

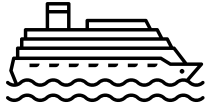
CUSTOMER DATA ADVOCACY

WEGE ZU EINEM VERTRAUENSVOLLEN UMGANG MIT
KUNDENDATEN AUS SICHT DES MARKETINGS

DANIEL GLINZ



THE DIGITAL ECONOMY AND ITS DATA DRIVEN BUSINESS MODELS ARE ON A JOURNEY TOWARDS TRUST-BASED CUSTOMER RELATIONSHIPS



Digital Economy

Data driven business models

Growth of data

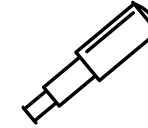
Centralized, ad-centric

Data driven across segments

Steady erosion of privacy

Blind trust in fair and lawful

Pervasive concerns



Marketing

Expectations

Empowerment

Decreasing loyalty

Genuine intent

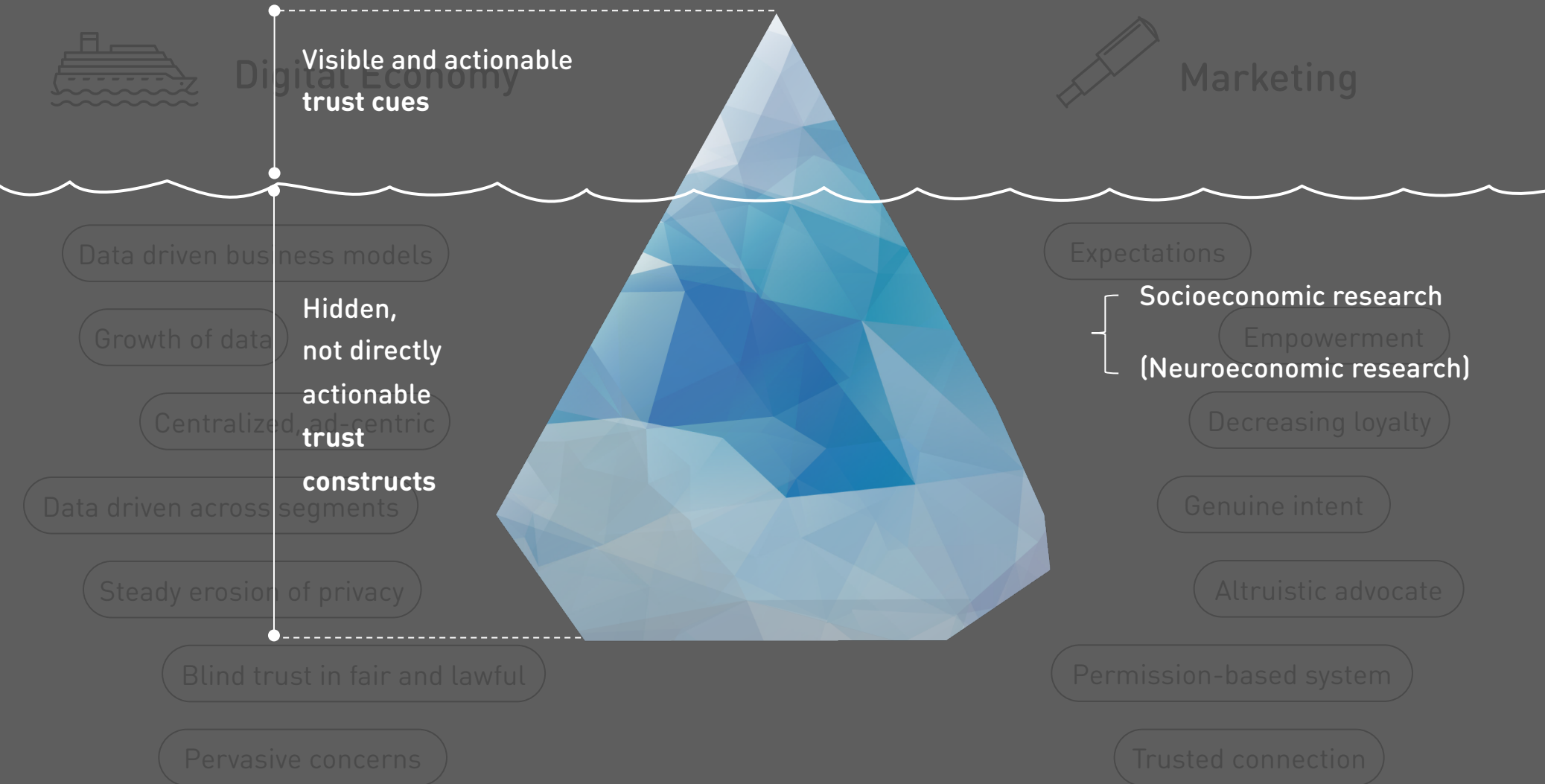
Altruistic advocate

Permission-based system

Trusted connection

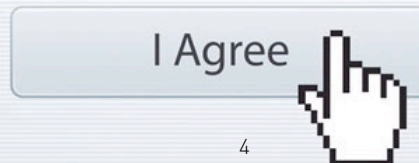


THE DIGITAL ECONOMY AND ITS DATA DRIVEN BUSINESS MODELS ARE ON A JOURNEY TOWARDS TRUST-BASED CUSTOMER RELATIONSHIPS



TODAY'S ADD-CENTRIC BUSINESS MODELS PROVOKE PERVASIVE CUSTOMER CONCERNS

Terms **and**
Conditions
May **Apply**



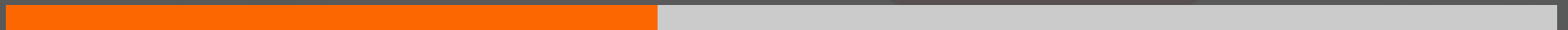
Source: tacma.net, 2013

TODAY'S ADD-CENTRIC BUSINESS MODELS PROVOKE PERVASIVE CUSTOMER CONCERNS

European Citizens who don't have full trust in internet companies ¹⁾ 78%



US Citizens who do not trust the business sector at all regarding their data practices ²⁾ 42%



