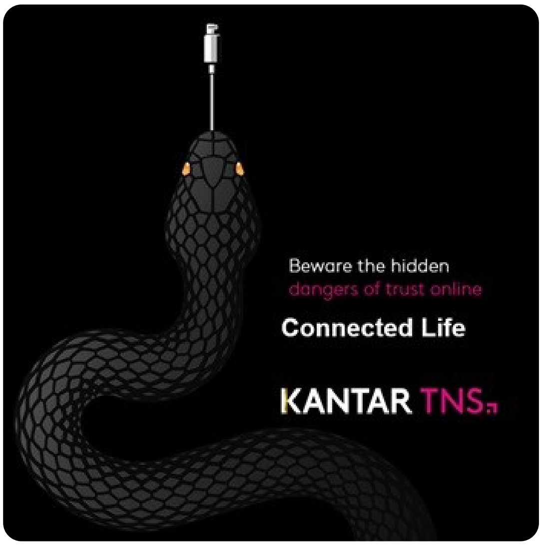
Consumers in South Africa trust content and brands, but for how long?

Issued by Kantar 16 Oct 2017

Highly connected but increasingly suspicious: global study reveals 'consumer trust divide' for brands online.

- 31% of South African consumers consider the content brands post on social media irrelevant
- One in three connected consumers (31%) in South African are concerned about social networks' control of what users see in their feeds

- 40% of consumers globally are concerned about the level of personal data brands have on them which is very clos to the ratings in South Africa at 39%



Today's connected world is driving a 'consumer trust divide' between suspicious mind in developed nations and more accepting attitudes in emerging countries, according to Kantar TNS's latest Connected Life research.

(Click here to download and view the infographic)

Kantar TNS surveyed 70,000 people who have access to the internet across 56 countries and conducted 104 in-depth interviews as part of the 2017 Connected Life study. The research explored consumer trust in brands in relation to four themes: technology, content, data, and e-commerce. The findings show that while European and US consumers' trust in brands is being undermined by the poor deployment of advertising and content, consumers in countries across Asia and Africa, in contrast, appear to be embracing brand content and messaging.

The findings also show that many consumers are choosing privacy over convenience, preferring a greater say in decisior that impact them even if that means compromising on speed or ease: 43% of internet active consumers globally object to connected devices monitoring their activities even it makes their lives easier. South Africa is more in line with emerging markets where fewer consumers, though still a significant minority (34%) object to their lives being monitored by connecte devices.

The research also reveals that mistrust is prevalent in many markets but that it is not universal. While just 9% of Swedish consumers consider the content they see on social media reliable, in Indonesia 61% of consumers trust the information tl consume on social media, and 38% of connected South Africans considering social media content to be reliable.

Trust in large global brands varies significantly between emerging and developed markets: in China and Nigeria, more tha half of consumers (57% and 54% respectively) trust big global brands, but consumer trust falls significantly in developed markets like the USA and France, where just 21% and 15%, respectively, trust big global brands. South Africa falls in the middle of these extremes with 36% trusting big global brands.

Commenting on the findings, Michael Nicholas, Global Lead of Connected Solutions, Kantar TNS said:

"We are now living in a connected, post-truth world where the default for many consumers is suspicion, not acceptanc In developed countries, the connection that brands have strived to have with consumers – whether reaching them throu new technologies, sharing brand content, targeting them based on their personal data or widening the scope of e-commerce – appears to be eroding trust, not building it."

However Karin Du Chenne, CEO Insights at Kantar South Africa points out *"We seeing an increasing divide between hov consumers in developed and emerging markets experience connectivity. For people in South Africa, we are still largely excited by the benefits and information we get from brands in social media and the web. Most South Africans experien connectivity via their mobile phones making it a more personal experience. They still appreciate the benefits that targe personalisation bring, and they do not yet seem to experience the same levels of fear or distrust as their global counterparts. The challenge for brands is to ensure the content they bring is relevant, creative and engaging to ensure they maintain this relationship of trust going forward."*

Michael Nicolas agrees 'There are implications for every brand, because the most successful ones are typically those that are trusted by consumers. But when trust is lost, it can be hugely damaging."

"Consumers in emerging countries trust technology and social media channels because they experience the empoweri effects of both in their lives. When it comes to data, they still have tangible expectations from brands such as rewards exchange for their personal information. It's a very different picture in developed markets, where consumers demand more and expect brands to transform the overall customer experience in exchange for data."

Connected Life explored consumer trust in brands in four areas:

Trust in technology

The rapid evolution of technology is enabling brands to develop better, smoother customer service experiences, but poor deployment or a failure to meet basic needs can erode consumers' trust and confidence in brands. This year's findings showed connected consumers are polarised in their acceptance of artificial intelligence. More than a third (39%) of consumers globally are willing to interact with a machine (such as a chatbot) if their query is dealt with more quickly – this falls slightly in South Africa to 36%, though consumers in emerging markets are more accepting (43%) of interacting with machines if it results in their query being dealt with more quickly. This has huge implications for the pace at which companies automate customer functions, as well as the moments at which they do so. This year's findings also showed th while advances in technology aim to make consumers' lives simpler and easier, people feel increasingly distracted and harassed by it: one third (34%) of 16-24 year olds globally, 37% in South Africa, think they use their mobile phones too much.

