Interview Kent Grayson, Trust in Brands, Marketing

IntroVoice: Welcome to TrustTalk. Today's guest is Kent Grayson, an associate professor at Kellogg School of Management at Northwestern University and co-founder of "The Trust Project", which aims to create a unique body of knowledge about trust by connecting scholars and executives from diverse backgrounds to share ideas and research. In this podcast interview, he talks about the language barriers between academia and practitioners and how to overcome that by engaging business leaders to talk about trust. He explains why marketing is not just advertising and how important transparency and honesty are for a successful marketing strategy. As consumers become savvier and Generation Z expect companies not only to make a profit but to do well and show social responsibility. Your host Severin de Wit.

Interviewer: Kent, welcome at TrustTalk. You are an associate professor of marketing at the Kellogg School of Management in Illinois, United States. You are known for your interest in research in trust and authenticity in the marketplace. You are also the faculty director of "The Trust Project" at Northwestern University. So let's take the bull by the horns and start with that Trust Project. Can you tell us a little bit more about that project and your role in that?

Kent Grayson: Yes, it's my pleasure. First, thank you very much for having me on your podcast. It's an excellent podcast. I've enjoyed listening to many episodes [Thank you]. The Trust Project at Northwestern grew out of two related notions. The first is that as a trust researcher over the years, I found that there are many academic disciplines beyond my own, I'm a marketing professor, but there are many academic disciplines beyond marketing that study trust. I was familiar when I got my doctorate about research in psychology and sociology, but as my career went on, I became known, I came to know professors in philosophy and history and political science and computer science. They all studied trust. And I often would go to the offices of fellow professors at universities where I was working and say, Hey, you studied trust, I study trust, let's talk together about trust.

Interviewer: Sounds recognizable. All right.

Kent Grayson: So we'd sit across the lunch table or sit in my office and we'd start talking, but we wouldn't get very far because it turns out that when you study in computer science or history or psychology or marketing, you learn a language of knowledge that actually turns out to be pretty opaque to other people, even other academics. And it takes so long for the other person to start to learn your language that before, you know, you've had four lunches and you haven't gotten very far [exactly]. So the trust project grew out of this idea that few of us had at Northwestern, that it might be helpful for us to have some videos that

are hosted, let's say, by people in different disciplines where they would talk not really about their work, but about what does their discipline think about trust and what are the main articles or books that are important about trust? And can you translate it for someone who is perhaps new to the field? The host that we had or do our videos, we'd say, imagine it's a doctoral seminar for people who are new to the field. What would you say to them? So many of the videos are meant for other academics to learn about the discipline. But as we worked on The Trust Project, we were surprised and pleased to learn that many business leaders were also interested in learning about trust. And we came to see that just as there are barriers between academic disciplines, between computer science and anthropology, there are also huge barriers between academia overall and practitioners. The translation problems are equally challenging for academics to understand business challenges and for business leaders to understand academic language. And so we began to also invite business leaders to talk about the trust challenges that they faced often the ones that they've sort of won and conquered. And to add that to the overall enterprise of trying to get people to talk more about trust across boundaries that might otherwise be quite difficult to overcome.

Interviewer: Very interesting, Kent. What has come out of The Trust Project that struck you most?

Kent Grayson: Well, on reflection, while initially going in, I thought that I would find that in every discipline there would be a different perspective on trust. There would be a different way of understanding trust. And to a great extent, that's true. And I'm also remembering your first podcast episode where you talk about how there's so many definitions going on around about trust. But what I think I've learned so far is that when you get past the language and you really boil it down, that we're where we are all talking more or less about the same thing. In computer science, it's a little different because trust means something from a more of an algorithmic network perspective. But even for many computer scientists, what we're all studying is the same thing. Which is, what encourages or incentivizes someone to make themselves vulnerable and to rely on another person for something that's important. And really, when you say it that way, you get nodding heads from just about anyone who's studying. They'll want to refine it or they'll want to add to it. But at the core, we are all studying the same thing. And for business leaders too, by the way. When they face stress challenges, it's about often getting customers or suppliers to rely when they're vulnerable and when something is really at stake.

Interviewer: In your academic research and publications, you have a strong focus on marketing. What role does marketing play in relation to trust?

