, press, OOH and radio advertising, as well as apps and emails.

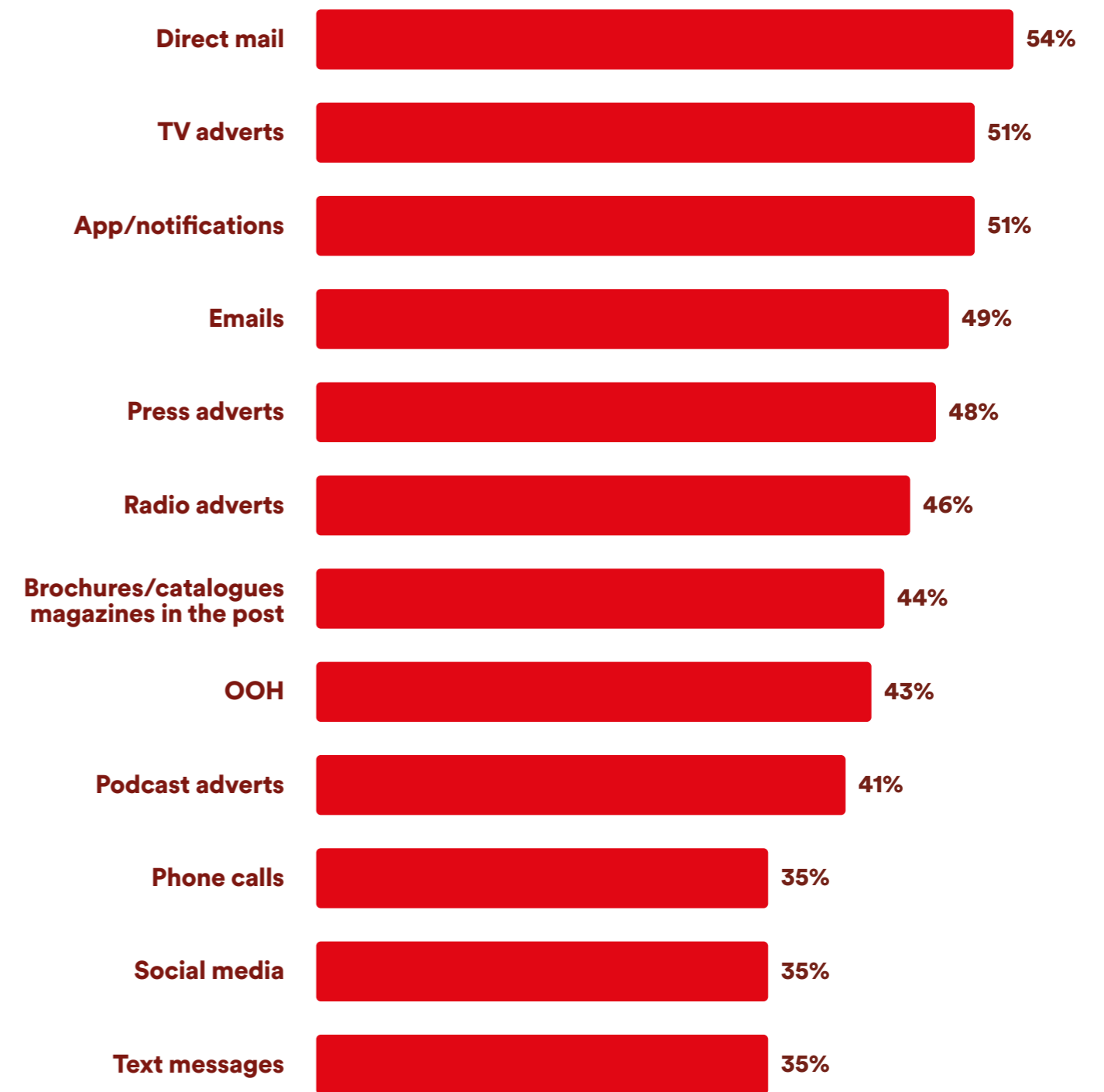
There are many reasons for this. Perhaps the most important is both time and money taken to deliver a personal message. Consumers send mail themselves and so believe that it is authentic and not 'fake'.

Mail is seen as **Reliable** – the number one trust building pillar. And because it's personal, it fits well with many of the other pillars – particularly as it can demonstrate Reciprocity, Aligned Interests and Stake.

The unique value that consumers place on mail means it clearly has a role to play when it comes to building trust with all target audiences.

Direct mail is the most trusted channel*

Trust in channels (% Completely/somewhat)



* Q. How much do you trust what is said by companies / organisations / brands when they advertise or communicate with you about their brand in or on... Base 4038



10 WHY DIRECT MAIL IS TRUSTED

In our research, we investigated the factors that give direct mail such a high level of trust among all consumers from all demographic groups.

