WHAT ERODES TRUST IN DIGITAL BRANDS?

As our lives get more connected, a trusted digital brand becomes a priceless asset. But according to new research, security, performance, and marketing flaws combine to taint the customer experience.

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ABOUT THE RESEARCH

Neustar sponsored a survey by the Ponemon Institute to learn what consumers expect when they visit a website. What separates a satisfying experience from a poor one? What builds or erodes trust in the website and the brand? Over 750 adult-aged Americans completed the survey. Fifty-two percent were women, forty-eight percent were men. Nearly half of all respondents earn between $41,000 and $80,000 a year. They represent all regions of the country and all levels of education.

YOUR ONLINE BRAND: IT'S ALL ABOUT TRUST

Many of the survey's questions and answers dealt with issues of trust:

- Trust in website content and advertising
- Trust in site performance
- Trust that brands protect their security

Every one of these factors shapes consumer brand perceptions. Businesses spend years and untold dollars building their brands. The survey responses affirm a truth long predating the Internet: building the brand is not just the job of the marketing department. The entire company must work together to keep it strong.

"A brand for a company is like a reputation for a person. You earn reputation by trying to do hard things well."

Jeff Bezos, Founder and CEO, Amazon

The reasons to distrust a brand reach across the enterprise.

According to consumers, the top 3 reasons to distrust an online experience can be traced to:

