

RESEARCH BRIEF

Trends in Customer Trust

The future of personalization, data, and privacy in the Fourth Industrial Revolution



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INTRODUCTION

Trust Hits the Tipping Point

Welcome to the [Fourth Industrial Revolution](#), an era defined by continuous technological innovations that are transforming customer expectations. As lines between digital and physical worlds blur, today's customers demand deeply relevant, personalized experiences across devices, channels, and interactions.

This new world runs on data. As customers share relevant personal information, businesses can leverage it to create tailored engagements throughout the buying cycle. But news of data breaches and data misuse splash across headlines with frightening regularity. What's more, customers have grown increasingly wary of how their data is being used by companies in the first place.

This research brief explores:

- Why trust is foundational to customer experiences
- How attitudes toward technology and personal data differ across generations
- What businesses can do to foster trust while meeting the demands for tailored engagement

Methodology

Data in this report is from a double-blind survey conducted from March 26, 2018 through April 12, 2018, that generated responses from 6,723 individuals in Australia/New Zealand, Brazil, Canada, France, Germany, Hong Kong, India, Japan, Mexico, the Netherlands, the Nordics, Singapore, the United Kingdom, and the United States. Data cut by generation is defined as baby boomers/traditionalists (born before 1965), Gen Xers (born 1965–1980), and millennials/Gen Zers (born 1981–1999). All respondents are third-party panelists (not limited to Salesforce customers).

Customers Feel Vulnerable and Wary of Companies' Intentions

High-profile breaches have highlighted the lax cybersecurity protocols of many household brands, leaving customers deeply concerned about the security of their data. Fifty-nine percent believe their personal information is vulnerable to a security breach.

What's more, a litany of recent data misuse scandals have left customers questioning how companies *really* use their data in the first place. Fifty-four percent don't believe companies have their best interests in mind.



Fostering Trust Is the New Business Imperative

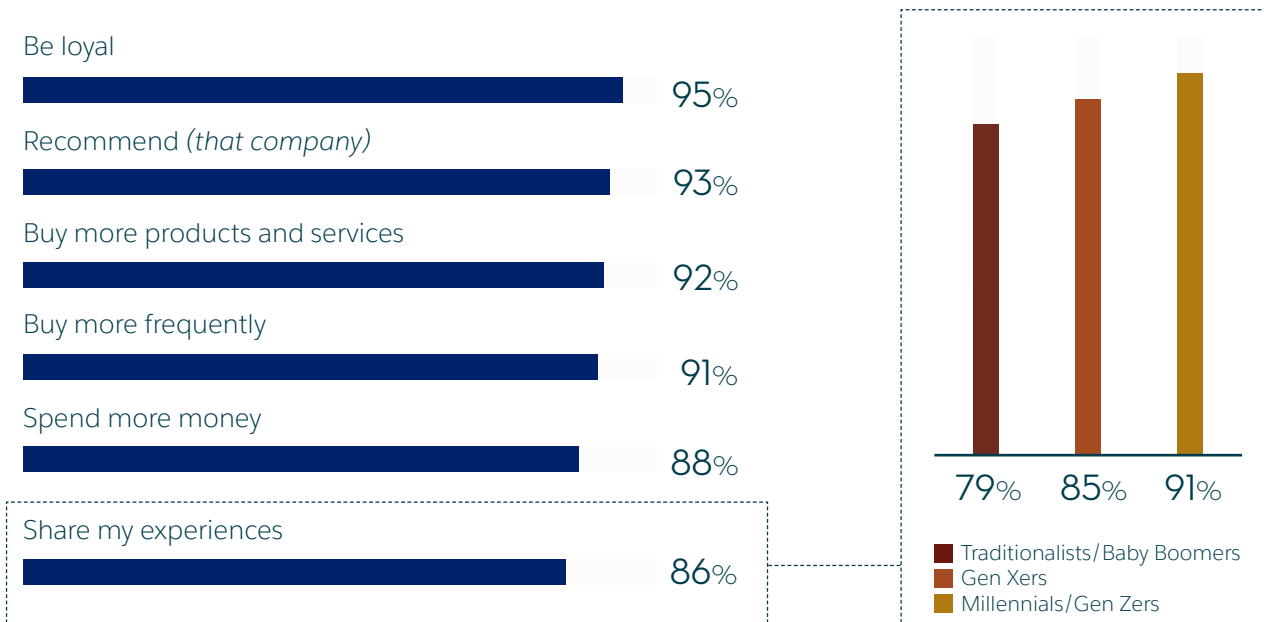
Historically, companies relied on differentiated products and services to drive customer loyalty. Today, the commoditization of products and services – along with unprecedented access to information – has dramatically expanded customers' options and elevated their expectations. Experience is now *the* key differentiator, and a major factor in customer experience is trust.