SECURE

Direct mail feels secure because it's easier to verify the sender and is less vulnerable to misinformation or fraud



Six out of ten people say that direct mail is used by official and trusted companies.



While 53% agree that it feels more secure than digital communications because it's less likely to be 'tampered with'.

WELCOMED

Direct mail is welcomed because it allows you to engage on your own terms, without pressure or urgency



I do trust the post the most because you're not pressured to respond in a certain time. You've got time to look at the information and digest it, answer it when you're ready in your own time.

Male, 26, Wrexham

TANGIBLE

Direct mail feels more impactful and trustworthy because it is tangible – you can hold it, interact with it, and it naturally captures attention

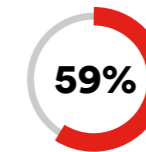


I think mail actually is the most impactful and effective. If you can touch and feel something it makes me more inclined to pay attention to it and more inclined to respond to it ultimately.

Male, 35, London

INFORMATIVE

Direct mail has the real estate to deliver lots of information



59% agree that physical mail is more informative than other communications channels.

PERSONAL

Direct mail feels more personal than other communications because it requires effort, is delivered directly to your home, and signals a real investment from brands



Six out of ten people agree that physical mail feels more personal because someone has invested time, money and effort to send it to them.

PHYSICAL PROOF

Direct mail provides a reliable, permanent record that can be easily referenced and retained over time



It's a trusted source of information, that I'm more likely to engage with, more likely to read, maybe more likely to keep that information.

Male, 26, Wrexham

ENJOYABLE

Direct mail is something people enjoy getting, and offers a certain novelty



55% of people like receiving mail.



Six in ten say that they feel messages and adverts on social media are intrusive.

When building trust, it's crucial that brands and organisations get their media mix right. Integration can help ensure that their message benefits from the extra power that comes from trusted communications channels.

11

WHAT HAPPENS WHEN TRUST IS LOST?

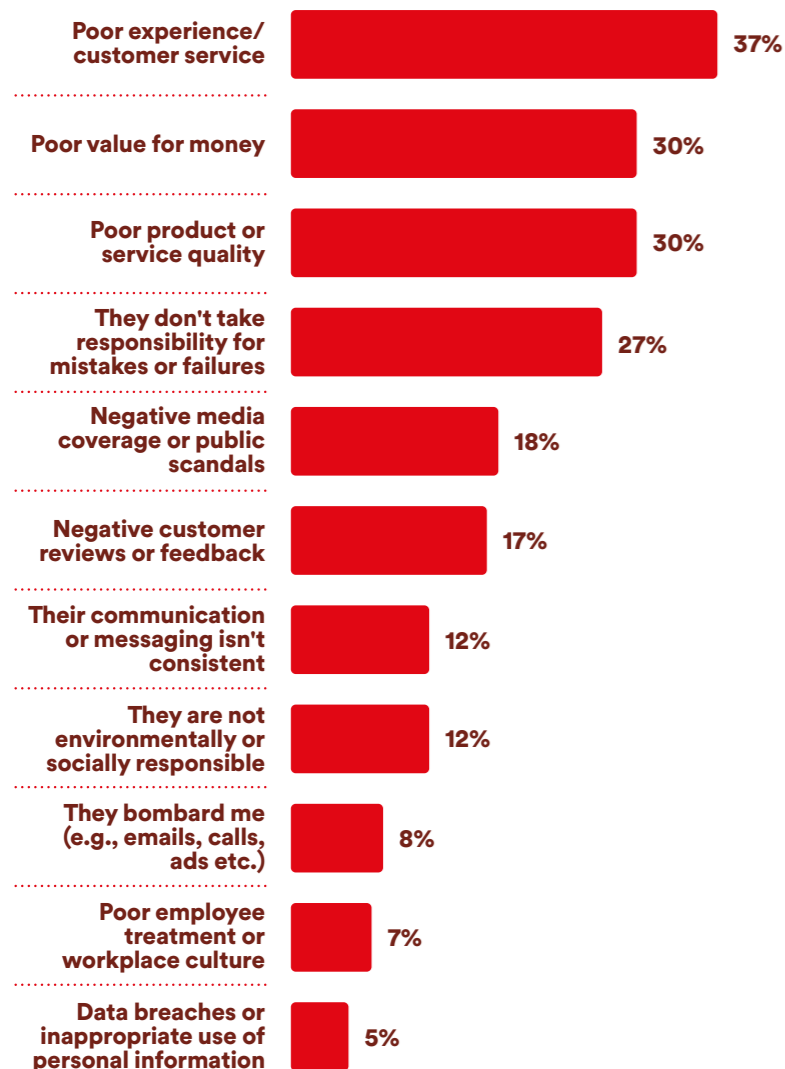
Put bluntly, people don't buy from brands and organisations they don't trust.