MARKETING
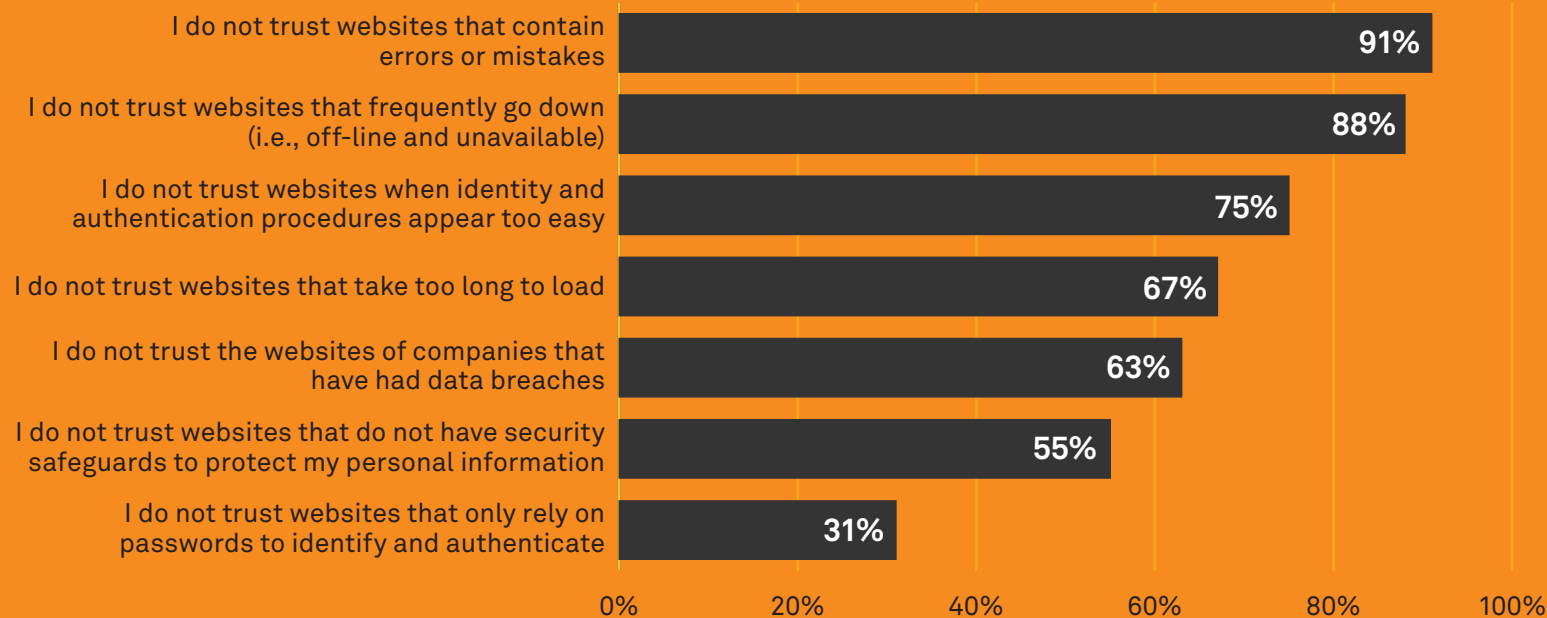
91%

INACCURATE CONTENT

IT

88%

WEBSITE DOWNTIME

SECURITY

75%

OVERLY SIMPLE IDENTITY & AUTHENTICATION PROCEDURES

PERCEPTIONS ABOUT TRUSTWORTHY WEBSITES

Perception	Percentage
I do not trust websites that contain errors or mistakes	91%
I do not trust websites that frequently go down (i.e., off-line and unavailable)	88%
I do not trust websites when identity and authentication procedures appear too easy	75%
I do not trust websites that take too long to load	67%
I do not trust the websites of companies that have had data breaches	63%
I do not trust websites that do not have security safeguards to protect my personal information	55%
I do not trust websites that only rely on passwords to identify and authenticate	31%

While inaccurate content damages trust, aggressive ads don't.

Survey respondents are okay with forceful marketing tactics like persistent banner ads, but frown upon brands that don't double-check for accuracy.

OVER 9 OUT OF 10 CONSUMERS

say that inaccurate online content increases their distrust.

"RESPECTFUL ADVERTISING" RANKED LAST IN IMPROVING THE CUSTOMER EXPERIENCE
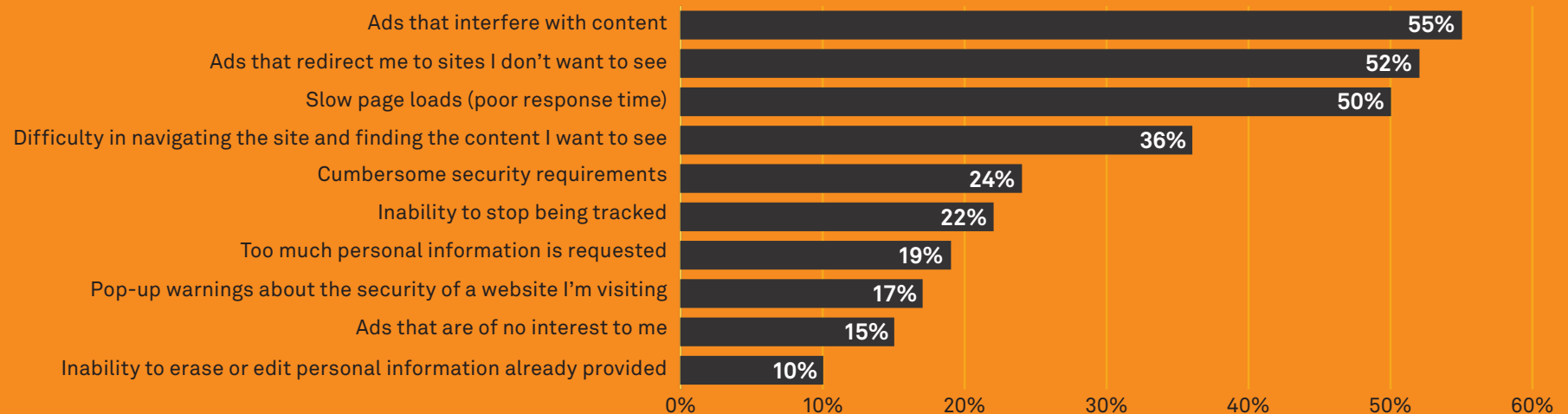
Consumers rated "respectful advertising" (less aggressive banners ads) 11th out of 11 factors in the website experience (other factors ranged from strong security and performance to unrepetitive content). In a world of constant promotion, energetic tactics don't faze most website visitors.

The sole exception was on informational sites, where respectful advertising was deemed important by 73%. Consumers are more tolerant of advertising on websites for shopping or services such as online banking.

HOWEVER, 52% OF CONSUMERS DISLIKE ADS THAT TAKE THEM TO OTHER SITES

Possible reasons: security concerns with unfamiliar sites, along with sheer inconvenience.

WHAT RESPONDENTS DISLIKE ABOUT WEBSITES

Category	Percentage
Ads that interfere with content	55%
Ads that redirect me to sites I don't want to see	52%
Slow page loads (poor response time)	50%
Difficulty in navigating the site and finding the content I want to see	36%
Cumbersome security requirements	24%
Inability to stop being tracked	22%
Too much personal information is requested	19%
Pop-up warnings about the security of a website I'm visiting	17%
Ads that are of no interest to me	15%
Inability to erase or edit personal information already provided	10%

While 88% of consumers distrust sites that crash, 84% are unfamiliar with DDoS attacks.

Distributed denial of service (DDoS) attacks are one of the leading causes of website downtime (source: monitorscout.com, 3/14/2013). Very few consumers have ever heard of this threat, and many are ready to jump ship when downtime reoccurs. This makes it imperative that brands have adequate protection to mitigate attacks before they happen.

