

TRA's BRAND TRUST REPORT

India Study 2020



Power of Trust

Understanding the Brand Trust Report 2020 methodology

A brand an expression of consumer's trust. In the 10th edition of TRA's Brand Trust Report 2020, the brands listed are those which have managed to gain and retain trust despite the harrowing times of Covid-19. These are brands that have followed a consumer-centric brand model, and consumers have rewarded them with their trust.

TRA, a consumer insights and brand analytics company, has for the last ten years, been conducting syndicated research with consumer-influencers, the 10% of the population that usually influences the balance 90%. A brand is a manifestation in the mind of the consumer, and TRA's studies consider the perceptions in the minds of the consumers' to the final test of a brand's rating as an accurate barometer of the Brand Trust® that they hold for the brand.

Marking its 10th anniversary this year, TRA's Most Trusted Brands 2020 was based on 10 brand behaviour of Brand Trust® and was conducted among 1711 consumer-influencers across 16 cities.

Understanding the Brand Trust Matrix

TRA embarked on a mission to find a method to quantify Brand Trust® by first understanding its primal attributes. Over years, we spoke to several hundreds of psychologists, sociologists, anthropologists, and communication experts to comprehend trust. After empirical and pilot testing, TRA formulated the Brand Trust Matrix counting 61 attributes which make 10 brand behaviours, which further converged into 3 Foundations of Trust. The three Foundations of Brand Trust are:

1. Building Capacity to Trust
2. Building Perception of Positive Intent
3. Demonstrating Relevant Competence

These three Foundations of Brand Trust comprise of 10 Brand Behaviours which are classified for easy application in business scenarios. A Brand Behaviour may be considered to be a business trait that combines primary components which display common behaviour in a brand and business. These are explained in the following sections, under the Trust Foundations they have been classified under.

First Foundation - Building Capacity to Trust

An environment of Trust is an essential for the trustor to assume the necessary vulnerability needed for the trust bond to form. The essential need of this Foundation is that the brand must emanate messages and signals that make a stakeholder feel comfortable to let their guard down. It has to emerge from a perceived genuineness of the brand. The Brand Behaviours that make up Building Capacity to Trust are, Non-Threatening Ambience, Shared Interests between the brand and consumers, Displaying Empathy.



Non-Threatening Ambience

A brand needs to create an ambience that is welcoming – conducive to the stakeholder and one in which the stakeholder feels secure. If intimidated by a brand, it will prevent consumers to explore the brand. A non-threatening ambience offers consumers the freedom to initiate trust in the brand. This helps brands to begin the process of building a relationship based on trust with its consumers.

Shared Interests

Birds of a feather, they say, flock together. Such is also the case with brands and its stakeholders. A relationship of trust is formed between the two based on their common interests, implying that the brand should have interests aligned with its stakeholders. The mutual compatibility helps to strengthen and enhance the trust bond. When consumers believe that the brand shares a common interest with them, it also helps them come in sync with its values and beliefs. The outcome of this relationship is greater understanding and acceptance of the brand.

Display of Empathy

Empathy is known to increase prosocial behaviours. Empathy is important to let the brand stakeholders know that their problems are not theirs alone and that they can trust the brand to help solve them. Empathy is important for any relationship to survive, when a brand showcases their emphatic side, they create a bond with their consumers. Such a bond generates and builds a stronger connection between the two that goes beyond just a transaction. Empathy is a natural human need and by strengthening this trait, brands gain trust from consumers. If a brand displays empathy, empathy will be very naturally reciprocated in the form consumer trust.

Second Foundation- Creating Perception of Positive Intent

To reinforce consumer trust, brands should showcase that their intent in the relationship is benign. The energetic vibe of optimism attracts people towards its presence. Consumers are constantly recalibrating the intent of brands, and small behavioural slips can make them rescore their trust. On the other hand, brands that display their positive intent over long periods of time will inevitably beget consumer trust. Perception of a brand's positive intent reflects in the three Brand Behaviours which are Demonstrated Sincerity, Altruism and Enthusiasm.

Demonstrated Sincerity

Sincerity is a virtue of one who speaks and acts in line with their values and beliefs. A brand displaying sincerity illustrates a commitment to the values and beliefs the consumers themselves hold. Such action also portrays genuineness of a brand. Sincerity has both social and personal implications and is measured through honesty-of-effort. The outcome may be important, but just the sheer effort of trying will build trust in a brand.

Altruism

Evolutionary scientists speculate that altruism has deep roots in human nature because helping and cooperation promotes the survival of our species. Though many believe that as humans we have an intense need to compete, research shows that the need to cooperate is much higher than to compete. When brands reveal their cooperative side, they are seen as altruistic and socially well-balanced. Displaying corporate altruism portrays the brand as understanding and having a sense of social responsibility. This generates consumer trust and respect towards the brand.

