

A hand is shown holding a laptop keyboard, with the keys and the hand in sharp focus. The background is a blurred office environment with other people and lights, suggesting a professional setting. The overall tone is professional and modern.

3 Reasons Your Customers Trust Strangers More than You

AND HOW TO WIN BACK THEIR CONFIDENCE

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More than one-third of consumers trust a stranger's opinion on public forums or blogs more than they trust branded advertisements and marketing collateral.
—Forrester⁴

TRUST: YOUR MOST POWERFUL TOOL FOR ONLINE RETAIL SUCCESS

With the advent of Internet shopping, consumer choice is no longer bound by location or access to information. Now, with as little effort as a few clicks of a mouse or taps of a finger, consumers have immediate access to a wealth of data on price, product, and suppliers. In addition, the rapid rise of e-tailers and the ability for competitors to quickly discover and mimic differentiators, such as price and convenience, make it difficult for online retailers to stand out from the crowd.

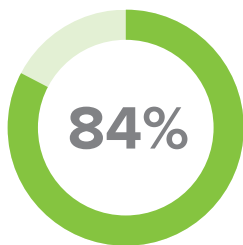
While trying to gain customers based solely on price or convenience may be futile, there is still another tool online retailers can deploy that will create long-term revenue and growth. And that tool is trust. Not only is trust the single most important factor in online supplier choice,¹ trust is what makes consumers return often, spend more, buy more, and refer more people. Trust, is a powerful tool, and when used wisely, retailers can reap the rewards.

A ROAD MAP FOR BUILDING CONSUMER TRUST

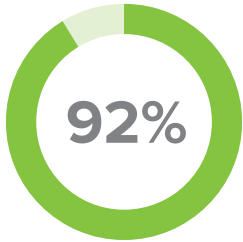
These days, consumers are flocking almost everywhere, from Yelp! to Facebook, to gather information about a brand or product before they buy. In fact, for Millennials, there are many purchasing decisions—big and small—that they won't make without input from others.³ So how can retailers, with so many other channels vying and winning consumer's attention, connect and build trust with their target audience? By using the influence of others to their advantage.

To learn how, keep reading. This eBook creates a road map for building consumer trust, guiding you through all facets of trust, so you can:

- Understand why consumers trust strangers more than brands
- Evaluate your level of trust with consumers
- Learn how to gain consumer trust
- Boost the trust you do have even higher



84% of consumers will not even interact with a brand or content source unless they trust it.²



of consumers around the world say they trust earned media, such as word-of-mouth or recommendations from family and friends, above all other forms of advertising.

1. STRANGERS LACK BIAS

92% of consumers around the world say they trust earned media, such as word-of-mouth or recommendations from family and friends, above all other forms of advertising. Online consumer reviews are the second most trusted form of advertising with 70% of global consumers indicating that they trust this platform.⁵ Statistics like these send a clear message to retailers—consumers are actively seeking out information on brands and products from sources they believe are unbiased, rather than looking to a company or brand, with a perceived bias, to provide the information.

When friends and family or online reviewers promote or discuss a brand or product, they are viewed as being motivated by a willingness to share, their knowledge, or their passion, not to “sell.” Even in the social media realm, consumers are wary of information that may be biased toward selling. Only 15% of North American and 10% of European consumers consider posts by brands on social media sites like Facebook or Twitter trustworthy.⁶ For retailers, this means that traditional channels may no longer be the most effective. And even some trusted sources, like online reviews, do not fully address customers’ needs when they have a specific product question and need real-time answers. New methods, that can promote the brand without appearing to be biased, while offering immediate and accurate information builds both trust and engagement and will be most beneficial in gaining and retaining customer loyalty.

THE TRUST FACTOR

In a recent survey, only 13% of respondents listed store associates as one of their top three influencers, down from 21% in a similar survey taken in 2010.⁷

8 in 10

say user-generated content
from people they don't know
influences what they buy

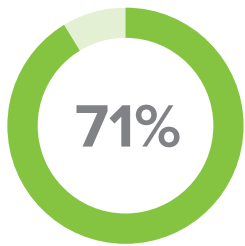
2. STRANGERS HAVE A HIGHER LEVEL OF EXPERTISE

Making an informed decision is important for consumers today on both large and small purchases. Consumers look to other product users with direct experience to help educate and inform their buying decisions. In fact, more than 8 in 10 say user-generated content from people they don't know influences what they buy and indicates brand quality, while 51% say it is actually more important than the opinions of their friends and family, and far more trustworthy than website content.⁸ Even when using social media, consumers are looking for feedback from experts and people with common interests – not just personal connections.⁹

The desire to make educated purchasing decisions is so great that in one study, 54% of consumers said they wanted knowledgeable store associates more than any other service offering. However, more than half (59%) of those surveyed believed themselves to be more knowledgeable than the person paid to be there.¹⁰ The significant distrust in the level of expertise for brand or retail employees, as this survey indicates, is a serious issue and one that retailers must combat. Retailers who position themselves as thought leaders or offer educated and informative information to consumers will have a greater opportunity to gain the trust of consumers.