Kent Grayson: Well, there's two answers to that. The first answer is that I think a lot of times when people think about marketing, they think mainly about advertising, they think mainly about social media and communication. And at the same time, when you say marketing, at least in English, people think it means

if you say, oh, that's just a marketing thing, what they mean is it's deceptive, that it's meant to be tricky, that it's meant to fool people into buying things or into believing things. And unfortunately, marketing has gained that reputation because there are many people who use marketing communication and social media to deceive or to mislead for their own personal gain. And so that's the first way I think that trust is important in marketing is that those of us who, the majority of people who work in marketing and who don't want to trick or mislead because that is the short term gains, we have to fight a sense of distrust amongst consumers or amongst potential business partners from the get go, there's a certain level of resistance. And so trust your trust efforts have to start there. But in a second way is marketing is not just about marketing communication. If you go to business school and you learn about marketing, you learn that that's really the final step in the marketing process. The marketing process, as understood by textbooks, is what is marketing? It's understanding a target customer sufficiently well, understanding their goals and their problems so that you can create a product or service that satisfies their needs. And trust is essential for that understanding. You have to trust the consumer. You have to find a way to trust what the consumer is telling you, so that you can be confident that your solution will, in fact, solve their needs.

Interviewer: Yeah. In a 2017 article in the Huff Post, it says Generation Z or the Millennials are somewhat older, want brands to be more authentic. Here's why that matters. And I read that article, "Generation Z Don't Trust Advertisements", only about one percent of them claim that's a compelling ad influences them. The rest is almost naturally sceptical of advertising. They think it's an all spin so they don't bother paying attention a little bit like what you just said. So how would you explain to the youngest generation what trust and marketing have to do with each other?

Kent Grayson: Well, let's first look at the many studies. I'm familiar with the kind of study that you've just mentioned. And for the last several generations, we've heard about consumers becoming more and more sceptical, more and more savvy, I think often is what they say, that they understand how media works, how advertising works, and therefore how persuasion works. One thing to keep in mind is that for decades, people have been sceptical of marketing and advertising. Even at the turn of the last century, people were talking about how easy it is for people to be fooled by patent medicine, salespeople, people coming into the town and trying to sell all sorts of doodads in newspapers were just starting to become prominent and people were learning to be sceptical. Now, it may be that millennials and Generation Z, rather than, you know, 70 percent are sceptical, maybe 80 percent are sceptical. But I don't know anybody who when you ask them, do you trust advertising, they're like, yes, you know, I always trust advertising. What's interesting about those studies is that many of them are quite short. They're meant to get general feelings. So they ask, do you trust advertising? And people say, no, I don't trust. Are you ever influenced by advertising? Very rarely or never. That's what they say.

Kent Grayson: But if you follow up and ask them, are there any brands that you trust? Are there any businesses that you trust? And often we also hear this in politics. And you say, do you trust politicians? Many people say, no, I don't trust them, especially in the US. But when you ask, do you trust your congressperson or do you trust your local representative, the story changes. Millennials and Generation Z have brands that they love and that they trust. And I am not sure that it differs between generations. So I think it's useful to remember that defensiveness that I was talking about, everyone's defensive, maybe younger people are a little bit more defensive, but more importantly, how do we get through those defences? Because for every young person that we talk to, every 15 year old, every 20 year old, and you ask them, do are there brands you like? Are there companies you like, other organizations you like? They will talk passionately about a handful of organizations. And then you ask, do you trust them? And they say, absolutely. And here's why.

Interviewer: Yeah, well, as you said, marketing and trust have one thing in common, and that's persuasion. What social media plays a role in how to persuade people to acknowledge that the particular brand stands for what it wants to stand for?

Kent Grayson: As you think about how marketers struggle with communicating with their customers, I think it's a challenge is something that there's a phrase called whack-a-mole. I don't know if you're familiar.[Yes]. It's this idea. It's a game, the carnival where you where you have to whack something and when you hit it on the head,

Interviewer: it pops up,

Kent Grayson: you exactly right. And we use that to refer to a problem that you think you've solved it and then it comes back in some other way. And that's, I think, the challenge that marketing communication professionals and marketers face. We try to find ways to communicate truthfully with our customers. And then over time, other people say, oh, let's take social media. When social media first came out, it was a way to get people to talk informally and socially with one another. And when you hear about something from a friend or from a trusted blogger, you're more likely to trust it than if you hear about it from a company. And so in the early days of social media companies, I think quite honestly said I'm a backpack manufacturer and here's somebody who is a blogger about going out hiking and putting up tents and look, he he's wearing our backpack. What if we get him to talk about how great our backpack is, maybe for a few extra products or maybe for some extra money. But he already likes our backpack,