Companies that earn their customers' trust earn more than just their repeat business. Customers spend more with brands they trust, and are more likely to advocate on their behalf. This phenomenon will only increase in intensity: Tech-savvy millennials and Gen Zers are significantly more likely than older

customers to share their experiences with others. Given the popularity of review sites and word-of-mouth campaigns, anyone can be a brand influencer who amplifies positive – and negative – messages to a host of potential customers.

Trust bears considerable business influence – from customers' loyalty to spending.

Percentage of Customers Who Say Their Trust in a Company Makes Them More Likely to Do the Following



Personalization Is at the Heart of Customer Expectations

A hallmark of the Fourth Industrial Revolution is the proliferation of digital touchpoints. In fact, the average customer uses 10 different channels to communicate with companies.

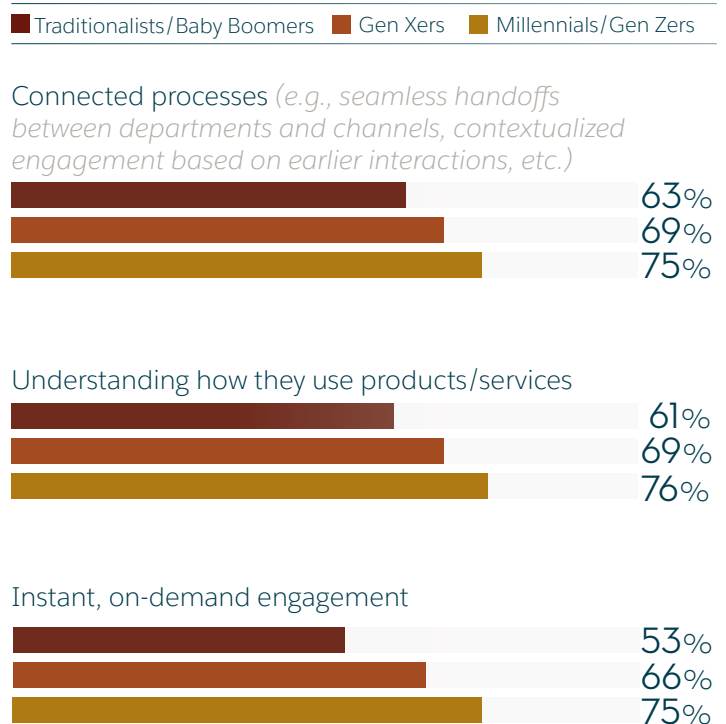
Despite this, today's customers expect tailored engagement across all channels; 84% of customers say that being treated like a person, not a number, is very important to winning their business. And it's no longer enough to simply include a customer's name in an email;

54% of customers say that marketing messages aren't as relevant as they'd like.

Customers expect businesses to understand not only what they are purchasing, but why, as well as how they use products and services, and they expect it fast. More than preceding generations, millennials and Gen Zers demand connected, personalized experiences across their entire customer journey.

Today's Customers Demand Experiences That Are Fast, Connected, and Above All Else, Personalized

Percentage of Customers Who Say the Following Are Very Important to Winning Their Business



A Personalization Paradox Emerges

The majority of customers are willing to share personal information if it is used to power personalized offers and engagements. Members of younger generations are particularly comfortable with this exchange.

