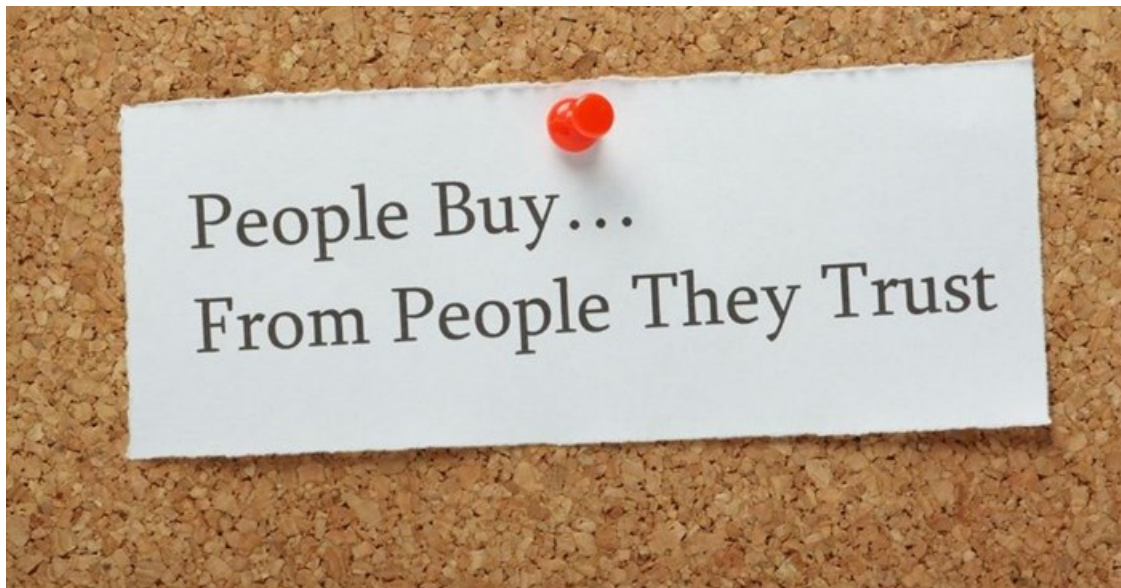


What is the purpose of a brand in the digital age?

 By [Adam Howatson](#)

11 Aug 2017

Imagine a brand that offers fantastic products and brilliant service but pays its staff below the minimum wage. Or a store that sells wonderful clothes, except they are made in sweatshops that exploit their staff. Or a YouTube video showing less-than-stellar customer service that is viewed hundreds of millions of times. Cases like these are surprisingly common, and make for great headlines - often at the expense of a brand's reputation, value and success.



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Is it enough to produce a wonderful product if the manufacturer of that product is compromised, or if the company's tax affairs are dubious, or if the company's corporate culture makes it a business renegade? In these cases, is the image of your brand living up to the promise that you strive for, or – more importantly – what your customers expect?

Consumers are increasingly putting business ethics at the top of their list of considerations when spending their money. There's a good reason for this – there has been a collapse in consumer trust that started at the turn of the millennium, and seems to be continuing on a downward spiral. The [Edelman Trust Barometer](#) shows public trust to have fallen off a cliff. But trust is real, and it matters.

More than ever brands need to work harder to convince consumers that they are worthy.



How SA businesses can rebuild trust

Gary Turner 19 Jun 2017



Collapse of trust

This collapse of trust has many sources: from the politics of personality, to the rise of fake news and the labelling of real news as fake; the actions of the few in the lead-up to the 2007 financial crisis, and the political response, and dishonest behaviour of trusted companies. The Volkswagen emissions scandal and Wells Fargo fake accounts scam are excellent example, where a lauded and respected company is suddenly shown to be have behaved in an underhanded way.



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Another factor businesses have to consider is the speed of news. Today, news moves at the speed of light. A YouTube video can be online in seconds, often leaving the showcased company desperately trying to catch-up and manage the fall-out. Stories today roll out on social media independently of the usual news outlets. In the old days, brands had an opportunity to take corrective action and potentially kill the story before the papers were printed. With social media, there is no such thing as a news deadline! By the time a journalist calls for a comment, it's already too late.

Quality and service are still important, often crucial consideration. But trust has now joined these decisive considerations. Quality, service and trust are marketing's new Holy Trinity.

It is fair to say that consumers don't like companies which avoid – however legally – paying taxes. There's no mystery to this. Customers work hard and pay taxes, and will act with their wallets when a company doesn't play by the same rules.

Believe in the brand

Today, for customers to identify with brands and make an emotional connection with them, they have to trust their products and their ethics. Customers have to believe in the brand.

When Facebook founder Mark Zuckerberg took two months of paternity leave on the birth of his daughter in 2015, this was a powerful demonstration of the importance of family to the social media giant. In today's age of trust, actions speak louder than pronouncements.

Trust is crucial because it can be the difference between creating and destroying your brand. Look at Uber and Lyft, download the app and you may never use a conventional cab again. That's immensely powerful. That's the speed of disruption. But both of these companies are currently experiencing well-documented challenges from a trust perspective, and recent reports have shown the negative impact this has on the brand – and arguably the whole sector.

Crisis of trust

Is it simple to avoid these pitfalls? In a word, no. A crisis of trust can affect a company at any time, and from the most

unexpected situations. But I do think there are some principles companies and brands should take to mitigate any potential issues.

- **Be consistent.** Not just in approach but in execution.
- **Be open.** Be transparent and honest in what you do.
- **Be simple.** If you can pass the trust threshold, your brand needs to be simple, intuitive and immediate.
- **Be indispensable.** Provide a service your customers can't do without.
- **Be familiar.** Be the brand that your customers recommend to others.

These principles don't just apply to new businesses or those that live mainly in the digital world. They are equally as relevant to long-established household names. And often it is these companies with more to lose. In the age of digital, your competition really is only one click away, and I believe that following these principles will begin to move your brand toward wide acceptance and approval.

ABOUT ADAM HOWATSON

Adam joined OpenText in October of 2001 and has served the organisation in numerous roles, including Product Management, Marketing, Engineering, Information Technology, The Office of The President/CEO and RMO, Partner Development and Mergers & Acquisitions. Adam presently holds the station of Chief Marketing Officer and SVP and also oversees OpenText's Global Partner & Alliance operations.

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