Enthusiasm

Henry Ford famously said, "You can do anything if you have enthusiasm." Enthusiasm is an inspiring zeal that creates a dynamic interest to accomplish the task at hand. The key to brand enthusiasm is to move beyond a product's function and build an emotional connection with consumers. A brand should not only be enthusiastic in everything it does and says, but it must also create a sense of enthusiasm amongst consumers. Enthusiasm helps forge brand loyalists who will vouch for the brand and enthusiastically support the brand.

Third Foundation - Showcasing Relevant Competence

According to research conducted by Fidelum Partners in collaboration with Princeton University, customers perceive companies and brands in the same way that they perceive people, assessing them for warmth, competence, and so many other human attributes. The Third Foundation thus highlights the importance of consumers assessing a brand on their spontaneous judgments and perceptions. Brands need to showcase their competence and expertise to garner respect and consumer trust. Any person or brand needs competence to successfully and efficiently carry out a duty. By doing so they prove to be worthy for the position they hold.

The founding base of competence rests on the Brand Behaviours of Outward Appearance, Perceived Competence, Commanding Respect and Authority.

Outward Appearance

Much as in humand, a brand's first appearance sets the stage of how consumers view the brand and develop their mind-image of it. Consumers form opinions based on their own unique tastes, values, and beliefs based on a brands outward appearance. They are drawn to a brand because of the image that is in front of them. If consumers are not drawn to the brand, they will not acknowledge its existence and without this acknowledgement the brand loses the opportunity to capture consumers' trust. Outward appearance is also a critical component in maintaining high brand value. Outward appearances have immense influence on consumers; a well-designed product is more likely to entice the consumer to trust the brand. Most important in Outward Appearance, more than even aesthetic appeal, is that the brand must look its part, keeping the Outward Appearance in line with the core brand offering.

Perceived Competence

Perceived competence is based on stakeholder evaluation of a brand's effectiveness and capability. It is characterized as a brand's beliefs, expectancy, abilities, skills, or capacities, to be effective in interactions within its environment. Brands should not `only be perceived as competent but should exhibit their capability as well. Brands should therefore display strong expertise, experience, credentials, and knowledge to live up to the belief of their consumers. Such behaviour helps in strengthening consumer trust and building their perception towards the brand.

Commanding Respect

It is important for a brand to be respected by consumers so that they can trust and believe in it. With a large following a brand shows it has strength in terms of regard and recognition. Naturally to command respect, a brand must influence and inspire a large number of stakeholders, and this generates both trust and admiration. Also, brands know the importance not only commanding respect but also on maintaining this respect. The brand leads the way in accordance with its values, beliefs, dignity, and grace, in order to gain a strong character. Commanding respect places a brand to be a good role model and one that leads and inspires consumers.

Accepting Responsibility

Accepting responsibility is accepting the willingness to take up the responsibility of the brand, its stakeholders and the environment in general. A brand accepting responsibility for their actions highlights their concern and understanding towards consumers displays the maturity of the brand. Further, in times of crisis, consumer trust is enhanced when a brand has the courage to accept its failures and take responsibility for its actions. The innate sense of responsibility and the attitude to take on whatever task needs doing attracts consumers. Traits like persistence, perseverance and tenacity when adopted and incorporated widen the scope of consumer trust.

A new degree-of-difficulty

In the last few months, all facets of society have had to adapt to the evolving circumstances due to the impact of the on-going pandemic. The study has been traditionally done through an app in face-to-face interviews. While telephonic interviews were considered at first due to the lockdown protocols and possible fear of Covid we abandoned that method, as we strongly felt that being in the presence of the respondent bettered the responses.

The next big challenge was to find such respondents who would be willing to entertain the interviewer in a face-to-face interaction. Adding to the troubles most were working from home and there were hardly any offices functional and offices are usually relatively easier to take appointments. Apart from masks and sanitization protocols, the six-foot distance was strictly enforced on all interviewers.

Appointments were taken of all respondents before the interviewers went to their homes. Some 35% of the interviewers were allowed into respondent homes for the interviewers – and most of such non-metro respondents. About 40% of the respondents allowed interviewers to take interviewers just outside their homes. For the balance 25%, the interviewers made calls while facing the respondents physically, but standing just a bit more distant so that the advantages of a face-to-face were not compromised.

Why go through all this trouble you may ask? Its because in the last 10 years and 15 reports that we have created, we understand well that the quality of data is much dependent on respondent interest and focus, which sharply drops in the telephonic interview.

If in normal times, interview terminations were at 40%, Covid doubled it to 65%. Terminations are incomplete interviews due to various termination criteria set in the questionnaire due to some mid-interview ineligibility cropping up, or because there is an interruption in the interview process. We have always had an important criterion to avoid extraneous influences that the entire interview must be conducted in one sitting.

