Five Key Trends of Digital Trust

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With a wide range of applications at our disposal, why are just a few widely adopted, making those apps a phenomenal success? There is a universal underlying element that determines which apps become mainstream, and it's trust. Digital trust means knowing that your personal data and payment information is secure, and that your digital data is handled with integrity and accountability.

While being digital enables agility, reliability, new revenue streams, improved customer experience, and the ability to make more informed decisions, it also brings with it vulnerability and risk. Indeed, the digital world has opened up a steady stream of new opportunities while also introducing the need for new answers to emerging questions.

For example, when over 1.7 MB of data is generated per person per second, and 2.5 quintillion bytes of data is created every day, do we trust the integrity of this data? Partnerships and ecosystems are expected to unlock $100 trillion of value for businesses over the next 10 years. Do we trust our partner ecosystem? More than 50 percent of the global population is currently online. Do we trust all of their identities?

Defining digital trust

The answer to all of these questions lies in digital trust. As described by [CIO Wiki](#), digital trust is the confidence placed in an [organization](#) to collect, store and use the digital information of others in a manner that benefits and protects those to whom the information pertains. A key enabler for high-quality digital interactions, digital trust measures and quantifies customer expectations. Although some businesses are beginning to realize the importance of digital trust and have undertaken numerous initiatives to address it, this trend is not yet mainstream, which leaves organizations that are lagging behind at a strategic disadvantage.

Viewed as the currency of digital business, digital trust encompasses every aspect of digital business and is essential to the success and longevity of today's organizations. However, trust is hard-won and can easily be squandered. Interactions behind digital curtains require establishing a high level of trust between the parties involved—easier said than done. To overcome these obstacles, organizations are increasingly appointing a Chief Trust Officer (CTrO) to oversee all things related to digital trust.

With the lines blurring between the digital and physical worlds, disparate components such as people, processes and products are coming together to work in tandem. As the centerpiece for every interaction—personal and business—trust spans both traditional and digital business models. However, digital business depends upon agile (and sometimes transitory) digital interactions and relies on digital supply chains to enable interactions. In such scenarios, digital trust is the key enabler for high-quality digital interactions.

As digital trust continues to evolve, there are five key trends that are emerging. Let's take a look.

Digital trust is a top priority for CxOs

A lot has changed in just the past few years. It wasn't that long ago that the term "digital trust" was only used by visionaries and trendsetters. With the acceleration of digital services, digital trust is now a boardroom priority. Business leaders across the globe are now associating a concept like digital trust with their bottom line.

The scope of digital trust is becoming much broader

In its infancy, digital trust only encompassed security and privacy, with its relevance limited to just the misuse of content and data breaches. Today, the scope of digital trust has expanded to cover three key layers. The foundational layer includes risk mitigation and prevents undesirable outcomes for a company's customers, as well as their own business and partners. The binding layer holds the key to a healthy business and focuses on identity and security. The key here is to fully understand the identities and the trustworthiness of the partners and consumers with whom an enterprise carries out business. In addition, it also emphasizes securing the ecosystem within business functions.

The final layer is the strategic layer, a growth enabler that gives companies a competitive advantage, helping businesses keep user consent at the core while making the most out of the available data. It uses artificial intelligence (AI) across the decision value chain to enable companies to deliver great customer experiences consistently.

Increasing awareness of digital trust with consumers

Given the ambiguity of digital trust and the fact that business leaders are only now beginning to address the significance of digital trust, consumers were largely unaware of the topic and its significance. As consumers are becoming increasingly aware of digital trust in digital business,

they are using this knowledge to make informed decisions based on a company's ability to demonstrate a trustworthy ecosystem.

Digital trust is making its way into B2B and B2G sectors

Although digital trust had its start in B2C companies, it's becoming a growing trend beyond this sector and making its way into enterprises. Largely due to the expansion of its scope, digital trust is becoming increasingly applicable to both the B2B and B2G (business to government) sectors.

Lack of trust is beginning to have a measurable impact

As mentioned above, consumers are becoming increasingly informed of digital trust, and they are using this knowledge to determine the trustworthiness of an organization's digital ecosystem. This knowledge is beginning to have a quantifiable impact on the subscribers and revenues of digital businesses. In addition, we are increasingly witnessing how a continued demonstration of trust is subconsciously influencing consumer decisions.

Prioritizing digital trust to build customer confidence

Trust has always been a key enabler of success, although its role is much more prominent in today's digital era where data is a valuable asset. However, data breaches continue to occur with increasing frequency, negatively affecting the level of customer trust. This cause and effect will move the needle of digital trust, shifting it from a "nice to have" to a necessity. This means that if your business wants to stay in the game, or even just pursue opportunities, you will need to have trust initiatives in place, and someone to drive them—preferably a CTrO.

For companies to attract customers and create customer loyalty, they will need to build customer confidence by prioritizing digital trust. Unfortunately, there are numerous examples of brands losing all credibility, as well as their reputations, because of a single breach of trust, and in most cases, it was extremely hard to regain the trust of their customers. In fact, a recent study by Edelman revealed that 45 percent of consumers said that a brand would never be able to regain their trust after it displayed unethical behaviour or suffered a controversy. In addition, 40 percent revealed that they would stop buying from that brand altogether.

As more businesses begin to understand the importance of digital trust, there will be increasing emphasis on trust as a key factor in doing business. However, gaining the highest levels of digital trust will require instilling a culture of trust in their ecosystems, as well as a key stakeholder (CTrO) who will be responsible for infusing trust into the ecosystem. Confirming this trend, a recent IDC survey showed that by 2025, two-thirds of the G2000 boards will ask for a formal trust initiative to execute a roadmap to increase an enterprise's security, privacy protections, and ethical execution. Organizations that embrace digital trust initiatives will increasingly become the vendors of choice, while organizations that do not put a priority on digital trust will find themselves at a clear competitive disadvantage.