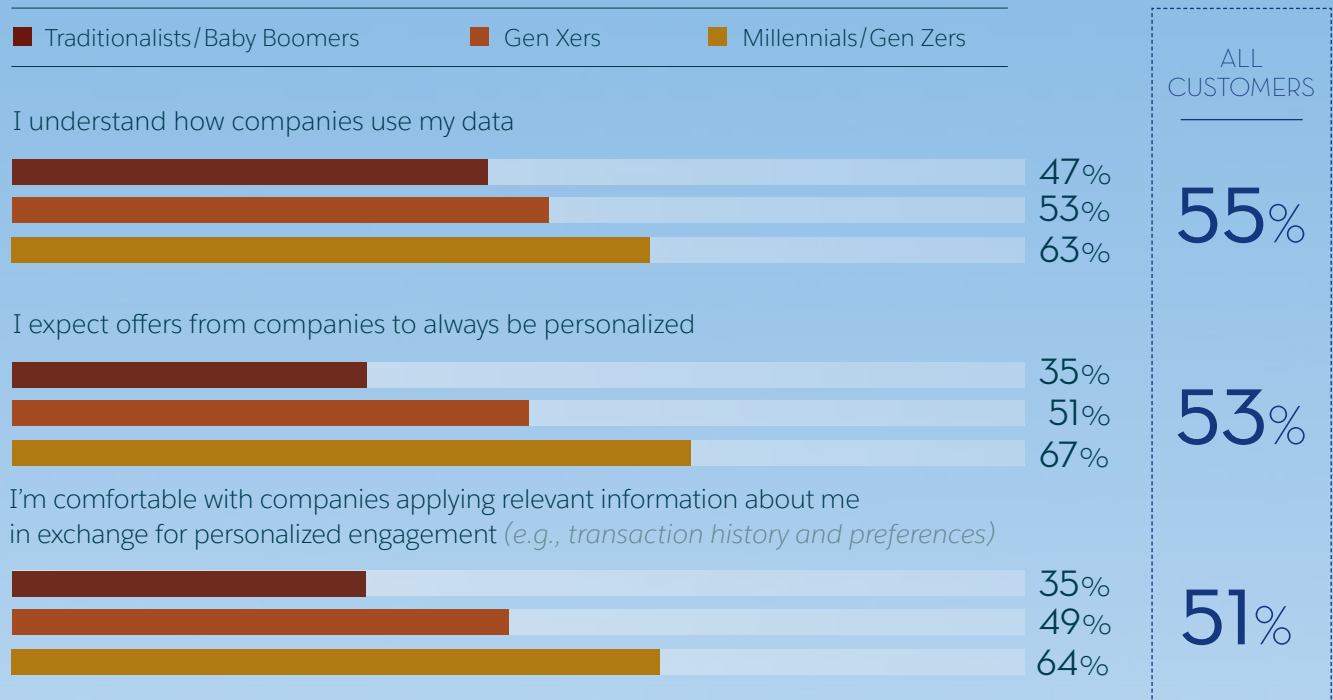
As digital natives, millennials and Gen Zers are more likely to understand how companies use their data. Traditionalists and baby boomers, on the other hand, are more than twice as likely as the younger

generations to raise objections to trading their personal information for personalization – perhaps due to an unfamiliarity with how that information is used.

As time goes on, businesses will contend with a more savvy customer base that expects greater personalization, along with respect for the data they swap for it.

Customers Expect Personalization to Be Coupled with Transparency

Percentage of Customers Who Agree with the Following



AI Raises New Questions Around Trust

Delivering the sophisticated experiences customers crave requires an entirely new level of data savviness, and brands are turning to artificial intelligence (AI) to develop hyper-personalization at scale.

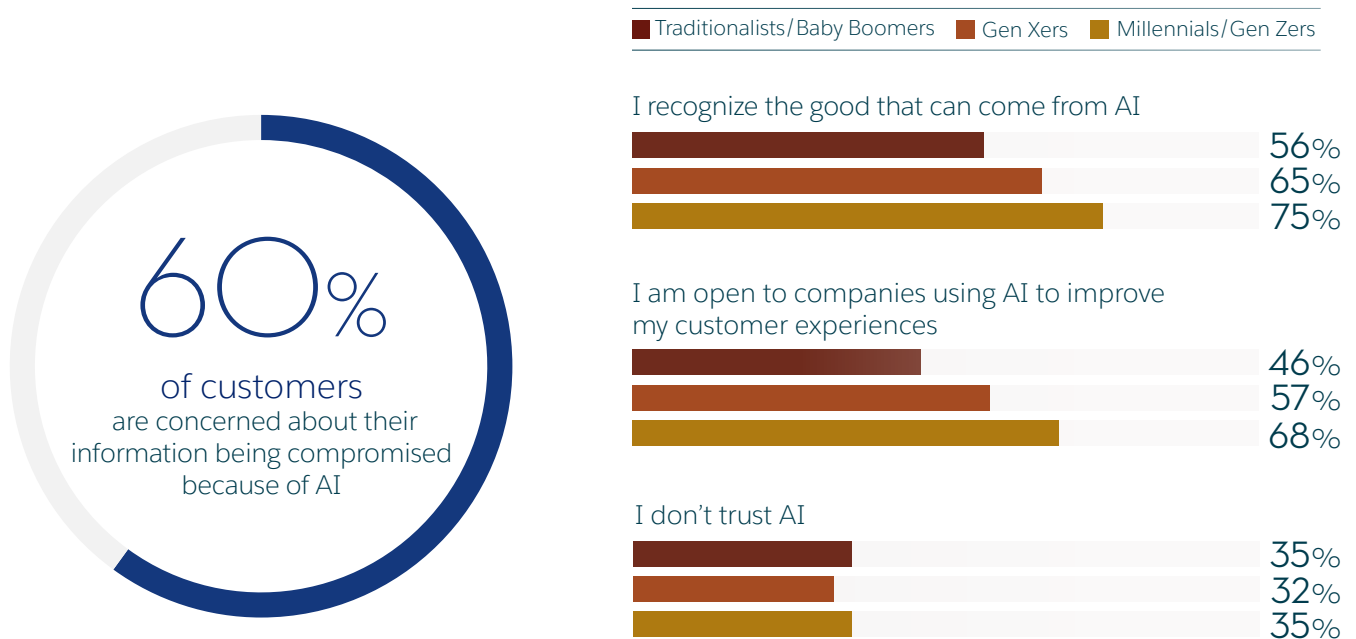
However, 60% of customers are concerned about their information being compromised because of AI. This suggests that businesses using AI have a responsibility to educate customers on what it does and the steps they'll take to keep data secure.

