TRUSTPOINTDYNAMICS

Understanding how marketing managers perceive the importance and use of touchpoints in their business process.

A collaboration between:

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EYEROCKETDESIGN

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INTRODUCTION

There are many ways a company can promote its brand. Some of the more obvious touchpoints are dealing directly with a company salesperson, classic advertising and social media. But there may be over a hundred such touchpoints for each enterprise and some of these may be much more relevant and subtle than others. A touchpoint is “all of the different ways that your brand interacts with and makes an impression on customers, employees and other stakeholders.” [1]

We firmly believe each touchpoint plays a critical role in a brand’s ongoing evolution regardless of its relation to the company product or service. It has the power to build or break trust in that brand - as such we like to refer to them as Trustpoints.

1 Harmonizing your Touchpoints. by Scott Davis and Tina Longoria, BrandPackaging, February 2003

SO WHY DID WE CONDUCT A SURVEY?

During the early part of 2010, Eyerocket Design and Terry J. Boyle + Associates conducted a study to determine some of the key market dynamics of marketing touchpoints or 'Trustpoints'.

The purpose of the study was to:

1) Gain a clear understanding about how marketers perceive the importance of individual Trustpoints;

2) How that importance might vary across the customer life-cycle:

Pre service ▶ As Client ▶ Post service ▶

3) Identify potential gaps between the thinking and investment of the marketers and the impression and impact on the client and

4) Validate our consulting approach

Marketer's Perspective of Trustpoint Importance

We asked our respondents to rank how important they think each Trustpoint is to their business.
The **top ranked Trustpoints** in importance (on a scale of 0 – 5) were:

Rank		
4.2	After Sales Support	Services
4.1	Behaviour of Client-Facing Staff	Personal Interaction
4.0	Service Quality	Services
4.0	Tone/Voice	Personal Interaction
3.8	Encourage Referrals	Personal Interaction
3.6	Sales Staff Dress	Personal Interaction
3.3	Office Aesthetics	Architecture

It's not surprising that those Trustpoints which were deemed to be the most important were also those that ranked highly in actual usage.

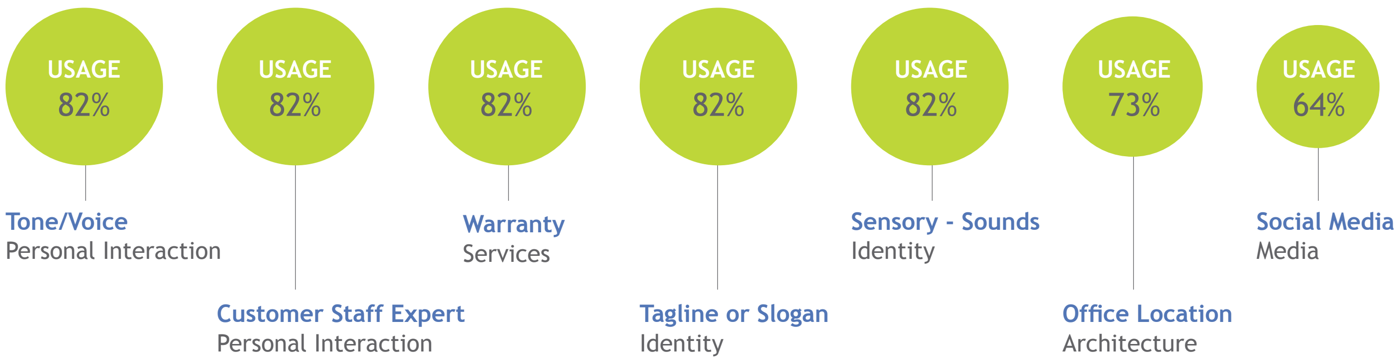
What did raise our brows was twofold. First...

6 out of the 7 most Important Trustpoints indicated above fall under the "Personal Interaction" channel.

Second, our discovery that virtually all Trustpoints tested across the three phases were deemed to decrease in importance over time. What these individuals seem to be saying is that investing in new customer development is more important than in retaining old ones.

