The Centre for Future Enterprise

QUT’s Centre for Future Enterprise is dedicated to rigorous and applied research that prepares organisations and their leaders for an opportunity-rich environment. Comprised of four themes covering entrepreneurial, digital, social-purpose and robust as future-relevant attributes of organisations, the Centre for Future Enterprise concentrates its research in four signature projects. One of these, agile trust, contributes to the professionalisation of trust management.

Cisco

Retail innovation is dependent on digital infrastructure. Technology isn’t just changing the way consumers shop; it is opening up new channels that give retail stores innovative ways to interact with customers. Cisco has an extensive partner ecosystem and expansive portfolio of products and solutions to help deliver an omni-channel experience that meets customer demands and keeps retailers at the forefront of trusted innovation. Cisco helps retail customers connect, secure and automate to accelerate their digital agility in a cloud-first world.
Executive Summary

1. Trust comes in two forms; *core trust*, i.e. trust that the retailer delivers as promised, and *extreme trust*, where the customer trusts the retailer more than themselves.

2. The trust continuum enables retailers to understand their core and *extreme trust* scores and to establish an explicit set of trust metrics.

3. Retailers need to tailor their trust strategy to the *trust intensity* of their offerings and the trust concerns and trust opportunities they face.

4. Trust management is an emerging discipline and concerned with uncertainty and confidence, both relying on trust-enabling technologies and trust mechanisms. This can help accelerating otherwise organic trust development.

5. Trust is prevalent in both the instore and online experience, but is accentuated differently in the two respective customer journeys.
If price, range, brand and accessibility remain consistent across retail settings, what other drivers and competitive advantages are associated with consumers’ intention to purchase, engage and become loyal? Retailers are constantly looking for competitive advantage, however in a market of mostly homogenised experiences and processes, finding that strategic competitive advantage is often elusive.

Research has examined consumer trust as a key factor that may influence consumers’ purchase and patronage intentions. Consumer trust is a multi-dimensional construct that contains essential four main elements.

Firstly, competence – defined as the retailer’s skills and expertise. Previous research has identified that consumer’s perception of a business’s competence builds trust and leads to intentions to repurchase.

Secondly, ability, defined as a consumer’s confidence that the retailer can fulfil their required tasks effectively. Considered one of the most influential elements of trust, consumers place a great focus on a firm’s ability to fulfil their duties, keep their promises and efficiently process transactions.

Thirdly, benevolence was found to reflect a customer’s belief that a business has good intentions, is willing to build and maintain relationships, and act with consumer’s best interests in mind.

Finally, willingness to provide transparent and accurate information is a key component in building and maintaining trust with consumers. The provision of relevant, accurate and timely information is vital as the digitization of retail continues.

This report provides an additional, contemporary lens on how retailers can compete on trust by proposing core trust and extreme trust as two strategic options. The availability of advanced technologies provides retailers with entire new trust options.

Dr Gary Mortimer
Professor of Marketing and Consumer Behaviour, QUT Business School
# Table of Contents

Executive Summary .......................................................... 3
Foreword .............................................................................. 4
Introduction ......................................................................... 6
What is Trust? ...................................................................... 7
Why Trust Matters .............................................................. 8
Types of Trust ..................................................................... 10
  - Core Trust: Deliver to Expectations ............................. 10
  - Extreme Trust: Better than Myself ............................... 11
Trust Intensity and Actual Trust .......................................... 12
The Customer Trust Journey ................................................ 14
Measuring Trust .................................................................. 17
Managing Trust .................................................................. 18
  - Uncertainty Management ............................................ 19
  - Confidence Management ............................................ 26
Trusted Retailization ............................................................ 29
Conclusion .......................................................................... 30
Recommendations .............................................................. 31
Trust Terminology ............................................................... 33
Introduction

The retail landscape has drastically evolved in recent years. No longer can retailers simply rely on aggressive price strategies or the quality of their services and products. Consumers now have higher levels of digital literacy, instant access to product information and demand previously unseen levels of convenience and experience. COVID-19 has not only amplified these expectations, but added entire new concerns such as personal safety. The presence of advanced instore technologies, a growing appetite for personal data and uncertainties of online shopping have increased the trust intensity of the retail sector to the point that ‘competing on trust’ has become a differentiating feature, but also elevated concerns with regards to the security and privacy of data – from ‘value for money’ to ‘value for data’.

However, despite the attention trust is getting, it remains a poorly understood construct for many retailers. We have therefore explored the role of trust in retail innovation by engaging with senior executives of organisations across Australia and the globe. In interviews with executives from 7Eleven, Brisbane Airport Corporation, Australia Post, Flight Centre, BCF, Yum! Brand, Coles, and Walmart we uncovered the current status of trust-centred strategies, differentiated alternative trust plays, discussed the way technologies help building trust and envisaged new ways for trusted retailed innovation.

In this white paper, we discuss the nature and increasing importance of trust with a focus on the growing trust intensity of retail. Core trust and extreme trust will be presented as two strategic options retailers need to consider. We will show how trust can be managed by focusing on uncertainty and confidence, and how trust-aware technologies can facilitate competing on trust. Various trust mechanisms will make the essential, but often intangible topic of trust operational. We conclude with a call to action covering the essential steps retailers need to take, if they want to make trusted customer engagements a priority.
What is Trust?

We mention trust in conversations nearly every day. However, when asked to explain what trust actually means, most are stumped.

“You feel it, but you cannot define it.”

is how one CEO we interviewed described trust. Nevertheless, and despite the lack of a shared understanding, trust has made it into the strategic priorities, digital transformations, action plans and daily conversations of organisations across all sectors. It has become a primary concern in entire industries which have been exposed to a dramatic withdrawal of their customers’ trust (e.g., finance, aged care, social media).

Trust involves two parties, i.e. the trustor (e.g., a customer) who relies on the behaviour of the trustee (e.g., a retailer). Trust is the judgement of confident reliance (by the trustor) based on positive expectations of the future behaviour of the trustee. Thus, trust is a highly subjective assessment and people vary in their willingness to trust. Similar to the notion of customer personas, which are used to stereotype different customer cohorts, a trust persona can be used to profile customer cohorts based on their trust propensity.
Why Trust Matters

Research has shown\(^1\) that trust has a positive impact on some of the most important customer-facing performance measures of an organisation.

- **Engagement**: Customers are more willing to consume new products and services from an organisation they trust. This is in particular the case with trust-intensive products and services. Imagine the first customer of a driverless (level 5) car and the trust required to sit with comfort in the backseat. Or going back in time, remember the trust concerns that surfaced the first time you entered your credit card details as part of an online shopping transaction? Retailers requesting new, personal data from their customers or piloting new technology settings will need to be trusted. A trusted retailer has a competitive advantage due to a shorter time-to-market and the absence of trust-related roll-out issues.