German Citizens who are not confidence in security of personal data ³⁾ 71%



US Citizens who are very much concerned regarding the transparency about data use ²⁾ 80%



Consumers globally who are willing to share additional personal data in exchange for additional services or discounts ³⁾ 67%



I Agree



Source: 1) European Commission, 2014; Eurobarometer 2011
2) Whitehouse.gov, Big Data Report, 2014
3) Accenture, CMT Digital Consumer Survey, 2014

ADVANCES IN TECHNOLOGY AND COMMUNICATION HAVE GIVEN RISE TO A MORE EMPOWERED CONSUMER

More demanding

Increased expectations;
Convenience, flexibility and
personalization are a given

More diverse

Global growth of women
in the workforce

More hedonistic
It's all about me



More tech-savvy
Wider range of powerful
devices and apps,
more connected



ADVANCES IN TECHNOLOGY AND COMMUNICATION HAVE GIVEN RISE TO A MORE EMPOWERED CONSUMER

PUSH-PULL MARKETING

- Mass marketing
- TV
- Limited supply
- monopolistic structure
- obsolescence and saturation

CUSTOMER RELATIONSHIP MARKETING

- One-to-One Marketing
- Internet
- Oversupply
- Individual approach
- Customer behavior and preferences

CUSTOMER ADVOCACY

- Mutual dialogue and partnership
- Empowered customer
- Customer Satisfaction
- Total (Service) Quality
- Honesty and unselfishness