Despite their reservations, customers aren't writing off AI. In fact, the majority of customers are open to companies using AI to improve experiences.

Millennials and Gen Zers are particularly open to this dynamic, having grown up with Amazon recommendations, customized Fitbit workouts, and other everyday instances of AI.

AI Sparks Customer Wariness and Excitement

Percentage of Customers Who Agree with the Following

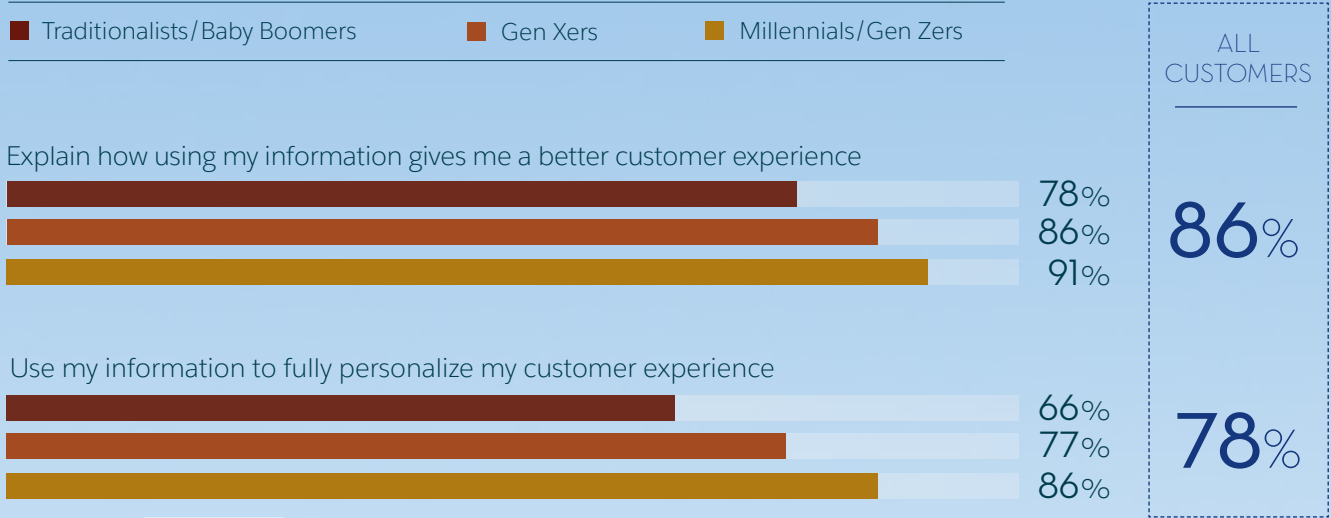


Personalization and Trust Are Not Mutually Exclusive

With technologies like AI driving more personalized customer experiences, customer trust needs to be grounded in a deeper understanding of the technologies' value.

Among millennials and Gen Zers, 91% are more likely to trust companies with their personal information if they explain how its use will deliver a better experience – suggesting that strict security and privacy protocols alone may not be enough.