The fieldwork was conducted between September-end and November-end 2020, and after nearly 6000 hours of fieldwork, verifying, authenticating, and data analysis, TRA's Brand Trust Report 2020 is finally out.

The TRA data is used by scores of brands to improve their marketing and advertising communication as also for actionable insights to align brands to consumers. It was imperative that TRA insist on data accuracy with multiple levels of scrutiny. Interviewers' testing, process quality, 100% back-checks, stringent quotas, data entry inspection, and so on were all a part of the tight scrutiny. Brand Trust is only as useful as the accuracy of the data and this was measured without compromise.

The data is collected in an app specifically created for TRA surveys. It not only captures the brand data more accurately than a Paper-and-Pen-Interview (PAPI), but also captures several parts of the interview that help in respondent authentication, geo-location, voice recording samples, time-stamping, visiting card and home door pictures. The sample voice recording is taken which is useful in the respondent verification over a call where the samples are matched with the earlier recording.

The Brand Trust® Questionnaire

The Brand Trust® questionnaire has three parts to it. In the first, the respondents were asked to name 15 brands that came to their mind among local brands, national brands, and multinational brands. It allowed the interviewer to bring out several brands into the active memory of the respondent along with their interconnections, preventing selective channelization.

The second part of the trust questionnaire is related to brands and focuses on the 10 Brand Behaviours of Brand Trust. This was a deviation from the earlier years, where 61-attributes were measured, and was adapted to Covid-related challenges of respondent time. For each behaviour, the respondent had to name three brands most suited to each Brand Behaviour/showcard in response to the question. These helped display the sub-conscious trust held by the respondent

The third part focuses on the response to brands recalled in response 'Trusted Brand name', and this helped extract the 'conscious trust' exhibited by the respondent. In addition to the brand name responses, the respondent also had to give the category that the brand belonged to, and a suitability score for every brand named on a 5-point scale, giving a numeric value for the brand's trust score.

What is the Brand Trust Index®

The Brand Trust Index® is a subtle measurement and takes into account the overt and obscure Brand Trust influences – aspects of Brand Trust that normally remain hidden from scrutiny. The three parameters were:

- (i) Frequency – number of times a brand gets mentioned across all the interviews
 - (ii) Position – the average position that the brand was mentioned on – first, second or third, among the three brands asked for each brand query
 - (iii) Suitability – the average suitability that the brand was given, on a rating scale of one to five
- This part of the Brand Trust Index® (BTI) can be represented as:

$$\frac{SD_o}{SD_i} \times p_{5i} \times o_{5i} \times \bar{X}_{5i} \times 0.5$$

The other direct and visible influence on Brand Trust® was the respondent's replies to the question on Trust (the only time that the word is mentioned in the entire survey). This too is measured on the same three parameters as above, and is multiplied by 0.67 to equate the five-point scale of the second influence to the three-point scale of the first influence on Brand Trust. The second part of the Brand Trust equation can be represented as:

$$p_{7i} \times o_{7i} \times \bar{X}_{5i} \times 0.67 \times 0.5$$

The addition of these gives the Brand Trust Index™, represented by the following formula:

$$\frac{SD_o}{SD_i} \times p_{5i} \times o_{5i} \times \bar{X}_{5i} + p_{7i} \times o_{7i} \times \bar{X}_{5i} \times 0.67 \times 0.5$$

Where:

SD0 represents overall brand suitability score standard deviation
SDi represents all ith brand suitability standard deviation

o5i represents ith brand occurrence frequency of the Brand Trust

p5i represents ith brand average positions of Brand Trust

X5i represents the ith brand average suitability

o7 represents the brand frequency of occurrence of the Recall question

p7i represents all ith brand average positions of the Recall question

How brands use TRA's Brand Trust Report listings

In its tenth anniversary, TRA's Brand Trust Report has been privileged to partner and work with over 200 leading brands in India. These brands have used the Brand Trust Report listings and the consumer insights to enhance their brand's scope and relevance.

Some important applications are listed here:

1. Power of Trust symbol – Over 200 brands license the 'Power of Trust' symbol as an authentic and consumer trust rating and use it in their marketing communications

2. Buying Propensity Report – Several brands commission TRA for the consumer buying analysis to make more data-based allocations in marketing and communication. Some brands have used the Buying Propensity report to discuss future-relevant strategies in board meetings, while some investment bankers and PE funds use this data to make investment decisions in other brands.

3. Introspective intervention – The most interesting part of the application of TRA's Brand Trust methodology has been when brands have commissioned TRA for doing a bespoke study with the brand's stakeholders using The Brand Trust Matrix to bring recommendations to align internal actions to stakeholder trust.

4. Brand Derisking consulting – The greatest risk that a brand is vulnerable to is the risk of erosion (or the absence of accretion) to its Brand Trust. The bigger the brand, the greater this risk and even India's leading brands suffer this problem. TRA consults several organizations on Brand Derisking studies, strategies and approaches.