Trust in content

Many brands rely on social media platforms to reach consumers quickly and easily but this year's research shows that content on those channels is increasingly discredited and distrusted by consumers, with fake news and self-serving information impacting their confidence in what they're reading. Nearly a third (32%) of consumers globally and 31% in Sc Africa find the content brands post on social media channels irrelevant. Furthermore, there is a high and growing level of distrust in social media platforms, with half (50%) of North American and French consumers expressing concern about social networks' control of what users see in their feeds. Yet those findings contrast sharply with developing Asian markets like Indonesia and the Philippines, in which just 8% and 12%, respectively, expressed concern. South Africans are reasonably concerned with 31% saying they are concerned about social networks' control of what users see in their feeds

Trust in data

When it comes to data, people are becoming increasingly aware of the price they are paying for their connected lifestyle and many feel on the losing end of an unfair exchange. 40% of global respondents expressed concern about the amount personal data that companies have on them, but it was especially high in some markets: almost three-quarters (72%) of Polish consumers are concerned – more than any other nation – and the majority of consumers in the United States (60% and South Korea (59%) share that view. However, concerns are much lower in other markets, including Nigeria (32%), China (30%) and Indonesia (22%), where consumers have more transactional expectations from brands (for example, rewards in exchange for data). South Africa at 39% is ahead of other developing markets in this concern.

Trust in e-commerce

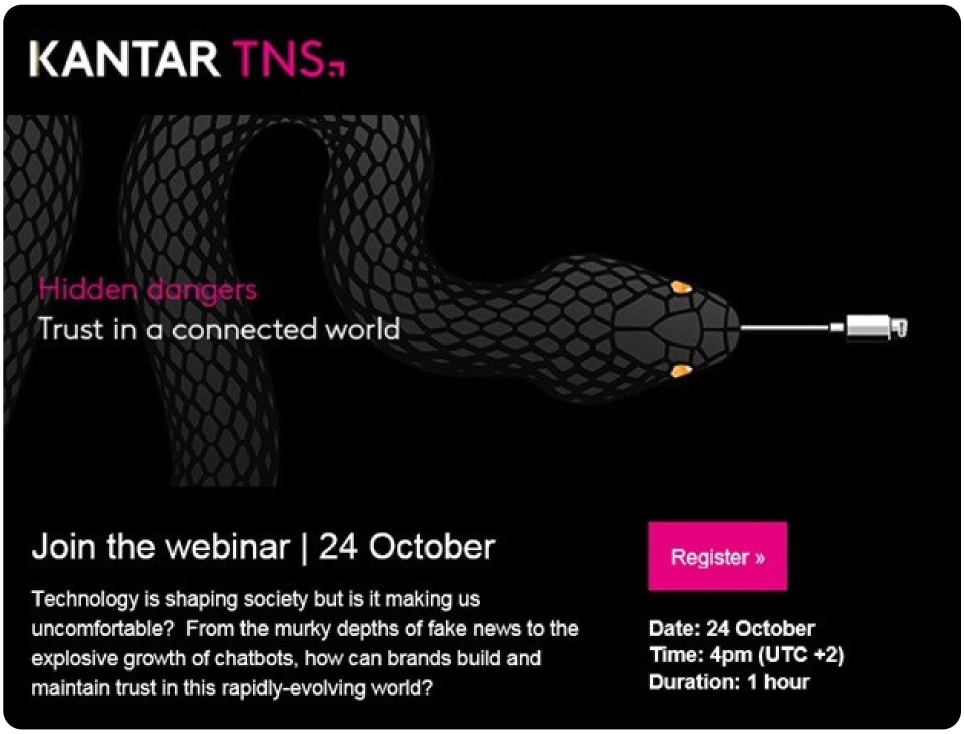
There has been a large increase in brands offering social commerce options to consumers, whether mobile shopping services and the ability to purchase through social media platforms.

New technologies such as ‘buy buttons’ and mobile payments are making e-commerce more frictionless than ever, but ma consumers are failing to see the benefits. While 64% of consumers in China would prefer to pay for everything using thei mobile, consumers in developed Western markets are much less likely to embrace mobile payments: 57% of consumers i France and Germany, and 54% in the United States, don’t want to pay for anything with their mobile. South Africans have not outright rejected paying for everything with their mobile – 40% don’t want to, but there is also not huge acceptance ye 31% would prefer to pay for everything using their mobile, compared with 39% globally.

Nicholas concludes:

“Trust is fragile. Brands in emerging countries see higher levels of consumer trust today than those in developed ones they shouldn’t take it for granted. To build and protect trust, brands need to put the customer first. That means understanding their motivations, understanding the right moments to engage with them, respecting their time as valuabl and being more transparent about how and when they collect and use their personal data. Above all, that means puttin the customer first – something that many marketers have forgotten to do.”

Find out more and join the free webinar



For more information please contact:

Ilse Dinner
t. +27 11 202 7000

e. ilse.dinner@kantar.com

To purchase the report please contact:

Steven Watt
t. +27 21 657 9500
e. steve.watt@kantartns.com

About Connected Life

Connected Life is Kantar TNS's annual study of digital behaviour, conducting quantitative interviews with 70,000 consumer across 56 countries and over 100 qualitative interviews across 12 countries. 1000 interviews were done in South Africa in the major metropolitan centers. Fieldwork was conducted from May – August 2017. Study content includes: media consumption, device infrastructure, digital activities, purchase (online and offline), respondent profiles, brand engagemen touchpoints, drivers of e-commerce, deep dive into social networks, and attitudes to brands and technology. Find out more http://connectedlife.tnsglobal.com/