

Eliminate trust vulnerabilities to build credibility

By Kerry Tucker and Larry Kaagan

Editor's note: This column is the second of two parts.

(Nov. 7) Numerous opinion research studies suggest that the most important driver of trust in the marketplace is a history of delivering top-quality products and services that consistently meet customer expectations.

Authenticity and transparency are powerful tools that can help define and build trust in the company and the product. The only question for many organizations that already feel beleaguered is to decide whether to embrace the demand for greater openness or resist it.

Increasingly, consumers hunger for authenticity; they expect marketers to talk with them rather than at them, and to recognize that respectful conversations in which consumers feel their interests are being heard are more effective than self-serving advertising and promotion campaigns alone.

As difficult as this process can appear at first to be, it is increasingly being shown to be an effective form of inoculation against far more uncomfortable encounters in the marketplace.

In his book, *Trust or Consequences: Build Trust Today or Lose Your Market Tomorrow*, Al Golin, founder of Golin/Harris International, Chicago, advocates investing in a trust bank, in which deposits of good deeds made over time can be drawn upon when companies face problems.

But a merely random selection of good deeds or charitable gifts is not likely to be an effective trust-building strategy. Consumers expect, and recognize, a fit between socially constructive contributions and the commercial mission of an enterprise. Mutual benefit is both logical and credible, and helps to allay skepticism about hidden motives.

Within your organization, start by identifying, prioritizing and shoring up trust-breaking vulnerabilities. Is your operation vulnerable to issues dealing with, for example, the environment, labor, product quality, customer service, financial, local community relationships, ethics/morality, diversity, global, legal, restructuring/downsizing, media relations? There are other categories. Can you get specific about what issues confront you in each category? What is the probability for problems in each area: high, medium, low? Who are all the other players on the field?

Some examples of trust-building and its consequences

The fresh tomato industries in California and Florida were listening when regulatory agencies voiced concern about repeated food safety vulnerabilities with fresh produce. They got involved with FDA and helped initiate supply chain guidelines. Now, they are working with regulatory agencies to adopt good agricultural practices. In California, the industry is going one step further. It sponsored legislation to mandate GAP guidelines for tomato grower-shippers. The fresh tomato industry is making deposits in the “Bank of Trust.”

Whole Foods Market, Austin, Texas, is a company that invests heavily in the Bank of Trust. The company gives 5% of its profits back to the community and to not-for-profit groups, and its employees are encouraged to do community volunteer work. The company lives its “whole foods, whole people, whole planet” values. Despite ongoing battles with labor unions, the company is listed as one of Fortune’s top 100 best companies to work for the eighth consecutive year (No. 30 this year). When the New York Times commissioned a spot check of salmon sold as wild (for as much as \$29 a pound) by eight New York City stores, six of the eight were found to have been selling lower-cost farm raised fish labeled as wild-caught. One of the six stores the Times cited for mislabeled salmon was Whole Foods Market. Yet there were no cries of malfeasance. The company was given the latitude to have made error and issued the equivalent of a “free pass” as consumers accepted explanations of new efforts to ensure supplier accuracy in labeling.

A new planning model for the era of authenticity and transparency

In a climate where public confidence in information sources is shifting from traditional institutions to non-traditional sources – activist groups, neighbors, friends and family, “narrowcast” media and websites -- a new, more authentic branding and planning process becomes a tool to seize credibility across stakeholders. One process that blends strategic and brand planning looks like this:

- Corporate character – what are our mission and core values?
- External climate/trends intelligence – what reasonable assumptions can we make about where the world is headed?
- Vision for the future – how can we frame the daunting challenge that is the centerpiece of our plan for the future?
- Brand positioning – what is our organization/product promise?
- Gaps between corporate character, public perceptions and expectations and brand positioning – how do we match our brand to our corporate character?
- Delivering on the brand promise – how to go about meeting expectations?
- Investments in the Bank of Trust – what steps do we take to shore up vulnerabilities and invest strategically in stakeholder relationships?

Look at how this phenomenon of trust erosion affect’s your company, your brand promise. Does your company, and do your brands in the marketplace, encompass an accumulation of “deposits” in a trust bank that can be drawn on in times of crisis or consumer hesitancy? Does your brand match the character of your company? Should it?

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