THE TRUST FACTOR

Credibility of spokespeople for a brand: academics or experts are seen as the most credible at 67%, followed by technical experts (66%), a person like yourself (62%), financial or industry analyst (53%), regular employee (53%), and CEO (43%).¹¹



of American workers are “not engaged” or “actively disengaged” in their work, meaning they are emotionally disconnected from their workplaces.¹²

3. STRANGERS HAVE PASSION FOR THE BRANDS THEY PROMOTE

According to a recent Gallup poll, 71% of American workers are “not engaged” or “actively disengaged” in their work, meaning they are emotionally disconnected from their workplaces.¹² Given these statistics, it is likely that customers will encounter customer service or sales representatives who lack passion and engagement with their work. And when the sales or customer service representative lacks passion, consumer confidence also lags; making it much less likely customers will make a purchase.

Those who are passionate about a brand, therefore, are those most likely to engage consumers and guide them toward a purchase. And those most passionate will most likely not be store associates, but highly engaged product users who are enthusiastic enough about the brand to spend time posting online reviews, joining forum discussions, blogging, and using word-of-mouth to positively promote the brand and its products.

THE TRUST FACTOR

“Brand Keys’ latest ranking of customer loyalty and brands finds that passion can outstrip even the most frugal of consumer impulses.”¹³

THE TRUST TEST

Customer trust is closely linked to customer satisfaction. When trust dips, so does customer satisfaction, which can affect sales and profitability. Knowing where your brand stands on the trust barometer helps quantify key performance indicators for customer satisfaction, customer loyalty, and customer retention—all which are critical to driving revenue and boosting average order values.

Find Out How Your Brand Scores on the Trust-O-Meter

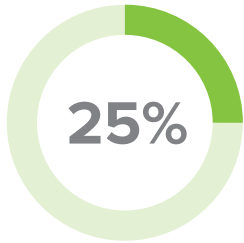
| DO YOUR SALES ASSOCIATES...? | YES | NO | SOMETIMES |
|---|-----------------------|-----------------------|-----------------------|
| Provide accurate information that can be validated by other sources? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Sell products and services that can be honestly recommended as providing quality and reliability? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Provide unbiased information so consumers can compare your products and services to competitors? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Have a commitment to creating long-term relationships with your customers? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Communicate authority and expertise in your category or field by providing essential knowledge? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Relate to customers' perspective? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Offer relevant information that acknowledges consumers' needs and situation? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Provide an easy format for users to find what they want or need? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Create transparency with customers by being clear when the goal is to sell or inform? | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

SCORING YOUR RESULTS

- If you got all “yes” answers, then your trust levels are looking great.
- If you answered “no” or “sometimes” to 1 or 2 of these questions, you’re on the right track, but there’s still room for improvement.
- If you answered “no” or “sometimes” to 3 or more of these trust questions, it may be time to seriously evaluate how to increase your customer trust levels.

No matter where you landed on the trust-o-meter, there is always room for improvement. Keep reading to learn about one highly underutilized, but extremely successful and cost-effective tool you can use to increase consumer trust in your brand.

gDiapers saw a



increase in conversion after deploying advocates who answered site visitor questions who engaged in chat.

SOLVE THE TRUST ISSUE

DEPLOY ADVOCATES TO HELP BUILD TRUST

A brand advocate is someone who identifies and supports a brand in their everyday interactions, proactively using their time and social capital to promote a brand by passing on positive word-of-mouth messages to others. Often overlooked, but a powerfully effective tool, advocates offer customers an authentic human connection in an increasingly digital world. Companies that enable their advocates create a differentiated customer experience and inspire customer trust and loyalty.