Marketer's Perspective of Trustpoint Usage

We discussed whether the surveyed Trustpoints are being used in practice. Most Trustpoints were being used but not necessarily with any specified intention. The following are the **least used Trustpoints**:



There were some real surprises here. **"Office Location" was under-utilized** as a Trustpoint even though it typically represents one of the highest overhead costs on the balance sheet as well as being a measure of employee satisfaction.

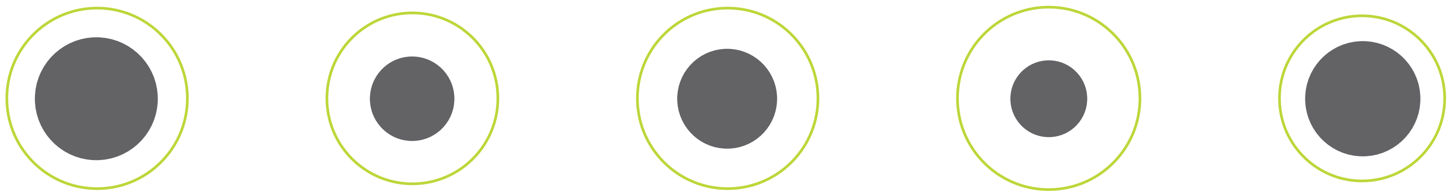
The biggest surprise of all was the relatively low usage rating of **social media** (Facebook, corporate blogs etc).

Taglines or slogans, drivers of networking or referral marketing, were only given a medium usage ranking implying that Social media, although very hot in marketing circles, is not being used to it's fullest potential.

Yet these same individuals had freely identified their significant interest in the new media. We believe that the rationale behind this phenomenon of 'high interest – low participation' is that these individuals know that they need to be on the train but don't yet know what stop to get on.

Channel Perspective

Taking a look at our Trustpoint overall averages we can conclude the following:



PERSONAL INTERACTION
Importance: 64%
Usage: 94%

MEDIA
Importance: 44%
Usage: 89%

SERVICES
Importance: 52%
Usage: 94%

IDENTITY
Importance: 40%
Usage: 95%

ARCHITECTURE
Importance: 60%
Usage: 86%

As indicated the “Personal Interaction” channel is perceived as the most important channel.

Furthermore, of all the channels Identity is being used the most yet it has the lowest rating for importance. Also, Media seems to be the loser in this survey with 86% of people using it and only a 44% rating for Importance. This is interesting considering the times. We would have suspected this area to be a little more engaged. Are people afraid of media? Do they know about it? Or are the people interviewed more apt toward personal interaction? Can we prove that Personal Interaction is the most important channel to focus on?

The Current Marketing Spend

We asked each respondent to identify what percentage of their gross sales was invested in marketing and how that marketing spend was allocated across the five channels.

The average overall spending in marketing for responding participants was 6.8% with a range of 0 – 20% and a trend downwards. This downward trend is not indicative of any loss of confidence in the current state of the economy but more representative of a shift away from costly traditional media buys in favour of the ‘new media’.

The distribution tended to be bi-modal with peaks at both the low and high ends of the range.

Marketing % Spend Across Five Channels

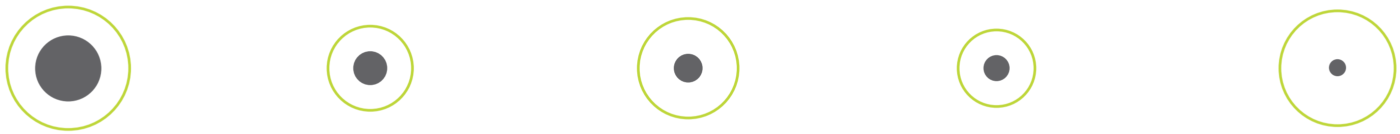
	Range %	Mean %	Ranking
Identity	0 – 40%	13.6%	4
Personal Interaction	0 – 65%	34.5%	1
Media	0 – 60%	17.0%	2
Services	0 – 40%	15.0%	3
Architecture	0 – 20%	8.9%	5

The wide variances can be accounted for by the diversity of the business types, although most tended to be in the services’ industry (e.g. legal, consulting) in one form or another.