GENERAL WEBSITES:
ONLY 2 CHANCES TO CONNECT

61% of consumers are willing to give a website that goes offline two chances before giving up.

FINANCIAL SERVICES SITES:
CONSUMERS GIVE UP QUICKLY

80% are most likely to discontinue using unavailable financial sites.

RETAIL SITES:
ALSO ABANDONED FAST

59% are most likely to abandon unavailable retail sites.

GOVERNMENT SITES:
CONSUMERS ARE MORE FORGIVING

58% are likely to continue using government sites despite problems with downtime.

SOCIAL MEDIA SITES:
DATA IS CONFLICTING

Though only 6% of visitors will wait an extra 5 seconds for social media pages to load (placing these sites last in consumer patience), 56% are willing to give unavailable social sites more chances in the future.

Slow websites raise security concerns, which in turn affect brands.

Respondents not only equate slowness with lower security—they also worry more at critical points in their online journey.

67% OF CONSUMERS LOSE TRUST

in a website when pages load too slowly.

78% WORRY ABOUT SECURITY

when site performance is sluggish.

40% WORRY THE MOST
DURING CHECKOUT

if they think the process is taking too long.

SPEEDY CHECKOUT IS ROUGHLY
2X AS IMPORTANT

as quick navigation to another page (41% vs. 23%).

AND ALMOST **3X** AS IMPORTANT

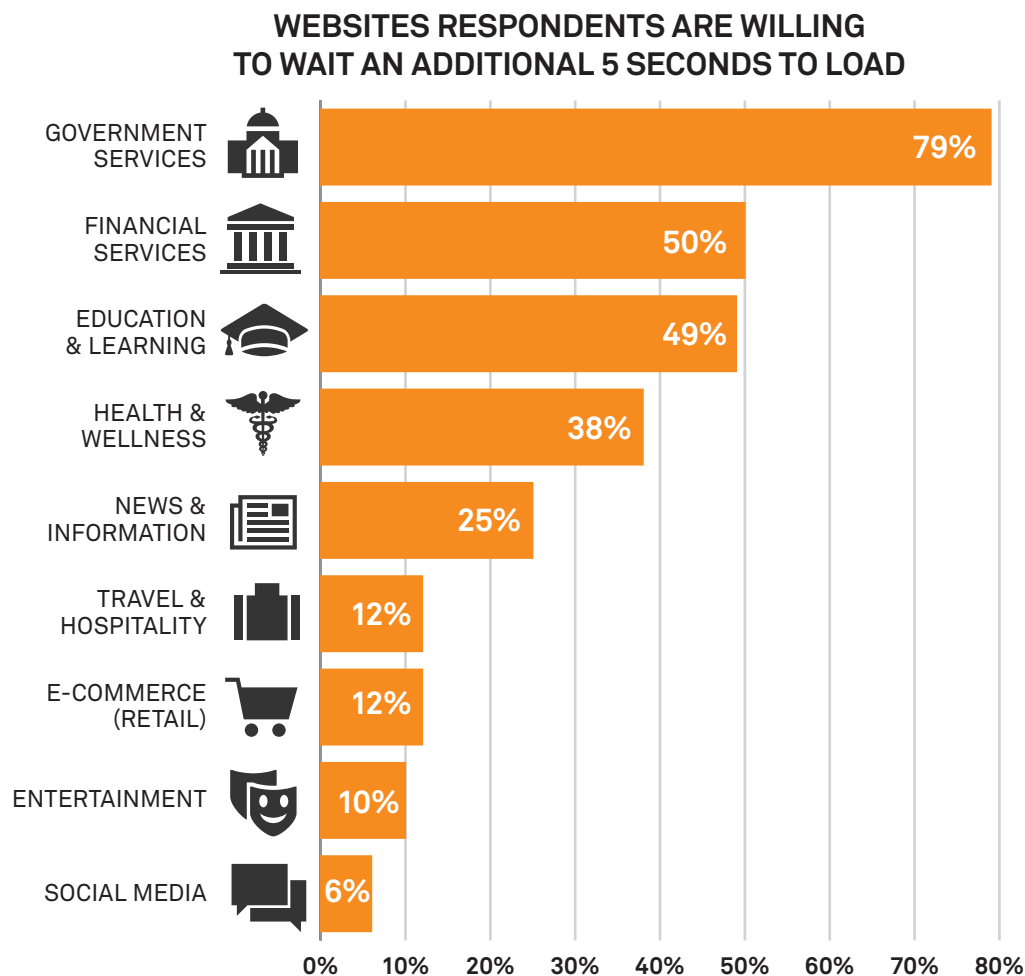as accessing the home page (41% vs. 16%).