- **Advocacy**: Research has also demonstrated a positive correlation between trust and advocacy (e.g., measured as net promoter score, NPS). We are more willing to talk positively about an organisation we trust and as a result, organisations benefit from community-based marketing. This strong correlation goes so far, that some corporations even use NPS as a proxy to measure trust. This approach, however, captures only a subset of trust and ignores that advocacy is different to trust. Retailers need to be clear on how to integrate new trust measures with their existing set of measures capturing, for example, customer satisfaction or brand value.

- **Loyalty**: As trust takes time to develop, we are appreciative, even protective, of it once we have it. As a result, customers show higher levels of loyalty with an organisation they trust. This is evidenced by people who move within a city, but still go back to their previous, trusted service providers (e.g., hairdresser). A trusted retailer will have therefore a higher rate (and lower cost) of customer retention.

The trust scorecard, figure below, helps to contextualise trust as one of the most leading performance metrics an organisation might have.

---

As a result, some retailers have made competing on trust a top priority. Supermarket giant Coles’ vision is “to become the most trusted retailer in Australia.” Retailers such as BCF (Boating, Camping and Fishing), a transnational chain of more than 100 stores selling outdoor clothing and equipment, are focusing on trust as a key measure of brand success.

“We have included trust as a key focus in our brand aspiration and customer value proposition.”

General Manager Marketing and Ecommerce, BCF

As the three-layered trust scorecard shows, trust ultimately has a positive impact on revenue as trusting customers consume earlier (engagement), promote the retailer (advocacy) and remain long term customers (loyalty). This makes trust one, if not the, most leading performance indicators an organisation can have.
Types of Trust

Retailers need to differentiate two types of trust, and clearly position their own strategies, activities and technologies in light of their trust play according to these two types, i.e. core trust and extreme trust.

Core Trust: Deliver to Expectations

Core trust is the most widely discussed forms of trust. It describes trust as a hygiene factor and simply means that the retailer delivers according to their promise. For example, products are of expected quality (e.g., eggs not broken), shopping occurs with predictable convenience (e.g., no delays in finding a car park or long check-out queues) and goods arrive in time, if ordered online. Customers also expect that the transport and storage of their personal data is secure and privacy protected. Core trust can be seen as foundational trust and though it might be high, its explicit acknowledgement by the customer might be low.

Core trust represents the fee-for-product equation, i.e. the customer trades in money and increasingly data and expects in return an adequate value. The existence of core trust hardly constitutes a competitive advantage. As a hygiene factor, however, it can quickly become a key concern, if the trust is broken. Or in the words of the former CEO of Yum! Brands, which operates KFC, Pizza Hut and Taco Bell,

“Our customers trust us 100%, but if we abuse this trust, the next number is 0, there is no grey zone.”

According to the concept of a hygiene factor, a flawless retailer with a high core trust score is delivering consistently and reliably to its promise. Retailers can only lose when it comes to core trust, but they have to continuously ensure it is not compromised.

If a retailer has lost core trust, the reputational and economic implications can be dramatic. Social media acts as an exponential amplifier of even individual incidents and combined with (global) media attention, the effect can be drastic. 7Eleven’s CEO described this as

“The digital economy makes the wrath of the consumer far easier to exert than maybe 3, 4, even 10 years ago. There are many examples of retailers and consumer goods companies where [faulty products] have been the demise of the business as a breach of trust, as well as remarkable rises where they have managed to address and re-establish trust.”
Extreme Trust: Better than Myself

Remember the days when you would select the next song to be played over dinner or at a party? You would pre-select an album, CD or even pre-record a tape. How different is today’s world? We trust music streaming services such as Spotify, Apple or Amazon to entertain us, and present us with playlists that are better than what we could orchestrate ourselves. In other words – we trust these music providers more than we trust ourselves.

The emergence of such new levels of proactive, personalised service provision is facilitated by the power of sophisticated AI and machine learning capabilities. A few named songs and artists, feedback via preference statements (‘like it’) and rich metadata is all that is needed to develop playlists that suit the individual tastes. This is not just leading to new levels of convenience (no need to select a song), but to new experiences, i.e. music is presented that the customer enjoys, but would have never been able to pick themself. We call the situation when a customer trusts a provider more than themself ‘extreme trust,’ a title inspired by the book by Don Peppers and Martha Rogers.2

If we take the Spotify analogy to the retail domain, it would mean customers trust their retailer to literally fill up their shopping basket on their behalf. Take the context of Coles, the Australian grocery retailer. Coles sells more than 20,000 products in their stores, yet the average customer is only familiar with 200-250 products, which reflects only 1% of the products available. In the case of an extremely trusted retailer, the customer would acknowledge that the retailer can comprehend and select from the tremendous product spectrum better than they can. This could mean, a customer regularly buying items for Thai dinner, might receive Korean BBQ items in the assumption that these would be enjoyed. The service of online wine retailers who regularly ship cartons of wines to their customers, and select the wine for them based on their previous choices, is an example of extreme trust.

Extreme trust presents retailers with the opportunity to explore completely new forms of customer engagement including semantic shopping. Similar to the way we request music (“dinner music”), we envisage shopping experiences in which a customer expresses a desire to get all items required for a specific meal (“Pad Thai”) and the retailer picks the required item for the customer (better than they could).

While core trust is largely a transactional play, extreme trust is also an experience play. In a core trust relationship, the customer submits a shopping list and expects flawless fulfillment. In an extreme trust relationship, the customer hands over private data like preferences, and lets the retailer generate a shopping list leading to new experiences, but still, of course, expects a seamless execution of all related processes.

It is important to note that core trust is the foundational trust on which extreme trust is based. Extreme trust is still rather the exceptional trust play. However, we forecast an increased uptake as personalisation technologies mature and customers are looking for new forms of experiences they cannot create on their own. This is especially the case in long-tail economics models in which a very high number of products available makes it nearly impossible for the customer to select the right products. Recommendation services are one way to help navigating, but the extreme trust play goes one important step further and moves the actual selection from the customer to the retailer.

2 Pepper, D. and M. Rogers (2016). Extreme Trust. Portfolio, USA.
Context-sensitive technologies play an important role in providing advanced, extremely trusted experiences. Smart sensors (e.g., traffic, weather) and the incorporation of further information about birthdays, events or seasonal trends, for example, could allow to further personalise the shopping bag in ways a customer could not have done this without devoting significant attention to it.