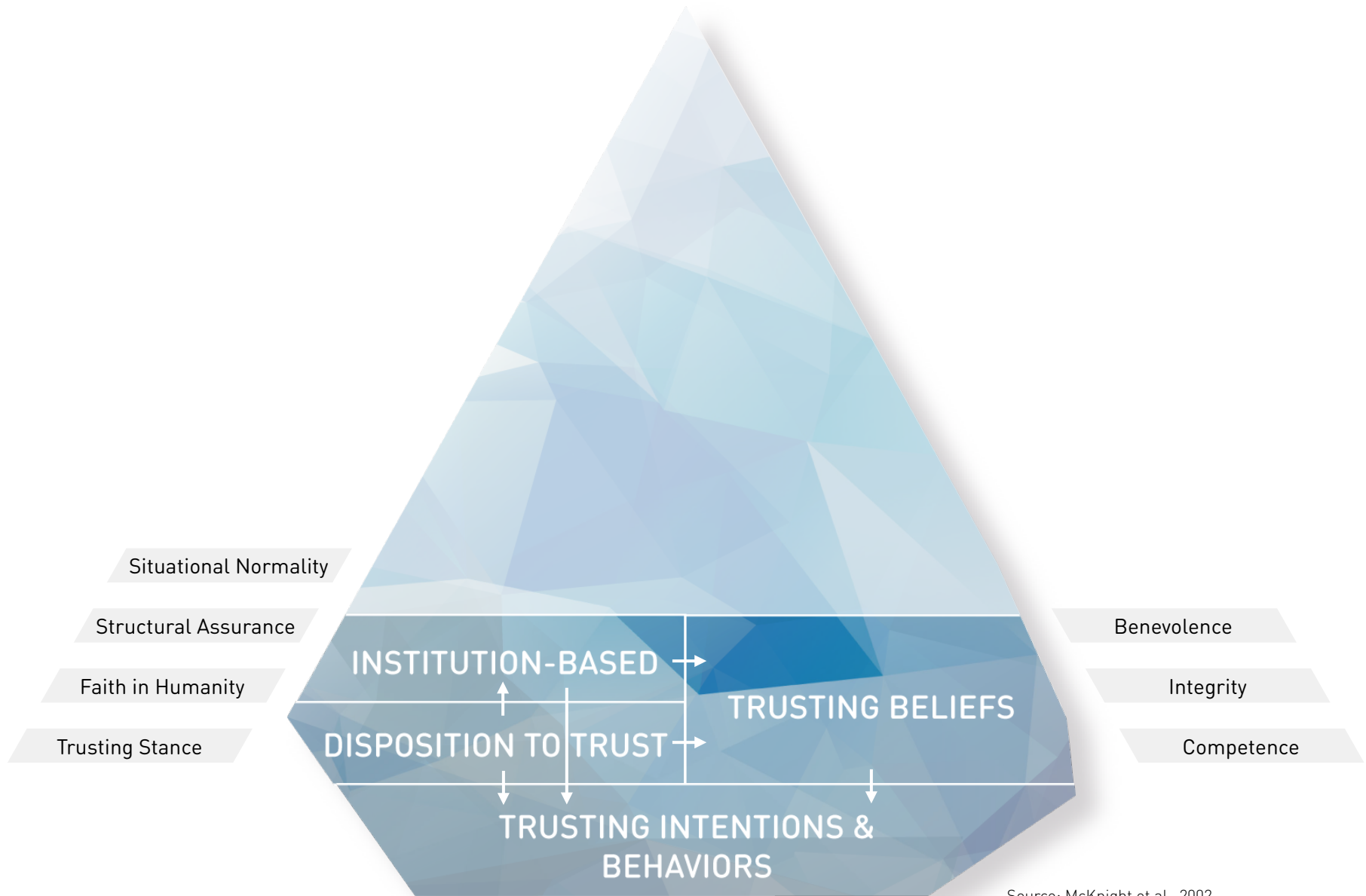
BY TRUSTING, USERS ENGAGE IN COMPLEXITY REDUCTION AND RENDER
THEIR SOCIAL SURROUNDINGS MORE NAVIGABLE

"TRUST IS THE **WILLINGNESS** OF A PARTY
TO BE VULNERABLE TO THE ACTIONS OF
ANOTHER PARTY [...]."

MAYER ET AL. (1995)

Source: Jeremy Segrott on Flickr.com, 2015, CC Attribution 2.0

TRUST FORMATION - AS A MENTAL CALCULATION - IS DRIVEN BY COGNITIVE STRUCTURES (SCHEMATA, SCRIPTS)



Source: McKnight et al., 2002

INTERNET USERS CONSIDER A NUMBER OF TRUST CUES OR SIGNALS



Source: Hoffmann et al., 2015, Helbing, 2015

EFFECTIVENESS OF CUES DIFFERS BY USER CHARACTERISTICS & TIME



RESEARCH INDICATES THAT THREE DIFFERENT ONLINE USER CLASSES CONSIDER TRUST CUES DIFFERENTLY



DIGITAL NATIVES



NATURALIZED DIGITALS



DIGITAL IMMIGRANTS

AGE

- Younger:
born after 1980, <25

- Middle-aged:
mostly 26 to 65

- Older:
mostly > 45, many >65

EDU

- Mostly still in school

- Higher levels of education

- Lower levels of education

PROF

- Mostly students

- (self-) employed;
many in service sector

- Many pensioners &
homemakers, trade/crafts

SKILLS

- More active,
experimental,
social media

- More active, most
experimental, social media
& traditional use

- More passive,
less experimental,
traditional use

Source: Hoffmann et al., 2015

RESEARCH INDICATES THAT THREE DIFFERENT ONLINE USER CLASSES CONSIDER TRUST CUES DIFFERENTLY



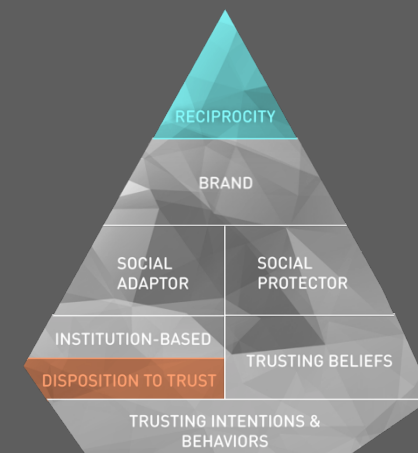
- Strong effects of brand
 - Least interested in risk/return consideration
- Familiarity & situation normality rather than case-specifics