BRANDS BEWARE:
69% OF CONSUMERS

HAVE LEFT A WEBSITE BECAUSE
OF SECURITY CONCERNS.

How big a worry is online performance? It depends on the industry.

Slow page loads are a major concern in e-commerce, entertainment, and social media. There's much more patience with sluggish government and financial digital properties, very likely because their information isn't available elsewhere.

WEBSITES RESPONDENTS ARE WILLING TO WAIT AN ADDITIONAL 5 SECONDS TO LOAD

Industry	Percentage
GOVERNMENT SERVICES	79%
FINANCIAL SERVICES	50%
EDUCATION & LEARNING	49%
HEALTH & WELLNESS	38%
NEWS & INFORMATION	25%
TRAVEL & HOSPITALITY	12%
E-COMMERCE (RETAIL)	12%
ENTERTAINMENT	10%
SOCIAL MEDIA	6%

"A 1-second delay in page load time equals 11% fewer page views, a 16% decrease in customer satisfaction, and 7% loss in conversions."
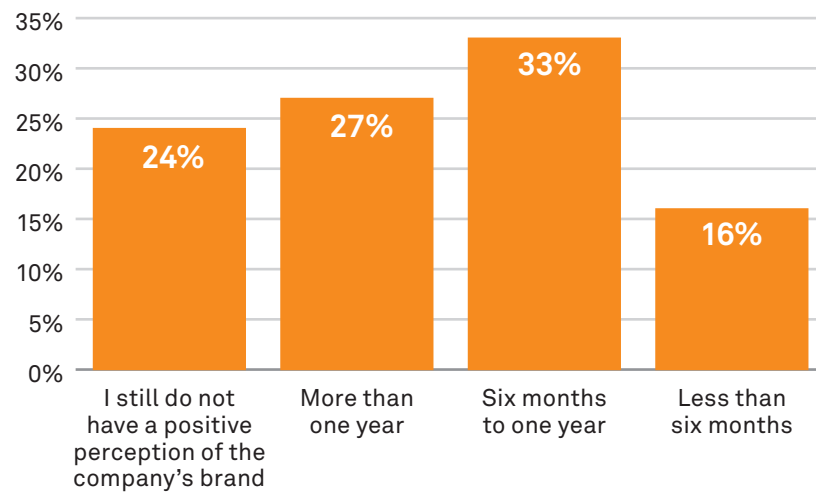
Aberdeen Group

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A year after a data breach, over 50% of people still view the brand negatively.

Even though data breaches are an everyday occurrence, their impact on brand perception is huge. 27% of consumers says it takes more than a year to regain a positive view of a breached brand. 24% report that even 12+ months later, they continue to view the brand poorly.

HOW LONG DID IT TAKE TO HAVE A POSITIVE PERCEPTION OF A COMPANY'S BRAND FOLLOWING A DATA BREACH?

Bar chart:
- I still do not have a positive perception of the company's brand: 24%
- More than one year: 27%
- Six months to one year: 33%
- Less than six months: 16%

BREACHES & DISTRUST

63% DISTRUST BRANDS
that have been breached.

SECURITY SAFEGUARDS

55% DISTRUST WEBSITES
that do not have security safeguards, such as two-factor authentication, to provide extra protection of personal information.

PASSWORDS

31% DISTRUST WEBSITES
that rely only on passwords to identify and authenticate.

SECURITY EXPECTATIONS ARE HIGHEST FOR FINANCIAL SERVICES

95% HAVE HIGH EXPECTATIONS
for the security of banking and financial services sites. These expectations are roughly twice as high as for other online activities: watching videos (47%), playing games (46%), and listening to music (45%).

CONSUMERS HAVE LOWER OPINIONS OF E-COMMERCE SECURITY

ONLY 24% HAVE HIGH EXPECTATIONS
for shopping sites. Widely publicized data breaches within retail are a likely reason.

"Privacy and security are important brand differentiators and companies need to move from a mindset of meeting compliance requirements to becoming a steward of consumer data."

Nuala O'Connor, President and CEO, The Center for Democracy and Technology

Easy authentication DOES NOT improve the customer experience.

According to respondents, in the tug of war between security and convenience, security wins hands down.

3 OUT OF 4 CONSUMERS DISTRUST DIGITAL BRANDS

when they think authentication procedures are too simple.

64% OF CONSUMERS ARE FAMILIAR WITH MALWARE

The Ponemon Institute attributes this high awareness to the epidemic of consumers downloading malware unwittingly and suffering the effects. While DDoS attacks too harm the online experience, most respondents simply lack knowledge of the threat.