Similar to the iterative fine-tuning of music services, a retailer has to facilitate and respond to customer input. Related technologies need to support continuous customer interactions to express dislikes (for products shipped) or revisions to delivery modes.

**Trust Intensity and Actual Trust**

Retailers and their product portfolio can be differentiated based on their trust intensity. In low trust-intensive environments, the purchasing decision is largely based on an assessment of need, product quality and economic value. Retailers with low trust intensity have a small and well-known product portfolio, simple touchpoints and no staff dependence (e.g., traditional convenience stores). In its simplest form, a vending machine could be regarded as a retail outlet with a very low trust intensity.

The trust intensity increases by the extent to which the customer has to invest trust in any of the following four dimensions:

- **Input**: The more the customer invests financially, but also in form of personal data or even personal well-being (e.g., for beauty treatments) the higher is the trust intensity of the engagement. The demands on secure technologies increases with the extent to which this form of trust intensity increases.
- **Process**: The more the shopping-related processes come with uncertainty (time to park the car, time to select the product, time to get assistance, time at check-out, delivery time), the more trust the customer needs to invest.
- **People and resources**: The more the retail experience is shaped by engaging either with individual staff (e.g., advice as part of a purchase of a fashion item) or technology (e.g., in an Amazon Go store), the higher is the trust intensity.
- **Output**: The less the product is known (e.g., an adventure trip to an unknown country), the higher is the trust intensity.

Assessing the trust intensity in these four dimensions creates the trust profile of a retailer. Such a profile provides insights into where the retailer depends on the trust of its customers, but also where competing on trust could become an option.
A retailer has to ensure that the trust requirements in trust-intensive engagement areas are met. If this is not the case, there is a trust gap that needs to be addressed as otherwise the lack of trust will prevent customers from engaging. Thus, a trust profile capturing trust intensity and actual trust is an important instrument.

The trust intensity across the four dimensions does not have to be static. A retailer can make trust shifts by either reducing or increasing the trust intensity. An example of a reduction in trust intensity is Ikea’s move to offer delivery services. This decision was made in response to customer concerns whether a bulky item would fit into one’s car or not. Ikea realised that the millennial market has no longer the capacity to transport large purchases to their home as they increasingly prefer mobility-as-a-service models over car ownership. As a way to reduce IKEA’s trust intensity, new concept stores are being launched that have no parking spaces whatsoever but with the ability to have purchases delivered within a 24 hour time frame.  

In contrast, retailers also decided to increase their trust intensity. 7Eleven, Australia’s leading convenience store with more than 700 stores Australia’s leading convenience store, added fresh sandwiches to its offering. This move significantly increased the trust intensity as new requirements regarding hygiene and product quality emerged. 7Eleven’s experiences showed that what might seem like a small step, was in fact a significant trust building exercise.

"Our food journey has been a marathon, not a sprint. Building the trust required to sell fresh food cannot be done overnight. It took us ten years, as our customers needed proof points to be convinced."

General Manager Marketing, 7Eleven

The Customer Trust Journey

In addition to profiling it along four dimensions, trust intensity needs to be captured along the customer journey covering pre-store, shopping, checkout, post-store, and delivery experiences. A comparison between the instore and online customer experience shows that trust intensity is displaced to different stages of the customer journey (or here: trust journey). Figure 2 shows the differences in the trust intensity assuming a typical grocery retailer. Note, however, that this visualization is a simplification as the instore/online integration is maturing rapidly, both in terms of customer behaviour and by retailers’ multi-channel management capabilities (e.g., instore online promotions).

In the instore experience, the trust intensity is high at the beginning of the journey. In the pre-store component of the customer experience this is triggered by uncertainty in access to the store (such as carparks), and concerns as to the instore layout and the availability of the product. During the shopping experience, the trust intensity remains high in light of product qualities that cannot be easily assessed (e.g., entertainment products). However, during and after the checkout, the trust intensity of the instore experience decreases significantly.

The smart use of technologies can play a crucial role for retailers at moments of trust along the instore customer journey. As an example, Cisco’s Portfolio Explorer for Retail provides a rich resource that contains information that can be used to mitigate the undesired effects of trust-intensive touchpoints, including content about solutions such as digital displays and labels that communicate inventory levels to address one source of uncertainty. This solution can also be extended beyond the instore experience and reduce surrounding sources of uncertainty such as car park availability where video surveillance and analytics can be used for car park navigation or queue estimations.
Uncertainty in the customer experience can be further mitigated by the incorporation of mobile POS and line busting, enabling customers to checkout anywhere inside the store, as well as completely outside the store, even on the curbside. This solution empowers the customer and provides control over the checkout back to the customer, and as a result reduces related trust intensity.

Multi-channel engagement and shopping technologies can enable customers to find, order, and receive products whenever, wherever, and however they want. Not only does this ‘we’ll come to you’ approach embrace the high trust-intensive physical scenario, but it leverages technology’s role in enabling the extension beyond the limitations traditional stores present, creating opportunity-driven and positive, trust-intensive experiences.

The instore experience contrasts to the customer trust journey of online shopping, whereby high trust intensity occurs in the second half of the customer journey. As pre-store uncertainties such as travel time to store do not exist, the trust intensity is low. The trust intensity, however, begins to increase as the customer moves from the act of browsing products towards the intention to purchase with product quality and accuracy of information becoming more important. Here, the lack of direct access to the product creates new trust concerns.

This difference between the instore and online trust experience is prevalent in the grocery store context during the shopping process. Most customers still prefer to shop instore for trust-intensive products such as fruit and vegetables. Despite the obvious benefits of shopping online (convenience, at home delivery), nearly 80% of grocery customers are concerned with regards to the freshness and the inability to express their preferences (e.g., with regards to the ripeness of an item).

“Having your bananas or tomatoes picked by us is a massive trust leap.”

Director, Emerging Tech, Walmart

One can easily predict the emergence of advanced technological solutions that will help addressing some of these significant ‘moments of trust’ within the online shopping experience. For example, an online shopper might be able to engage in ‘e-assisted shopping’, i.e. an instant video interaction with a sales assistant is facilitated and allows the customer to select items such as fruits, vegetables or seafood that are typically picked according to personal preferences. The relevance of such solutions is evidenced by Walmart’s filed patent for a system that allows customers to see their products beforehand using 3D visualisations.

The customer experience remains trust-intensive through the checkout stage as concerns of data and privacy concerning the provision of financial information arise. Finally, trust is required with regards to the fulfillment stage and relates to concerns with regards to delivery time and the risks of product damage during shipment.