- Reciprocity, bands and recommendations drive trust
- Consider a variety of cues
- Ease in establishing new scripts

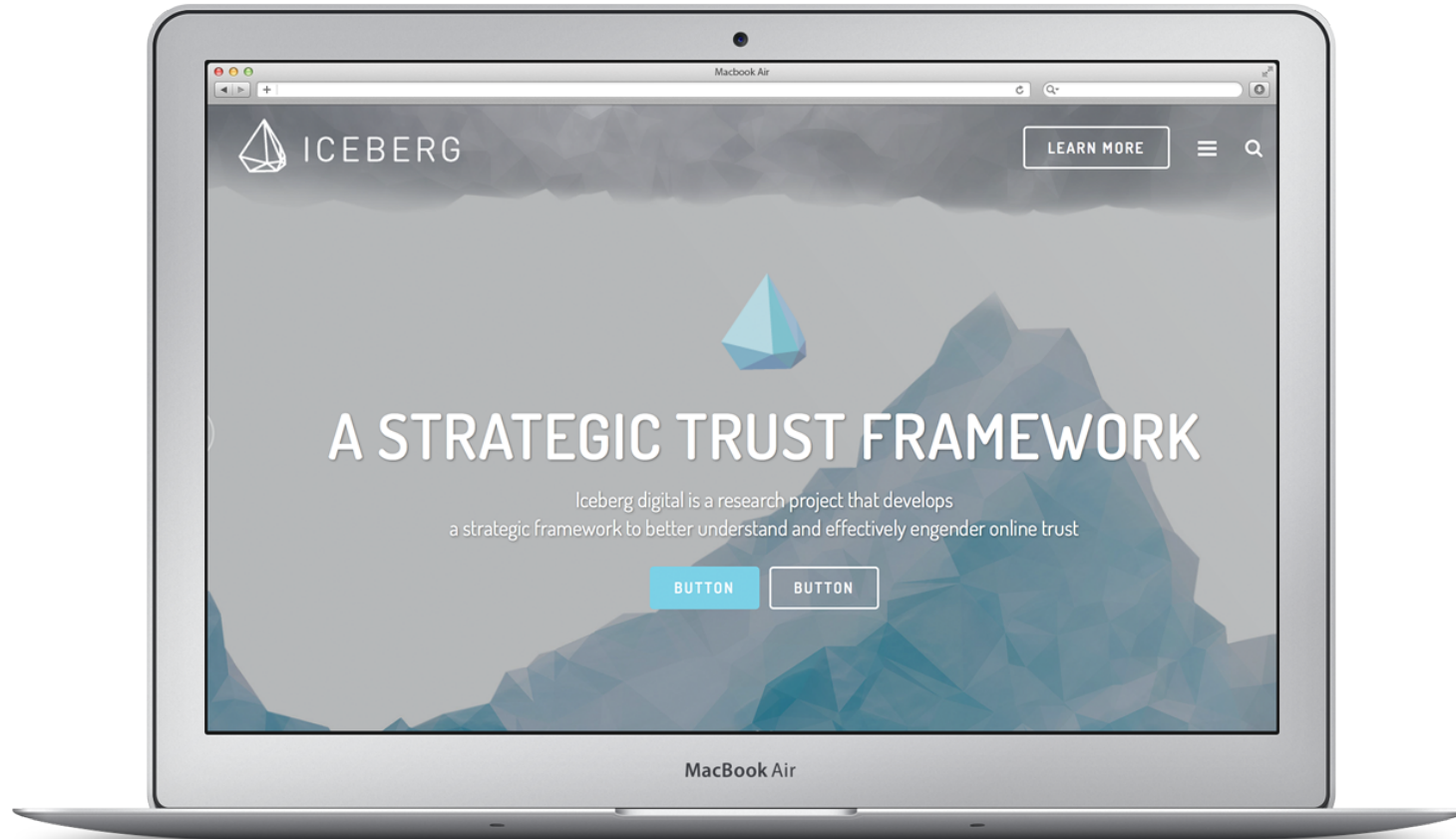


- Strong focus on reciprocity
 - Little brand loyalty
- Transparent information
- Transaction specifics



Source: Hoffmann et al., 2015

DIGITAL TRUST IS THE CURRENCY OF TODAY AND WILL BE CENTRAL TO DEFINING THE WINNERS OF TOMORROW



For more information about digital trust
visit: www.iceberg.digital