TRUST BUILDER

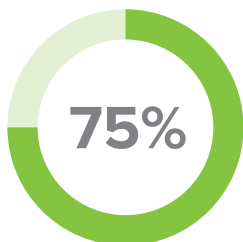
A leading green parenting brand, gDiapers was experiencing increasing volume on its site, but visitors were dropping off before converting. By recruiting some of gDiapers' most passionate gMums and gDads to engage in chat with shoppers who have questions about how the diapering system works —advocates who understand the gDiapers mission and have deep experience with the company's products —gDiapers has seen a 25% increase in conversion.¹⁴

ADVOCATES APPEAR UNBIASED

Consumers want unbiased information to inform their purchasing decision and they seek out the advice of brand enthusiasts because they believe they promote the brand out of a willingness to share, passion, and their deep knowledge. And their assumptions are mostly correct. In one survey, the number one reason advocates said they recommend brands and products is that they want to help others (58%). Other reasons include: They would want to know before they buy (53%); to help others make smarter purchase decisions (47%); and to feel connected to other people (33%).¹⁵ Consumers have an instinctive understanding of motives, and when the motive is to help and engage on a human level rather than sell, consumers develop a greater trust for the brand or category being promoted.

TRUST BUILDER

Advocates are two to three times more effective than non-advocates in persuading others to purchase recommended brands.¹⁶



of brand advocates view themselves as category experts who are well informed and connected to the brand

ADVOCATES ARE EXPERTS

A product user with a deep knowledge of a certain brand or category is often an advocate; their wealth of knowledge inspires them to share with others. Whether they have a closet full of a designer brand of clothing or they're an athlete who knows everything there is to know about the sport and its equipment, these promoters have a considerable amount of direct experience or use with the brand or category. They take pride in this knowledge and expertise, with 75% viewing themselves as category experts who are well informed and connected to the brand and 58% saying that both the brand and its followers recognize their value and contribution.¹⁷

TRUST BUILDER

*“Marketers may spend millions of dollars on elaborately conceived advertising campaigns, yet often what really makes up a consumer’s mind is not only simple but also free: a Word of Mouth recommendation from a trusted source.”¹⁸—
McKinsey Quarterly*

ADVOCATES HAVE PASSION

The most vocal fans have an intrinsic passion and enthusiasm for their favorite brand, and they love to share their passion with others. In fact, they spend 2x more than the average customer, recommend or share 2 to 4 times more than the average customer, and 40% of them say they “answer, comment, or give an opinion online” several times a week.¹⁹ This kind of word-of-mouth advertising that is driven solely by passion has a powerful influence on consumers. By leveraging a fans’ passion, brands and retailers can gain a competitive advantage and spend less on reach.

TRUST BUILDER

A 12% increase in brand advocacy, on average, generates a 2x increase in revenue growth rate, plus boosts market share.²⁰

HOW TO GET THE MOST BANG FOR YOUR BUCK

In a world of choice, standing out from the crowd is tough and getting a consumer to stick by your brand or category can be even tougher. This is especially true for online retailers, where according to a recent Nielsen study, global switching sentiment was higher for online retailers than any other retailer or service provider measured.²¹

Companies that want to establish a deeper, more trust-centered connection with their customers need to implement advocate-based customer experience solutions that can drive incremental revenue and lifetime value by dramatically increasing customer engagement. In an online environment, this means going beyond the typical online reviews, blog posts, and forums, which while trust-worthy, don't deliver real-time information or fully engage customers. However, by harnessing the power of advocates through a live online interactive

platform, retailers can deliver an authentic human touch that is measurable, meaningful, and creates a high level of customer trust and engagement. And perhaps most importantly, offers something uniquely different from your competitors—making your brand stand out from the crowd.

THE VALUE OF LIVE ONLINE INTERACTION

- 90% of customers consider live chat helpful
- 63% were more likely to return to a website that offers live chat
- 62% reported being more likely to purchase from the site again
- 44% of online consumers say that having questions answered by a real person while in the middle of an online purchase is one of the most important features a Web site can offer
- 38% said they had made their purchase due to the chat session itself²²

ABOUT NEEDLE

Needle discovers and leverages your best advocates, certifies them to sell your products, and enables them to do it from anywhere through an innovative, highly-interactive live online platform. Not only does Needle dramatically improve your customer experience throughout the customer lifecycle by using credible, authentic engagement from trusted advocates, Needle's solution results in increased revenue, elevated customer loyalty, and better lifetime customer retention.

To learn more about how Needle advocates can improve your customer experience, build trust, and drive net-new revenue, please contact us.

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