---

4 P. Zarling: Consumers still hesitate to buy fresh produce online. Grocery Dive, 24 May 2018.

5 C. Siegner: Walmart wants patent for online system allowing shoppers to ‘see’ products. Food Dive, 19 January 2018.
Like the product selection stage, the fulfillment stage is an area where innovative technologies can mitigate the trust concerns of their customer. For instance, product tracking helps overcoming uncertainties in terms of delivery status, including not just time but also state of the delivered item (e.g., heat exposure). An example in this context is Amazon’s Key service addressing the challenge that customers appreciate a safe delivery into their home, but aren’t always home when the goods arrive. Using the Amazon Cloud Cam and a compatible smart lock system allows a customer to remotely witness the delivery. When the courier arrives with a package for home-delivery, he scans the item’s barcode and this sends an access request to Amazon. Once permission is granted, access to the home is enabled and the courier can deliver the parcel while being automatically recorded or remotely witnessed.

**Trusted COVID-19 Technologies**

The routines of retail shopping and global supply chains became severely disrupted by the global emergence of COVID-19. This pandemic created entirely new demands for retailers to quickly establish *trust mechanisms* with regards to social distancing, crowd control and employee protection. Here, for example, video analytics solutions are explored to model safe densities as a way to provided trusted retail environments.

Many technologies, capabilities, and use cases deployed in the retail sector can be utilised to facilitate the supply chain requirements related to the vaccine rollout. For instance, leveraging intelligent contact centres and experience management systems (used in retail to schedule and manage customer call volume) as well as communications and access technology can be used to ensure patient access, outreach, and collaboration to keep care teams and patients informed at scale. Looking to field hospitals and mobile clinics that assist vaccine distribution sites and require network connectivity and virtual collaboration, backstage retail equipment monitoring can be used to help manage vaccine waste and energy usage. In a security conscious world, privacy, and compliance at vaccine sites is a high priority amongst healthcare providers. Safety and surveillance typically used in retail to ensure security, monitoring and alerting to protect against theft and fraud in retail can be deployed in pharmacy locations to safeguard vaccine supplies.
Measuring Trust

It is surprising to note that despite the attention trust is receiving, the actual measurement of trust is in its infancy. Unlike standardised measures in finance (e.g., EBIT), customer advocacy (e.g., NPS) or market penetration (e.g., relative share of market), the domain of trust lacks accepted and widely used trust scores. Though there is some emerging consensus in the academic world that trust is made up of ability, benevolence and integrity\(^6\), this triplet has not made it into the professional practice, and a solid set of corresponding, simple and widely used measures for trust has not been established yet.

In order to facilitate measuring trust, we introduce the trust continuum (Figure 3), a scale ranging from -1 (absence of trust) to 1 (extreme trust). The negative range covers core trust signalling that the maximum value of 0 equals the notion of trust as a hygiene factor, whereas a positive value is the domain of extreme trust where new experiences are created.

![The Trust Continuum](image)

To plot core trust on the trust continuum, we propose to measure core trust by the following question:

*To what extent do you trust [retailer] to deliver to its promise?*

Multiple sub-questions can be used to tailor this measure to the specific value proposition of an individual retailer (e.g., “always fresh”, “delivered in 24 hours”, “cheapest price”). The answer is to be provided according to a 0-10 Likert scale with 10 meaning completely trusted (answer: ‘unconditionally’) and 0 representing total distrust (‘not at all’). This value captures the customers’ perception and is input into the following equation to determine the core trust score (CTS):

\[
CTS = \frac{\text{Perception}}{10} - 1
\]

As can be seen, the best possible score would be a 0, meaning core trust exists and there are no trust issues. This might not create a distinct source of competitive advantage, but shows that distrust is not a challenge, and the focus can be on competing on the value proposition. Any negative core trust score value, however, indicates the existence of trust concerns which need to be investigated and positioned within the trust profile as these concerns ultimately impact a retailer’s bottom line.

It is important to note that the measurement of trust should not be confused with other constructs such as brand perception. While brand perception as a higher order metric concerns an assessment of what customers believe a product or service represents, the core trust score reflects the customer’s perception of the retailer’s ability and willingness to deliver on its promise.

Extreme trust is measured by asking the following question using a 1-10 Likert scale score:

How comfortable would you be letting [retailer] choose a product or service for you?

The response value is then integrated into the following equation to result in the overall extreme trust score (ETS):

$$ETS = \frac{\text{Comfort}}{10}$$

The closer ETS comes to 1, the more the retailer will have a trust advantage as decisions can be made on behalf of the customer. Pharmacies are one retail sector in which this score is already relatively high, while it will be close to 0 for most other retail sectors. Again, multiple sub-questions can be used to increase the specificity of the ETS score. This could include a focus on specific subsets of the product spectrum, specific occasions or a one-off trial.

Note that both measures, CTS and ETS, co-exist, i.e. an organisation has two trust measures, each of them with its own implications. CTS is the mandated trust measure, ETS the optional one, and its relevance very much depends on the appetite of the organisation to explore innovative trust opportunities.

**Managing Trust**

Both, core and extreme trust include the same two components that customers consider when making a trust judgement; the uncertainties that are related to the retail experience and the confidence that these uncertainties are satisfactorily managed by the retailer.

Breaking down trust into the two components of uncertainty and confidence makes trust manageable. In fact, ‘trust’ itself cannot be managed directly. Very much like profit which cannot be managed directly, is broken down into the two elements of cost and revenue, trust is broken down into the two elements uncertainty and confidence.
The higher the uncertainty, the more trust-intensive is the customer engagement. The higher the confidence, the lower are the customer’s trust concerns. Figure 4 visualises the trust matrix which correlates trust intensity (uncertainty) and trust concerns (confidence) leading to four strategic trust positions.

![Fig. 4: The Trust Matrix](image)

### Uncertainty management

Uncertainty is the only reason for the demand for trust and it comes in four forms.

- **Systemic uncertainty** is determined by the reliability of the retailer’s systems and processes and surfaces in various forms in the retail sector; the likelihood that a product is on the shelf, the length of the queue at the check-out or the variety of quality of products (e.g., fruits). Managing systemic uncertainty has been the focus of many management and technology approaches. For example, Six Sigma is all about reducing variation and has dramatically improved product availability ratios due to advanced warehouse and logistics systems.

---

19
In some cases, systemic uncertainty, and the trust concerns it may trigger, is of high significance. For example, customers arriving at an airport have high trust concerns as they fear spending valuable time searching for a car park when heading for an early morning departure flight.

“We have a no no-parking policy.”