THE TOTAL SCORECARD

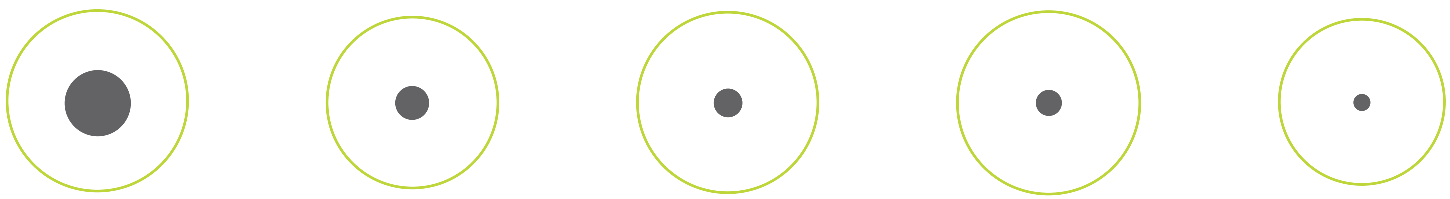
Where the Money and the Trust Meet

Comparing the budgets allocated to each of the individual Trustpoints and comparing this to the actual outcome of how our respondents rank them as to their importance yields some interesting results:



PERSONAL INTERACTION	MEDIA	SERVICES	IDENTITY	ARCHITECTURE
Importance: 64%	Importance: 44%	Importance: 52%	Importance: 40%	Importance: 60%
Budget: 34.5%	Budget: 17.7%	Budget: 15.0%	Budget: 13.6%	Budget: 8.9%

The following compares the budgets allocated to each of the individual Trustpoints and their ranked usage:



PERSONAL INTERACTION	MEDIA	SERVICES	IDENTITY	ARCHITECTURE
Usage: 94%	Usage: 89%	Usage: 94%	Usage: 95%	Usage: 86%
Budget: 34.5%	Budget: 17.7%	Budget: 15.0%	Budget: 13.6%	Budget: 8.9%

SOME INTERESTING RESPONDENT COMMENTS

"An interesting organization that services a large audience at various lifetime phases is the YMCA. Their websites tell the story very well".

"The attitude and active participation of the business owner / manager is essential when dealing with negative or problematic customers. If not dealt with by management, these negative attitudes can quickly permeate a whole organization".

"A lot of companies that don't do market research are basing their decisions on assumptions and intuition — and even intuition needs to have fact-based data behind it".

"Print as an advertising Trustpoint is rapidly disappearing in favour of the web". Yet another says: "We're all dipping our toes into the social media ocean and we need to be much bolder" and another: "We have to proceed with caution. There are cyber vandals who will twist messaging in social media. We need to be very well informed on how to exploit social media and protect ourselves at the same time".

"Many organizations have trouble understanding that the actual service must deliver the intended result".

"The new media can be limiting. We need to be able to get out to the whole range of citizen groupings".

Respondent Identification of Trustpoints unique to their Industry

One respondent did take the view of a much longer client life cycle and identified the need to build relationships and **capture the attention of clients from childhood to 'senior hood'**. This demanded broad thinking and varying Trustpoints such as children's programs through community events involving seniors. Another understood the necessity of 'aggressively pursuing referrals', but confessed a less than satisfying performance.

One respondent (pharma) talked about the essential nature of the view, **touch and feel of the product packaging**, easy of extraction from the packaging (user friendliness) and of course, the efficacy of the product. He further illuminated the B2B issues of client training to optimize inventory levels, reorder points and service windows. Another (pharma) discussed the issue of getting the product to the client earlier in the wellness cycle. Yet another customer service Trustpoint is **client 'queue time'** — the time spent waiting for service completion.

Another individual (financial services) would refocus the 'identity channel' in favour of **'what I can do for you'** rather than 'who I am'. Similarly, yet another reemphasized the importance of **'clarity of messaging'**, particularly in providing a service whose results are somewhat intangible.

