

The Importance of Trust in Business

In my grandfather's day, business was done with a smile and a handshake. Many would say it was a simpler time. Trust was built up, often over the course of years, and when push came to shove a person's reputation was their most important asset, to be protected at all costs.



In a global world, trust is more important than ever, especially when it comes to your relationship with your customer. A certain amount of trust is necessary in order to simply negotiate a transaction. Your potential customer has to feel comfortable that you will deliver the agreed upon product or service in a timely manner, and that you will charge the agreed upon price. In today's electronic world, reputation is often calculated online through the shared experiences of others—eBay and Amazon Marketplace have good examples of tools that provide this—and buyers and sellers both take care to cultivate a reputation for honesty.

But the sale itself is not where your responsibility for the transaction stops; you have to extend the trust to protect the details of the transaction as well. When I pay with my credit card or a check, I trust my vendors with valuable information, and I expect them to treat it as such.

I suppose I've been fortunate. The only time I've ever suffered credit-card fraud is when an in-store employee copied my card number and used it to make inappropriate—and expensive—telephone calls from the phone in the break room. A quick investigation solved the mystery and an apology and sincere assurances from the manager that the problem had been dealt with restored my faith in the store, but it opened my eyes to the challenge businesses face in maintaining trust.

Today, it's becoming increasingly likely that the tone of many of our business dealings is changing and deepening. Businesses seeking to provide more satisfaction to and derive more value from customers are embracing a shift from transactions to interactions. Interactions are more complex than transactions—they require the collection of more useful information in order to be fulfilling. If you have more information about me, you are more able to understand my requirements, what I care about and better serve my needs. In return, I'm more likely to value our relationship and become a loyal customer. But protecting that personal information you've gathered is key to maintaining my trust.

The other day at the vet, I noticed the thousands of customer files stored in plain sight behind the reception desk. Those files are full of personal details including the number and type of pets that each person owns and the customers' payment information. I wondered how well protected that information is, sitting in the open like that. And then I realized with a start that those files are nothing compared to the data that retailers, financial institutions, and service providers gather on a daily basis.

I'm sure your privacy policy defines how you use the customer information that you gather; your security policy should define how you protect it. Putting the proper security tools, systems, and policies in place is important. Now new MIT research finds that most agree that our greatest challenge is in creating a culture of security, in instilling the importance of security and protecting the customers' information into each and every employee. In the global, connected world, your reputation depends in large measure on the success of all of these efforts, and your customers are depending on you.

A fair deal, a secure transaction, and the confidence that whatever personal information is exchanged will be appropriately protected is today's smile and a handshake.

A handwritten signature in black ink, appearing to read 'Roger Farnsworth'.

Roger Farnsworth
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