Percentage of Customers Who Say They're More Likely to Trust Companies with Their Personal Information If They Do the Following



Transparency Is Crucial to Building Customer Trust

Ninety-two percent of customers are more likely to trust businesses with their data when they're given control over what's collected about them.

A large majority of customers are also more likely to trust companies that are transparent about how their personal information is used and that provide strong privacy policies.

New legislation that reflects this public sentiment – such as the European Union's General Data Protection Regulation (GDPR) – mandates that companies operating in certain regions enact such policies. Yet, customers across the globe share a desire for data-use control and transparency, raising the question of whether companies in *all* regions should focus their efforts on being more transparent with customers.

Percentage of Customers Who Say They're More Likely to Trust Companies with Their Personal Information If They Do the Following



LAST LOOK

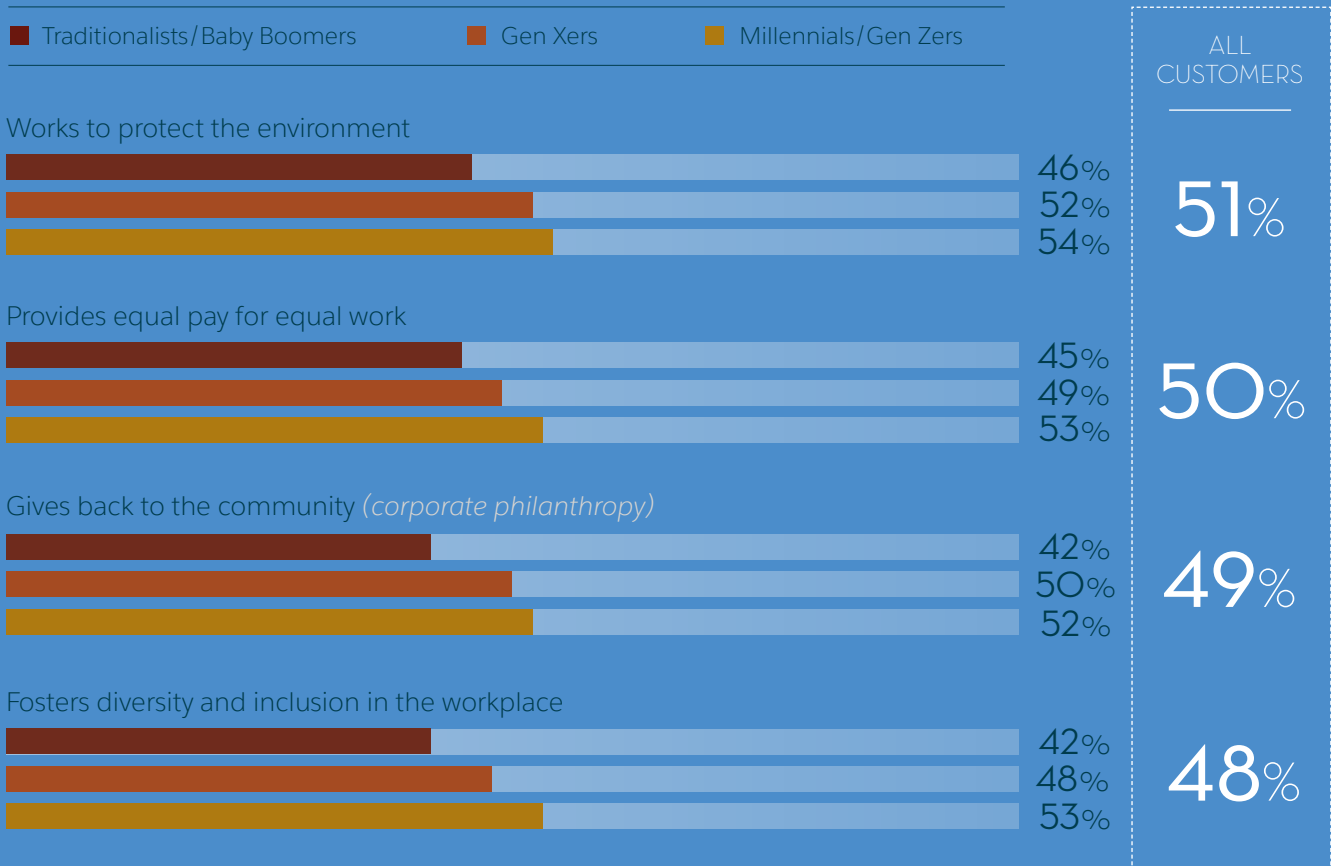
Corporate Values Foster Trust Among Younger Generations

Fifty-four percent of customers say demonstrated social responsibility strengthens their trust in a company. But millennials and Gen Zers put a finer point on what that actually means. Companies seeking to win the hearts and wallets of younger customers can foster their trust by demonstrating

commitment to social values such as environmental protection, equal rights, and philanthropy. As millennials and Gen Zers increase their influence and buying power, they expect the companies they buy from to be concerned with more than profit.