CEO, Brisbane Airport Corporation

The Brisbane Airport car park is never sold to more than 90% of its capacity to ensure that passengers can be certain to find a car park in time. In a similar way, retailers mitigate uncertainty as it relates to waiting times at the check-out. Technologies allow to monitor queue length based on Bluetooth signals and crowd counting algorithms use multi-purpose cameras and video analytics as well as predictive analytics for queue estimates. If the queue is too long, staff will be notified automatically ensuring waiting time, and with it the related uncertainty, is capped. This could also include line-busting systems where mobile POS are used to check out a specific customer cohort.

If a retailer is experiencing the effects of systemic uncertainty, the following business capabilities can be leveraged to reverse its effects.

1. **Product certainty** is related to the management of uncertainties as they relate to the physical or economic qualities (value for money) of the product. For instance, through the My 7Eleven app, customers are able to lock in a local fuel price for the next time they need to fill up at the bowser. The Fuel Price Lock freezes the best local fuel price to the customer at the time to ensure they are getting the best deal. More so, if the current price of petrol is lower than their locked in price, they are able to embrace the lower price, ensuring they can be certain to get a specific price.

2. **Process certainty** is concerned with ensuring the reliable performance of retail processes. Instore navigation systems and displays, for example, help with way finding and a wider roll-out of ‘click-and-collect’ delivery processes has reduced uncertainties related to delivery times.

3. **Managed security** deals with the effective safeguarding of the retailer’s data and network infrastructure. In 2013, Target was subject to the largest ever retailer cyber attack, compromising 41 million of the company’s customer payment cards due to compromised login credentials and network segregation issues. Unlike products and processes, this uncertainty is less visible to the end customer. Nevertheless, any shortfalls here will severely compromise the retailer’s trust position. This demonstrates the importance of a reliable ‘Digital Trust Infrastructure’, the technological foundation for any trusted retail innovation. At the core of this infrastructure is a digital platform that needs to be increasingly software-defined, cloud-based, automated, scalable and secure in order to be the technological backbone for an organisation’s trust position.
4. **Privacy** relates to the practices and technologies dedicated to safeguarding customer data and identifiable information. The appetite for even more personalised retail offerings will further increase the demand for private data making this capability a core trust success factor. As retailers have to move at the pace of their customers and leverage digital technologies, it’s imperative to have the required digital capability. There has been a quantum leap in next-generation data sources and insights via millions of connected smart and IoT devices that capture even more of the needs, wants, and preferences of customers. Today, there are 20 billion devices connected to the Internet. And by 2023, that number is predicted to jump to 29 billion, nearly four devices per person. There was a time when businesses just had to worry about the phone and the laptop. Now it’s everything; cars, home appliances, door locks, cameras, even our toothbrushes. As a result, retailers increasingly sell connected devices to their customers. These devices continue to evolve, a fact that puts a new level of trust-intensity to the digital customer engagement. Each of these connected devices also puts more strain on the retailers’ digital infrastructure as they need to be managed and monitored in real-time. Adequate policies need to be created and deployed in an automated way and customers have to be able to comprehend these to make an informed trust judgement. These changes put tremendous pressure on the digital infrastructure, which is why every CIO in the retail sector has to think about how they transform their technology infrastructure with secure connectivity into a trusted environment. Retailers, however, who are using advanced technologies to protect their customers’ privacy, have the potential to derive rich insights in terms of trust concerns, a promising path to competing on trust.

**Behavioural uncertainty** is inherent to retail experiences that involve service staff and their engagement with the customer. This uncertainty is grounded in the individual qualifications, behaviours and attitude of staff leading to potential inconsistencies in customer interactions. Behavioural uncertainty can be mitigated with service scripts in call-centre environments, but such an approach does not scale across the diverse requirements of multi-channel customer interactions and along the customer journey from consistent high quality instore service to reliable delivery and at-home support. Staff vary in qualifications and experiences and have motivational and attitudinal differences. Therefore, it is difficult for retailers to provide a consistent quality of experience. Behavioural certainty covers consistency in terms of ability, integrity and benevolence. Whereas ability and integrity are nowadays established areas of attention, the provision of large-scale benevolence or even benevolent systems is far less understood.

For example, when the Qantas call centre received a phone call from a customer who wanted to put her membership on hold due to her cancer treatment and got told, aligned with the Qantas policy, that this is only possible for pregnancy, it made the press. The call centre agent reacted with integrity, but not benevolence. Some organisations address such challenges by empowering their staff to do whatever is right for the customer. The Ritz Carlton, for example, provides its concierge with a monthly amount to ‘make customers happy’; others request that a call centre, faced with a similar enquiry, seeks confirmation from fellow colleagues.

---

“During COVID-19 in 2020, we saw significant growth in demand for online grocery shopping, especially from the elderly and other vulnerable groups. So we rapidly launched the Coles Online Priority Service to help these customers. In store, we launched the Coles Community Hours so that these same groups plus essential workers, including emergency services and healthcare workers, could access our stores exclusively.”

CIO, Coles Group

If a retailer wishes to mitigate behavioural uncertainty, they can do so via four business capabilities;

<table>
<thead>
<tr>
<th>Capability</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Robotisation</td>
<td>is the utilisation of an autonomous workforce to deliver consistent and scalable service delivery. For example, in 2016, Lowe’s Home Improvement introduced the Lowebot, a robot that roams their stores and is able to answer customer questions as well as walk with them to find their desired products. The Lowebot also scans the shelves to conduct real-time inventory assessment. Kmart Australia and New Zealand plans to put an inventory tracking robot (Tory) in each of its more than 200 stores by the end of 2021. Tory will roam stores during quiet (night) times and check stock levels.</td>
</tr>
<tr>
<td>2. Omnipresence</td>
<td>is the ability to connect to every staff member anywhere and anytime. A travel agency might have a customer instore who wants to talk to a sales representative about their plan to hike in the Swiss Alps. While the store cannot guarantee to have an employee at this particular location who has trekked the Swiss Alps, technological capabilities can be leveraged to create an omnipresent staff force where this customer can be connected to a remote staff who can provide first-hand experience and recommendations based on their own trip to the Swiss Alps. Omnipresence also extends towards presents at home (e.g., remote installation advice).</td>
</tr>
<tr>
<td>3. Augmentation</td>
<td>is the use of technology to enhance the service delivery of the frontline staff to assist them in customer interactions. For instance, one could imagine a scenario in which a customer is interested in purchasing a product, but only on the condition that they can buy it there and then (i.e., the customer wants to know the retailer has their desired item in stock). Augmented technology such as handheld interfaces or mobile POS could display stock availability for the frontline employee supports staff to provide required information to the customer. Customer-facing augmented displays could highlight specific product attributes (e.g., gluten free) for relevant cohorts.</td>
</tr>
<tr>
<td>4. Accessibility</td>
<td>is the ability to access staff in a timely and resourceful manner in light of physical restrictions. Imagine you are in a warehouse-like home improvement store, similar to Lowes. One of the key challenges in such a large space is finding assistance when needed due to the sheer size of store and dispersed staff members. Here video analytics can be used so that in the instance where the customer raises her hand for assistance, this signal can be used to inform a staff member nearby to assist the customer. Australia Post leverages accessibility to proactively build trust. Natural disasters are a part of life in Australia. In the case of flooding, cyclones, or bushfires, a populations’ access to key resources, such as much needed postal services is severely impacted as roads accessing sites can become blocked, or the sites themselves might be destroyed. Knowing this, Australia Post is providing pop-up post offices for regions</td>
</tr>
</tbody>
</table>
experiencing natural disasters. Having tested various prototypes, Australia Post is investing in vans fully equipped with POS and nearly every essential postal service to support communities in hardship. Showing up, unexpectedly, with such a pop-up retail store is a sign of benevolence.