ONLY **24%** GET ANNOYED WITH STRINGENT SECURITY

On the list of website features customers dislike, fewer than 1 in 4 consumers note "cumbersome" security requirements.

ONLY ON INFORMATIONAL SITES IS EASY AUTHENTICATION A PLUS

Over half of respondents, 55%, say that simpler access improves their experience on information websites. For shopping sites, only 35% say the same, and for online services like banking 42% favor convenience over security.

Roughly 1/2 of all consumers say security and privacy are important to brand perception.

55% of consumers say that online security is important to how they perceive a brand. 50% say the same about online privacy, specifically referring to protection of personal data.

How important is security to your perception of a company's brand?

**How important is privacy (protection of your identity and other personal information) to your perception of a company's brand?**

SECURITY

PRIVACY

55%

50%

Scale of 1 = not important to 10 = very important, percentage of respondents who rated importance 7+

Digital brand trust will skyrocket in importance.

When you think of behavior, you naturally think of human beings. But the many different ways a brand behaves online—how it performs, protects from threats, and offers an increasingly personal experience—are powered by data, analytics, and advanced technology.

The more fine-tuned the science, the more well-mannered the brand. Click by click, tap by tap, consumers give their trust. When trust is shaken, people take their confidence (and their business) elsewhere. Or, they continue to enjoy the benefits of the site—exclusive reporting and analysis, for example—knowing their information is likely being gathered, or that they run risks like downloading malvertising.

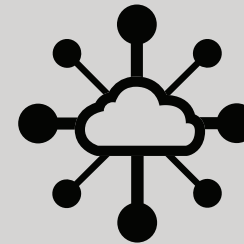## 3 AREAS WHERE TRUST IN DIGITAL BRANDS WILL BECOME MORE ESSENTIAL THAN EVER:
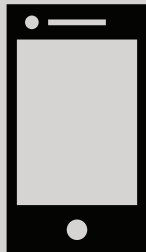
MOBILE

The desktop isn't dead, but younger consumers love mobile phones and tablets. They expect a seamless experience anytime, anywhere.

WEARABLES

The lifestyle revolution this category promises will be fueled by fast, secure, and relevant experiences.

THE INTERNET OF THINGS

No one wants their smart fridge to be hacked by organized criminals—or to take forever to reorder the almond soy milk. Or to order chocolate whole milk by mistake.

"Every employee who touches the site is a steward of the brand."

Websites are brand gateways. So we asked a C-level IT executive and his counterpart in marketing to give their views of the site experience. Which department owns what?

MARK TONNESEN

CIO and CSO, Neustar

"I think IT and security know, or at least intuit, that their works affects the brand. But especially in larger organizations, where tasks become very specialized and people are easily siloed, our contribution to brand isn't often spoken about. And we need to remind ourselves: every employee who touches the site is a steward of the brand."

"Here's one example: In Neustar's 2015 DDoS Attacks Report, companies cite customer support as the area most affected by DDoS outages. Not surprisingly, in 2014 they said the same thing. So a security problem becomes a support problem, which is really a brand problem. Call center operators, who may not even know what a DDoS attack is, have to tell customers they're not really sure when the site will be back up."

"When your site is well protected, when your DNS is flawless, and when pages or applications load in a couple of seconds, that's not only engineering, it's delivering a exceptional brand experience."

LISA JOY ROSNER

CMO, Neustar

"In most organizations, marketing owns the website. However, ownership is vastly different than maintenance. You may own your car, but are you able to make it run as fast and smoothly as possible? Similarly, can most marketers ensure that their websites have the impact you want, both in terms of your own enjoyment and the 'brand' you're trying to communicate? For most of us, the answer is no. We need the help of very smart people who are very good at their jobs."

"Within the enterprise, marketers can help IT by communicating better and learning about what they do. We'll never be engineers, but we can grasp that it's smart to test the site before peak traffic events. We can also realize that consumers want security as well as convenience. Asking them to take a few extra seconds to log in helps build trust in the website, and thus in the brand."

"To give an offline example, the best ads in the world won't offset a crappy store. If the floors aren't clean and the staff is rude and it's hard to find what you need, you probably won't come back, at least not any time soon."

ABOUT NEUSTAR

Neustar, Inc. (NYSE:NSR) is the first real-time provider of cloud-based information services, enabling marketing and IT security professionals to promote and protect their businesses. With a commitment to privacy and neutrality, Neustar operates complex data registries and uses its expertise to deliver actionable, data-driven insights that help clients make high-value business decisions in real time, one customer interaction at a time. More information is available at **www.neustar.biz**

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