

Trust: the ultimate currency in Asia-Pacific

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From reports of data theft, contaminated food and other breaches, incidents that highlight the erosion of trust are becoming increasingly visible to the general public.

It takes time and constant effort for a business to grow its credibility and reputation. But now that can all be stripped away overnight by followers and influencers on social and digital channels, simply through a series of tweets, likes and comments.

Increasing calls for greater transparency in our digital world point towards trust remaining a potentially flammable, ever-present concern for businesses. And it's no less relevant for individuals: China will assign each of its citizens a trust or reputation score as part of its Social Credit System by 2020[1].

In uncertain times, trust becomes the ultimate currency. When companies are trusted, it differentiates them and fuels growth. But when trust breaks down, it impedes progress and erodes value. That's as true in Asia as it is anywhere else in the world. But there's one big difference — there is more value at stake here.

With consumer spending power surging across the region, there is massive upside for companies that are trusted (and nurture that trust). And a big downside if they lose the trust consumers have in them.

Today, Asian millennials possess more disposable income than previous generations — estimated to total US\$6 trillion by 2020[2]. E-commerce adoption is booming, with online sales in Asia-Pacific expected to rise 300 percent to US\$2.6 trillion by 2020[3]. And there's no sign of a slowdown: most regional economies are expected to grow by over five percent in 2019[4].

There's a powerful multiplier effect to this scale too. With more than 2 billion internet users living in Asia-Pacific — more than half the world's connected digital population[5] — people in Asia are now more connected, and more digital, than anywhere else on earth.

Organizations already know that trust really matters. In new Accenture research launched at the recent World Economic Forum in Davos, 91 percent of organizations in China said the economic potential of the internet, and the IoT, would be unleashed by building a more trustworthy digital economy. This means if left unattended, this could translate to a cumulative total of US\$5.2 trillion in additional costs and lost revenue over the next five years due to cyberattacks[6].

One example is an industry group comprising AB InBev, Accenture, APL, Kuehne + Nagel and a European customs organization, which tested a blockchain solution to eliminate the need for printed shipping documents. This proved to save costs, as well as expedite and streamline the flow of transport documents as reducing the need for manual data entry by up to 80% — this also increases trust as it reduces the likelihood of human error.

Hoping for the best, preparing for the worst

So how can companies protect themselves from becoming victims of trust breaches—whether that's a data leak, a weak link in the supply chain or a damaging health and safety issue?

The reality is that no one is immune. The world is as complex as it is disruptive and trust breaches are bound to occur. And when they do, bad news travels faster than ever before with over 1.7 billion active social media users in Asia Pacific (millennials in Asia spend over 3 hours a day accessing the internet via their mobile phones[8]).

But there's plenty that can be done to build resilience for when this happens.

Building resilience

To build trust in your business, here are some recommendations:

- **Put trust at the heart of the business.** To earn consumers' trust, you need to be trustworthy. That means baking trust into your company's DNA, strategy and day-to-day operations, and embedding it into your working culture.
- **Focus your efforts.** Work out what consumers' trust in your business depends on, and concentrate on that. It might be food safety, working conditions or on-time deliveries of goods to customers. Whatever it is, make sure this part of your business is performing well and focus on it in your communication.

For example, German marque, BMW takes a customer-first approach to developing products, channels and technology, coupled with a strong commitment to sustainability that's beyond lip service. Importantly too, they communicate these efforts clearly. The BMW Group is one of the major Electric Vehicle players, leading the automotive transformation through car sharing and EV charging infrastructure. And recently announced at the Mobile World Congress 2019, the group is integrating artificial intelligence with how future drivers can interact with their vehicles through natural language, gaze and gestures[9].

- **Look at the broader ecosystem.** If your supplier is damaged by a trust incident, your name will appear in the press alongside theirs. Enforce strict control across your ecosystem to ensure that good business practices are in place.
- **Be ready for when the worst happens.** Implement solutions that can monitor trust at digital speed. Don't just look at Facebook and Twitter – you need pay attention to other social-media platforms that are popular across Asia, such as Sina Weibo, WeChat and Line. Chances are that your business could be hit by a trust incident sooner or later – and when that happens, you need to be able to react in minutes, so the problem doesn't spread.

[1] https://en.wikipedia.org/wiki/Social_Credit_System (https://en.wikipedia.org/wiki/Social_Credit_System)

[2] www.enterpriseinnovation.net/article/retailers-told-millennial-spending-... (<http://www.enterpriseinnovation.net/article/retailers-told-millennial-spending-...>)

[3] <https://www.enterpriseinnovation.net/article/how-brands-can-achieve-cut-...> (<https://www.enterpriseinnovation.net/article/how-brands-can-achieve-cut-...>)

[4] <https://asia.nikkei.com/Economy/Trade-War/Asia-s-developing-economies-we-...> (<https://asia.nikkei.com/Economy/Trade-War/Asia-s-developing-economies-we-...>)

[5] Digital in 2018 Global Overview <https://digitalreport.wearesocial.com/> (<https://digitalreport.wearesocial.com/>)

[6] <https://www.accenture.com/us-en/insights/cybersecurity/reinventing-the-i-...> (<https://www.accenture.com/us-en/insights/cybersecurity/reinventing-the-i-...>)

[7] <https://newsroom.accenture.com/news/cybercrime-could-cost-companies-us-5-...> (<https://newsroom.accenture.com/news/cybercrime-could-cost-companies-us-5-...>)

[8] <https://www.straitstimes.com/tech/smartphones/millennials-in-singapore-s-...> (<https://www.straitstimes.com/tech/smartphones/millennials-in-singapore-s-...>)

[9] <https://www.press.bmwgroup.com/global/article/detail/T0292196EN/natural-...> (<https://www.press.bmwgroup.com/global/article/detail/T0292196EN/natural-...>)

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