The third category of uncertainty that retailers have to deal with is perceived uncertainty. What happens behind the plastic door of a grocery retailer remains invisible to a customer. This information asymmetry could lead to assumptions about uncertainties that are in fact non-existent. This is one reason why restaurants have an open kitchen as it clearly demonstrates who is cooking, the cleanliness of the kitchen, via a direct trust mechanism.

However, indirect trust mechanisms can also be used to improve trust by providing a glimpse into the benevolence of the retailer. One of our interview partners stated that some of the recent COVID-19 hygiene measures actually had a positive flow-on effect in regards to customers’ trust. More specifically, when Yum! Brands provided additional safety equipment for their frontline staff (masks, gloves, etc.) at a time when it wasn’t mandatory, customers saw this as a sign that the retailer truly cared about their frontline workers, leading to positive customer impressions with regards to the benevolence of the organisation. Advanced technologies can be used to monitor compliance with this requirement ensuring that all staff are following the new regulation and further strengthen the consistency of the customer experience.

Perceived uncertainty is a significant roadblock to customer engagement and organisations need to address related trust concerns by overcoming existing information asymmetry. New provenance-tracking technologies such as blockchain, for example, have the potential to facilitate the reduction of perceived uncertainties as customers can be certain of the origin of a specific product.

In addition to the existing monitoring solutions provided by logistical service providers, there is further room to address perceived uncertainty as a trust concern. For example, one could envisage a dashboard with actual performance standards in each Australia Post outlet. This would provide the customer with real-time information about the delivery times to be expected, an area of tremendous uncertainty especially during COVID-19. The fact that Uber provides real-time estimates at airports is another example for how organisations try to address perceived uncertainty and via this aim to build trust.

The business capabilities related to perceived uncertainty involve;

1. Performance transparency is the communication of actual process performance and activities that otherwise would remain invisible to the customer. Perhaps a customer is only willing to buy a product online, if they can be 100% assured they will receive it within 3 days. Another example are food items such as sushi which rely on their freshness to be sold. This is one reason why Sainsbury, the second leading grocery store in the United Kingdom, established grab-and-go sushi bars in their stores in 2017 (Figure 5). Highly trained chefs transparently using fresh ingredients is a clear sign to the customer of the premium quality of the sushi on offer. The transparent process overcomes perceived uncertainty with regards to the product quality and is a trust mechanism now used by many retailers globally. Domino’s provides a transparent process of their pizza
1. Delivery. Customers can see online at what stage the pizza preparation is at, a photo of the pizza once cooked, information as to who the delivery person is plus monitor the expected time of delivery in realtime.

2. **Supply chain transparency** ensures customers have visibility of the retailer’s supply chain. In 2018, Alibaba’s Hema supermarkets in Shanghai launched the ability for the customer to be able to trace products in-store. This was achieved through the Hema app where the customer can scan the product’s barcode, upon which the details of the product, including the supply chain of the product, are presented.

3. **Context transparency** increases transparency in terms of the individual fit of a product for the customer. This is facilitated through augmented shopping technology which allows customers to engage with the products contributing to the selection process through various levels of digital interaction. This can include virtually trying on various products, such as Sephora’s augmented reality mirror (Visual Artist) that allows customers to virtually colour match products, aiding in the product selection process. In a similar way, Dior uses augmented reality to allow customers trying on glasses using their smart phone. The British high-end department store chain John Lewis & Partners offers a virtual reality experience called ‘Visualise your Space’ to visualise products in their customers’ homes.

4. **Delivery transparency** makes the delivery of a customer’s products transparent, such as Australia Post’s tracking services, and gives insight to the location of eligible products at any given time. Advanced tracking solutions include temperature and other metrics to be kept during shipment.
The fourth and final element of uncertainty is **vulnerability**. As long as the remaining uncertainty is real, there is an actual risk that the customer will be disappointed; products might arrive too late, damaged or not to the liking of the customer. Vulnerability is about how the retailer deals with such cases. The better vulnerability is managed, the lower the costs and inconvenience are for the customer to deal with this vulnerability, and the more he or she will trust the retailer.

For example, some transport companies (e.g., Deutsche Bundesbahn) provide a discount that correlates with the extent of the delay in the delivery. McDonald’s has initiatives in which a customer will get their burger for free, if they need to wait for more than three minutes.

The most common form of vulnerability management is the retailers’ return policy. The uptake of online shopping has meant that customers only experience the actual product when it arrives at home. Thus, customers are exposed to vulnerability, if disappointed. As a response, retailers aim to make the return of the parcel as convenient as possible. Amazon, for example, allows its customers to simply put the return parcel into a mailbox, even toying with the idea to pick up a return parcel from the customers’ car using partnerships with selected car manufacturers (e.g., Audi) and temporary e-keys to the customers’ boot. This advanced form of collecting unwanted items requires an existing base level of trust, but then can further elevate it.

Vulnerability management can have an enormous economic impact on a retailer. The German online retailer Zalando, for example, has a return rate of up to 50%.

The extent to which companies are able to deal with vulnerability concerns depends on their product and service portfolio. An organisation such as Australia Post has firm performance data (e.g., promised delivery standards) and vulnerability mechanisms (e.g., insurance) that can easily be attached to their products. This is different for retailers who trade in experience products (e.g., overseas travel) and who have contemplated, but not further proceeded with a ‘good weather’ insurance for its travellers.