Companies Committed to Social Values Are More Likely to Earn Customers' Trust

Percentage of Customers Who Say the Following Factors Strengthen Their Trust of a Company



APPENDIX

Customers Feel Vulnerable and Wary of Companies' Intentions

Percentage of Customers Who Agree with the Following, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
I don't believe companies have my best interests in mind	69%	65%	46%	63%	49%	32%
I believe my personal information is vulnerable to a security breach	75%	68%	50%	70%	55%	37%

Fostering Trust Is the New Business Imperative

Percentage of Customers Who Say Their Trust in a Company Makes Them More Likely to Do the Following, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
Be loyal	92%	94%	96%	95%	96%	96%
Recommend	90%	93%	95%	93%	93%	96%
Buy more products/services	87%	92%	94%	92%	93%	96%
Buy more frequently	85%	90%	93%	88%	93%	95%
Spend more money	81%	86%	90%	88%	92%	95%
Share my experiences	77%	83%	89%	84%	88%	94%

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Personalization Is at the Heart of Customer Expectations

Percentage of Customers Who Say the Following Are Very Important to Winning Their Business, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
Being treated like a person, not a number	85%	84%	83%	87%	83%	82%
Connected processes	62%	67%	71%	65%	74%	81%
Understanding how they use products/services	58%	65%	74%	70%	75%	80%
Instant, on-demand engagement	52%	62%	73%	55%	74%	79%

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A Personalization Paradox Emerges

Percentage of Customers Who Agree with the Following, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
I'm comfortable with companies applying relevant information about me in exchange for personalized engagement (e.g., transaction history and preferences)	34%	45%	59%	39%	57%	72%
I understand how companies use my data	45%	47%	57%	54%	64%	73%
I expect offers from companies to always be personalized	34%	46%	61%	36%	60%	77%

AI Raises New Questions Around Trust

Percentage of Customers Who Agree with the Following, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
I recognize the good that can come from AI	54%	62%	73%	62%	70%	78%
I am concerned about my information being compromised because of AI	58%	59%	62%	58%	58%	63%
I am open to companies using AI to improve my customer experiences	43%	54%	66%	53%	62%	73%
I trust companies that are transparent about how they use AI	44%	51%	66%	50%	58%	71%

APPENDIX

Transparency Is Crucial to Building Customer Trust

Percentage of Customers Who Say They're More Likely to Trust Companies with Their Personal Information If They Do the Following, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
Give me control over what information is collected about me	89%	90%	93%	93%	92%	96%
Are transparent about how my information is used	85%	89%	92%	92%	92%	95%
Show their commitment to protecting my information	86%	89%	93%	91%	91%	95%
Have a strong privacy policy	86%	88%	93%	92%	91%	96%
Ask for my explicit consent to use my information	84%	86%	90%	87%	90%	94%
Vow not to share my information without permission	82%	84%	90%	88%	89%	95%
Explain how using my information gives me a better customer experience	77%	84%	89%	83%	89%	93%
Use my information to fully personalize my customer experience	65%	75%	84%	68%	83%	91%

APPENDIX

Corporate Values Foster Trust Among Younger Generations

Percentage of Customers Who Say the Following Factors Strengthen Their Trust of a Company, by Customer Type and Generation

	CONSUMERS			BUSINESS BUYERS		
	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers	Traditionalists/ Baby Boomers	Gen Xers	Millennials/ Gen Zers
Works to protect the environment	47%	52%	54%	45%	50%	53%
Provides equal pay for equal work	46%	48%	54%	43%	52%	53%
Gives back to the community <i>(corporate philanthropy)</i>	42%	49%	52%	44%	51%	52%
Fosters diversity and inclusion in the workplace	42%	48%	53%	40%	49%	53%

Related Resources



[GET THE REPORT](#)

SOURCE

State of the Connected Customer survey, Salesforce Research, April 2018. Data may or may not be represented in the “State of the Connected Customer” report.

[LEARN MORE](#)

Learn how Salesforce helps companies provide customers with differentiated experiences and control of their data.