The theme of 'community involvement' reappeared frequently, with arguments on both sides. For some issues, e.g. of general public interest such as the ecology, participation in local events such as fairs and festivals is essential. For others, perhaps more retail focused, respondents believed the 'sales opportunity' theme needs to be discarded in favour of relationship building.

WHERE DO WE GO FROM HERE?

We were rewarded by many positive comments by the respondents about the thought provoking nature of the interviewing experience. While we intended to quantify the importance of the various Trustpoints (and hopefully discover some new ones), we soon discovered that we were sensitizing our respondents to Trustpoints of which they had been completely unaware. Examples of these are the sensory ones — sights, sounds and aromas. (Imagine your experience when having your car serviced and hearing a loud 'bang' from the service bay. Did something just happen to my car? Or, does that perfume remind me of someone that I particularly like — or dislike?) Perhaps the complexity of contractual documentation? Office dress standards?

We are thankful to our respondents for their time and insight and allowing us to calibrate our interviewing techniques and validating our approach to attitude measurement. Our next phase will be much more interesting and useful.

We will focus on a specific client. We will follow a similar technique as we used above with both the management of the company and separately with customer-facing staff. We'll also interview a cross-section of the company's customers and prospective customers. We willl then have the data to do a gap analysis between how the company thinks their Trustpoints are doing and what its customers perceive. Because the final purchasing moment is based on emotion, and positive emotion can be based on trust, we will help to identify critical Trustpoints, particularly during the purchasing phase of the client cycle.

Our Trustpoint platform can:

— Identify critical (and perhaps unique) Trustpoints within each phase of your process

— Highlight opportunities for marketing budget refocusing and perhaps even reduction

— Build employee brand awareness

— Enable you to develop or retune good brand reputations into great ones through visual trust

— Become more in tune with your customer.

Our Trustpoint platform can help you identify, understand and maintain the many Trustpoints unique to *YOUR* business...

METHODOLOGY

During the course of the study, we researched and evaluated web-based data and information which led us to engage the thoughts of approximately two dozen industry experts and senior executives who have a strong marketing focus or experience. For some of these individuals we used a structured approach to capture quantitative data. These individuals were senior (if not the senior) corporate executive in a deliberately disparate group of typically service industries such as professional services, membership-based organizations, retail products and services, research organizations and public service institutions. We promised anonymity to encourage accuracy and spontaneity.

We covered five Trustpoint channels:

Identity (e.g. logos, slogans, signage)
Personal interaction (e.g. behaviour of client-facing staff)
Media (e.g. traditional advertising, PR, tradeshows, the ‘new media’)
Services (e.g. warranties, support, contractual procedures and documentation) and
Architecture (important attributes of the corporate work space such as accessibility and aesthetics)

We covered three phases in the marketing process:

Awareness (pre-sales wooing)
Conversion (as the prospect becomes a client) and
Maturity (post-sales, the long term client)

We recognize that this study has its limitations - the market segments we investigated are non-homogeneous. Of course we can’t easily combine the experiences and attitudes of say a lawyer, a public servant and a retailer. And although we did capture impressions of the relative importance of various Trustpoints, we did nothing to study their effectiveness. We were aware of these limitations in advance.

1 www.eyerocket.com
2 www.boylemarketing.com

THE PRINCIPALS

Roger Brenninkmeyer of Eyerocket Design "builds visual trust" by helping mid-sized firms develop good brand reputations that inform and inspire through a collaborative process of understanding, creating and managing their company brand.[2] Some of Eyerocket's more recent clients include financial institutions, legal firms, consulting organizations and charitable institutions.

Terry Boyle "gets answers to tough marketing questions" and specializes in Market Intelligence — *Market* Research to uncover real customer wants and needs and Competitive *Intelligence* to identify the competitive threat.[3] Some of Terry's recent clients include service industries, high technology, pharma, Not for Profit and finance.

We are pleased to send this summary of our discoveries to those who contributed to the interview components of the study. The information they provided herein is amalgamated and no individual or company is identified by name. Recipients of this summary who have a business need to use this information, or who have any questions or further interest are invited to call Roger Brenninkmeyer at (905) 842-2232 or Terry Boyle at (905) 338-8842.

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