An alternative form of vulnerability management is not to deal with the implications of insufficient product quality, but to reduce the related costs for the customer. The less the customer has to lose, the lower is their vulnerability. For instance, 7Eleven manages the vulnerability of its customers by offering $1 coffee and tea in its Australian stores. It might not be the city’s award-winning barista, but it is most certainly a coffee with low costs of vulnerability.

In order to mitigate the effects of vulnerability, we differentiate between prevention and response capabilities.

**1. Prevention** means processes are put in place to significantly reduce the possibility of service failure. The exploding costs of returned items are a massive burden for online retailers. FitFinder supports fashion e-commerce sites via an add-on that provides an intuitive size advisor. It now delivers increased size accuracy to online retailers such as The Iconic, ASOS, The North Face, and Tommy Hilfiger. This is achieved by reviewing past purchases for appropriate fit, as well as discussing fit with various brands and fit preference at the point of size selection. This prevention mechanism delivers increased accuracy to the customer and as a result eliminates one source of uncertainty. This demonstrates the crucial role of trust that can be derived from previous purchases.
2. **Economic responses** are mechanisms that are put in place to mitigate the effects of service failure with an economic response. For instance, platform retailers who help customers selling items on a marketplace, might consider dropping the price when the item is not sold for a specific period. This would be comparable to the move of real estate agencies who commit to paying a certain percentage of the desired rent, if they are unable to find a client within a defined period.

3. **Logistical responses** are returns process with extreme convenience for the customer. For instance, in 2019 e-commerce giant Amazon not only made returns for thousands of products free, but expanded to label-free and box-free returns at thousands of locations convenient to the customer.

4. **Customer-detected response** is when the retailer has measures in place desirable for the customer to notify and mitigate an issue with the retailer. For instance, online fashion retailer, the Iconic, has a returns policy of either full refunding for your purchased product, or selecting 110% store credit. Both options require the customer to initiate and indicate the occurrence of the vulnerability in the first place. Furthermore, such responses need to be tailored to the customer’s preferred compensation. Some customers might prefer a discount while others value an additional free item. This is where context-aware technologies are essential to build tailored trust mechanisms.

Confidence Management

Unlike uncertainty management, confidence management as the second facet of trust management does not change the products, services or processes of an organisation. Instead, it targets the provision of information to increase a customers’ confidence in the relationship with the identified uncertainties and vulnerability. As part of confidence management, retailers need to provide credible information which increases the customers’ level of comfort with the decision to purchase. Depending on the characteristics of the process and the profile of the trust persona—that is, individual preferences and attitudes—some sources of confidence might be more important than others. In the following, five alternative sources of confidence will be discussed.

Customer review management:
A quantitative source of confidence is information covering the behaviour or experiences of the majority of customers, such as peer reviewed ranking. This is mainly incorporated through ranking systems provided by either independent platforms or the retailer themselves and could take the form of quantified customer feedback (popularity as expressed by ‘likes’ or 1-5 ranking) or sales information (most sold, lowest...
This is called ‘democratic confidence’ as it reflects the vote of the majority of customers, a source popular for less complex items. Ikea has incorporated the online benefit of such a feature even into their in-store experience by including real customer reviews on particular items (Figure 6). This increases confidence of the customer then and there, without even having to source this review themselves or going online in-store.

**API management:** A user might not trust general trends or ranking information. However, there might be trusted people whose (positive) experiences with the retailer could be confidence-building (i.e., experiences of friends). API management involves utilising an existing trusted relationship to be activated as a source of confidence in the context of a retail interaction. Examples include Facebook or LinkedIn connections being displayed alongside products to show which known contacts have purchased (or liked) the product. If the user can be motivated to share their trust network with the retailer, and this is facilitated by the provision of the required API, trusted users can be identified. Facebook’s move towards eBay-like retail environments (Facebook Marketplace) shows how the social media giant capitalises on local trust networks as a source of competitive advantage. This ‘local confidence’ relies on access to known people as a source of credible information.

**Influencer management:** In the case of high value products and services, majority statements (of a general population or sourced from a local trust network) might not be sufficient. Instead, what is needed is the confidence that can only be derived from a person with a high reputational value. This can be found, for example, in Amazon’s book recommendations, Wikipedia’s selection of editors, or LinkedIn endorsements. Amazon’s expert recommendation (Figure 7) is an example for how the online retailer makes detailed product reviews available for specific products. Called ‘global confidence’, this embeds the views of recognised experts as a trust mechanism.

**Community management:** In some cases, trust can only be derived from users who share a number of essential attributes with the customer. For example, Patientslikeme.com is a network of more than 600,000 users that allows people with health issues to identify other patients with similar demographics and symptoms who have successfully overcome the identified health problem. A study of the behaviour of a specific class of patients (e.g., 90% of them took a certain medication) can be a relevant source of trust for users when deciding about their very own therapy.
In these processes, confidence needs to be built within an individual user who could not derive trust from their trust network (as no member of this network has experience or familiarity with this medical issue). ‘People like me’ is a trust-building mechanism that, according to the Edelman Trust Barometer\(^8\), ranks third highest in terms of credibility. This is ‘special confidence’ as confidence can only be derived from individuals who have the same, special circumstances.

**Digital trust management**: Digital trust becomes relevant when the technology used by the retailer has developed a level of maturity that it is commonly trusted. Examples are the use of calculators in invoicing processes, digital in-store displays or navigation systems in delivery processes. Recent digital technologies (e.g., AI, Blockchain) take robotic trust to new levels of sophistication. Assessing under what circumstances a retail customer trusts such technologies more than retail staff will be one of the key challenges retailers face in the coming years in terms of trust management. Retailers, however, who are able to integrate such trust-focused technologies early and at the right points if interaction into their supply chains, will have competitive confidence mechanisms that could make a significant difference in a world hungry for trusted relationships.

Figure 8 summarises the nine capabilities needed to manage trust comprehensively, i.e. in both of its facets, uncertainty and confidence.

---

Fig. 8: Components of Improved Customer Trust

---

\(^8\) Edelman (2020). Edelman Trust Barometer.
Trusted Retailization

Though the focus of this paper has been on trust opportunities for traditional retailers, the implications and recommendations provided here go beyond sectorial boundaries. The urge to provide personalised services in an increasingly trust-intensive environment can also be found in domains such as healthcare, insurance and banking. As a result, the term ‘retailization’ has emerged describing the adoption of a retail-like mindset and retail best practices in other industries. And retailization of higher education is no exception.

The more universities include external content into their lectures, the more they adopt the brokerage model of a retailer. Moreover, digital delivery channels have been amplified during COVID-19 and as a result omni-channel management has now also arrived in the higher education sector. These trends have increased the trust intensity in universities and require a new set of actions and technologies.