Interviewer: the role of the influencers

Kent Grayson: that's right. And it grows quite naturally out of the fact the person already uses the backpack, but then other companies say, well, what if I see an outdoor blogger, they don't use our backpack, but what if we could get them to say that they do? Well and now the whack-a-mole problem starts happening because people start to realize that influencers aren't always truly and authentically behind the products that they are promoting, but that they have been paid or encouraged or incentivized. And now that tactic for the marketers, want to be honest, starts to lose its potency. And now we have to look for other ways, you know, to find that are that are authentic, that are truthful, and that aren't that people don't assume have been gamed. As you know, the influencers are becoming less and less potent these days because people understand that they've been incentivized.

Interviewer: Yeah, there seems to be a common understanding under marketeers that businesses need to spend far more time building trust and far less time just pushing products. What's your view on that?

Kent Grayson: Yes. Well, yeah, that quotation is, I think, quite apt. And I think, here again, we get to this notion that is not only prevalent amongst consumers, but I think is also prevalent in companies that all marketing is meant to do is, is, you know, here I've got this product, I know it's not that great, I know it breaks easily or I know it doesn't. But it's up to you, Mr. or Mrs. Marketer, to sell it. And there's this idea that the marketer says it's fine. I'm going to lie my way into getting consumers to trick them into buying these products. That's the pushing part. And I have run into a good handful of companies who believe that that's what marketing is meant to do. But I think most modern companies recognize that what you really need to do is back to what I said is to understand the customer and to solve their problems. And it's only by doing that that you can build trust. I mentioned trust is about relying on people. You want people to rely on your products or your services. Then you have to be honest and sincere about solving their problems, not just saying that you will, but understanding how you will and then delivering on that. And that's, to me, the trust side of your quotation. That's about building trust. But to put it another way, in a way the business leaders might more easily understand, it is your job is to solve customer problems, which is, I think, just another way of saying: build trust.

Interviewer: So talking about honesty and sincerity, there is also a relationship between trust and transparency. People often say that transparency is the cure for trust. Is it as easy as that?

Kent Grayson: No, it's not. Well, first of all, I do think that there is that trust is about partly about making sure that you understand the other party's motives, that you believe they have your best interests at heart, and that they're telling the truth and keeping their promises. And when you think about trust, it's about seeing through what might be a façade or an impression being made by a company or by a negotiator and seeing beyond that. And I think that transparency is another way of saying that. So, yes,

trust and transparency often go hand in hand. But with companies that I've worked with who have said you want to build trust and now we want to be transparent, you run into a series of challenges about how to be transparent. To give you a quick example, let's say that I'm a company and I want to be transparent about how I'm using customer data. Now, one way to do that is to just open my computer database. Let's say I could do it in a secure way so that only customers could see it. My customers aren't going to know how to interpret that data. They're not going to know about the zeros and ones or about the data files or about the data lakes or oceans that I might have. I have to start translating that for them. And as soon as you start translating, you bring in the possibility that you are simplifying to the point of oversimplification and to the point of perhaps leading people to think that you've been deceptive. And so it's not as easy as that.

Interviewer: Kent, you are a marketing professor, so I would be very curious to know whether you see any difference in the perception of marketing between the current generation of students that you see and the ones that you saw when you started as a researcher in your university. Do you see a. And if so, what's the difference?

I think one of the biggest differences I've seen, particularly lately in the last really five to eight years, is that the students I see in my classroom are much more socially motivated, much more passionate about companies doing well in addition to making a profit and much more quick to call out advertisements or corporate activities that are not just unethical, but also perhaps don't show social responsibility. And they're more confident about doing that in the classroom. They're more capable of doing it in a constructive way. And I don't know if that's a function of MBAs and business people in general. I'd like to think so, but or maybe just a function of Kellogg, the school where I go to, which is which is promotes itself as a places for students like that. But I think that is happening throughout the business world, and I'm glad to see it.

Interviewer: Well Kent, thank you very much for your insights into the role of trust in marketing. And I wish you all the best.

Kent Grayson: Thank you for having me.

IntroVoice: We hope you enjoyed this episode of TrustTalk. Don't miss out on future travels around trust and subscribe to this channel or visit us on our website, TrustTalk.co, or on Twitter, @TrustTalkCo. We look forward to seeing you again soon.