In fact, 60% of people who have used a brand before but have since stopped, say that they don't trust that brand. So losing trust can be enormously destructive financially.

Trust disappears when there's a gap between personal experience and expectations which creates a Trust Deficit.

What destroys trust?*

Reasons for not trusting organisation (%)



The pillars that build trust most strongly are also what destroy it most quickly when they are lost. So it's no surprise that trust declines most when perceived levels of Reliability and Reciprocity are reduced:

“

I've had an issue recently where I've bought from a company that we used to love back in Australia, and they've only recently opened a UK branch. I downloaded their UK app, and I've had an absolute nightmare with them. The delivery was completely not what I ordered, and I had to constantly contact them, emailing and emailing. It's taken me months to sort it out and put me completely on edge!

Female, 53, Leeds

* Q What, if anything, has caused you to not trust this company / organisation / brand? Base 1198

The cost of lost trust

There is a clear commercial disadvantage to losing trust. Brands who are not trusted have to spend more to get and keep customers – they suffer from the Trust Deficit:

“

There's lots of research that says if your organisation is not trusted that comes at a cost. One of those costs is to acquire a new customer and we have to discount purely because we're not a trusted brand. Even though we have more integrity, we're more reliable than all of our big competitors – we're paying a price.

Marketing Director, Utilities

Lost trust can be restored – and even improved

We know that even once lost, trust can still be repaired or even rebuilt to a higher level than its original value. To restore trust, organisations should repair whichever of the eight pillars of Trust have been damaged and deal with the problems experienced by customers or service users efficiently and effectively.

The strategy required is clear, as one of our experts explain:

“

You can rebuild trust by acknowledging mistakes. When doing this, make sure to use plain language and rebuild through storytelling. Get customers to share how they've seen a change.

Joel Klettke, Academic expert

This view is supported by customers too:

“

So I bank with First Direct, and they are great, but one day I had a major issue, they had transferred some money out of my account without my say so and it meant some other bills didn't get paid. Big problem. But they were so apologetic. They were so sorry they actually credited me £500 and sent me a bottle of champagne! Now that really showed good customer service to take it as seriously as that. I was impressed.

Male, 55, Croydon

An investment worth making

So while losing trust may be expensive, the long term gain will undoubtedly exceed the investment required to repair and rebuild it. It is even possible to turn disappointed and disaffected customers into advocates for your brand.

Managing trust is an ongoing challenge for all brands and organisations. There will always be reasons that mean you need to improve your customer service and build your offer to make it stronger and more market leading. Customers have a constant need for communications that remind them of the reasons why they chose your brand, and why they should continue to do so. Competitors will continue to launch products or services to rival yours, no matter how outstanding they might be. The price of success is constant vigilance.

12

A TOOL YOU CAN TRUST

Organisations tend to manage what they can measure. And we understand how important it is for brands and organisations to be able to measure the level of trust they have.

That's why Marketreach developed a tool harnessing our research to enable marketers to assess how they can build trust among customers and prospects.

We've called it the **Trust Explorer**. It's a data-driven broad strategic recommendation engine.

Based on the huge amount of information that we have mined for this research, the Trust Explorer enables you to establish the baseline level of trust enjoyed by brands or organisations of your size, in your sector.

Then, it allows you to determine your chosen marketing objective of:

- acquisition
- retention/loyalty
- building brand awareness
- building market share
- building engagement

It will make a data-driven recommendation as to which of the pillars you should focus on, while also allowing you to make your own choice.

Finally, it gives you a ranking of which communications channel or channels to deploy in order to achieve your goal. This is accompanied by a calculation of the increased level of trust your brand or organisation would enjoy if you were to take these steps.

While it's not intended to provide detailed marketing or media planning advice, the Trust Explorer will help you understand how you can use communications through different channels to build – or rebuild – trust.

Activate the Trust Explorer using the QR code.





13

CONCLUSION

This report is based on unprecedented nationally representative research carried out into trust and its commercial value on behalf of Marketreach. In it, you can discover why:

- **No relationships** can exist without trust
- **Brands need trust** to survive and thrive
- How we have uncovered the **eight pillars of trust**
- And proven how brands can use those eight pillars to **build trust**
- We've discovered the Communications Formula – **messenger/medium/message** – which helps marketers to make trust work for them
- And demonstrated that direct mail is the **most trusted of all media**
- As well as developed a **data-driven Trust Explorer tool** to help your brand or organisation

To find out more, please

Visit our website at [marketreach.co.uk](https://www.marketreach.co.uk)
Call 0333 456 1395

Marketreach is the marketing authority on commercial mail. We help organisations and agencies to make the most of mail's effectiveness in order to gain a competitive advantage.

We provide research, information and tools to help you stay in touch with all the latest innovations and opportunities mail offers you.