Take Queensland University of Technology and its implementation of HiQ, its first point of contact for staff and students, as an example. HiQ provides a centralized engagement via a physical space and digital channels (website, app). This has reduced uncertainties grounded in a plethora of previously decentralised touchpoints and standardized quality of service. So called student ambassadors provide trusted peer-to-peer advice (‘students like me’), if needed in various languages. The ongoing digitalization of the engagement reduces perceived uncertainties with regards to the status of enquiries.

Universities and their campuses can benefit from the same solutions that help to create trusted retail environments, including space density management or car park management. Realtime occupancy management is important to adjust lecture spaces to actual class sizes to ensure consistency in the students’ experiences. As universities become more porous and engage differently with their environment (e.g., host entrepreneurs on campus), digital identity management becomes even more important for the trusted campus of the future.
Conclusion

A data-intensive and technology-enabled retail landscape plus increased online shopping activities have increased the pressure on retailers to be a trusted provider. However, despite the attention it is getting, trust remains an elusive term. Our research has shown that the executives of large retail organisations are now committed to making trust a primary concern, to boost the trust literacy in their organisations and to take full benefit of trust-enabling technologies. In fact, increasing the trust intensity of the customer engagement leveraging contemporary technology is seen as a significant opportunity.

This report provided a number of trust mechanisms to address moments of trust along the customer journey. In particular, we elaborated on uncertainty and confidence as the two main areas of focus for trust-committed retailers. In addition to core trust, i.e. the ability to provide as expected, retailers have the innovative option to explore extreme trust and take over activities that so far have been in the hands of their customers (e.g., product selection). Most trust-related capabilities are firmly grounded in technologies that are on the one side requiring new forms of trust and on the other side build trust. Complementary, authentic communication is required to build the trust required. Here retailers have to explore to what extent they need to explain technologies as opposed to build confidence in these.

Trust management is a discipline in the making and competing on trust has the potential to be a differentiating factor for ambitious retailers. It can be expected that common and comparable trust measures will emerge and that we might even see dedicated forms of trust governance like it already exists in some of the global tech companies who start establishing a Chief Trust Officer.
Recommendations

1. Trust Profiling
The first step involves evaluating the level of trust intensity required for customers to engage with you as a retailer. This profiling occurs across four dimensions.

1.1 Input: How much does the customer have to contribute in terms of financial commitment, private data or personal contributions, and what are the related uncertainties?

1.2 Process: What processes matter to the customer and what are related uncertainties?

1.3 Staff and resources: What uncertainties do exist with regards to the quality of service of our staff? What are resource-related uncertainties (e.g., reliability of technology)?

1.4 Output: To what extent are there uncertainties with regards to the products and services provided? Are they well-known or unique, experience products and services?

Visualise the trust intensity in these four dimensions in a trust profile to have a clear understanding of where in your organisation trust matters.
2. Understand customer trust concerns
Assess the actual trust customers have in those areas that are trust-intensive. Identify trust concerns (e.g., via a trust campaign) and cluster responses in distinct trust personas. Understanding customer trust concerns, will empower you to address the most relevant trust concerns of distinct cohorts of customers using trust mechanisms and trust technologies.

3. Map your trust
The third step involves mapping the previously evaluated trust intensity related trust concerns onto the trust matrix. This can be done for the entire firm at a holistic level, or at a more granular level to include specific products and services to reflect the different customer groups you serve. This exercise visualises where your trust strategy is currently situated, where you ideally would like it to be, and what is required in terms of increasing confidence and/or decreasing uncertainty.

4. Manage trust strategically
The forth step surrounds agreeing on the trust play of your organisation. Do you focus on core trust only or are there opportunities for extreme trust? Do you plan to further increase the trust intensity of your offerings? Could you use trust as a new source of competitive advantage?

5. Manage trust operationally
In light of trust profile, trust concerns and intended trust play, the final step involves decreasing uncertainties and increasing confidence. You need to address systemic uncertainty, behavioural uncertainty, perceived uncertainty and your customers’ vulnerability. When managing confidence, the following capabilities can be used, customer review management, API management, influencer management, community management and digital trust management.
An explicit and innovative approach towards trust requires new capabilities and familiarity with trust terminology. Here are the key terms discussed in this paper.

1. **Trust**: The confidence of a customer into a retailer’s ability, benevolence and integrity despite existing uncertainties.

2. **Core Trust**: The expectation of a customer that a retailer can deliver to its promise.

3. **Extreme Trust**: The expectation of a customer that a retailer can perform better than the customer herself.

4. **Trust Persona**: A semi-fictional character representing a large cohort of customers used to explain a common trust position.

5. **Trust Intensity**: The extent to which the trust of a customer is required differentiated into the four dimensions input, processes, staff and resources, and outputs.

6. **Trust Profile**: The visualisation of the trust intensity across four dimensions.

7. **Trust Matrix**: A matrix with the two dimensions trust intensity and trust concerns leading to four distinct trust positions.

8. **Trust Journey**: A visual map of the trust intensity along a customer journey clearly highlighting moments of trust.

9. **Trust Mechanism**: An approach to either reduce uncertainty (e.g., automate a process for higher predictability) or to increase confidence (e.g., making expert product reviews available).


11. **Chief Trust Officer**: The leading role in the organisations’ trust governance with responsibility to define, lead and operationalise trust management.
The Author

Prof Michael Rosemann is the Director of QUT’s Centre for Future Enterprise. His main areas of research are trust management, innovation systems and business process management. Dr Rosemann has published more than 300 refereed papers and his eight books have been translated into five languages. His research has shaped global research and impacted professional practice. He is also the Vice President Strategic Partnerships for the Association of Information Systems and the Honorary Consul for Germany in Brisbane.

Ms Chelsea Phillips provided essential support to this paper via the interview process, supporting the analysis of primary and secondary data and with the overall write-up. Ms Phillips is currently a PhD candidate at the Queensland University of Technology and has worked as a research assistant on many industry-facing projects.

Acknowledgements

We would like to thank the following executives for their participation in our interviews; Jason Cahill, Greg Creed, Gert-Jan de Graaff, Julie Laycock, Ben McConnell, Angus McKay, Alisa O’Connell, Meg Raynor and Roger Sniezek.

We also like to thank the valuable contributions by Bill Farnsworth, Global Strategy Lead, Retail Industry, Cisco; Brian Chung, APJC Business Development Lead for Retail Industry, Cisco; and Prof. Gary Mortimer, Retail Consumer Behaviour Researcher, QUT.