

STRATEGIES FOR
SERVICE EXPORTERS SERIES

ESTABLISHING CREDIBILITY

A PUBLICATION OF THE CARIBBEAN NETWORK
OF SERVICE COALITIONS (CNCS)

**“THERE ARE FEW THINGS MORE
IMPORTANT IN BUSINESS THAN
TRUST.**

After all, if potential customers do not have faith in your product or service, then your business will never get off the ground.” [RICHARD BRANSON]

PREAMBLE

Services are intangible. They cannot be examined before purchase in the same way that goods can. Therefore, in order for a sale to be made, the buyer must trust in the capabilities of the service provider to deliver what is being promised. Accordingly, before a specific service can be marketed, the capabilities of the service provider or service firm must first be marketed.

It is said that 92% of consumers trust recommendations from people they know¹ and that recommendations are the primary factor of up to 50% of all purchasing decisions². Therefore in the small national markets of the Caribbean, establishing credibility and completing sales via word-of-mouth recommendations is not difficult.

A challenge for service exporters, especially those from developing countries, is in establishing credibility in new markets where they are not yet known. In fact, it is said that the most significant challenge service exporters face in penetrating new markets is in establishing credibility³.

This paper offers suggestions with respect to enhancing credibility.

ESTABLISHING CREDIBILITY

Credibility is defined as the degree to which someone or something is deemed trustworthy and believable.



The credibility of a service provider or service firm determines its success or failure.

Credibility is established through different means for different customers. For example, a graphic designer might establish credibility by making their portfolio readily available on online art communities, where more artistic-minded consumers might assess the artist's capabilities based on their work. Other consumers may expect a creative and professional website that reflects the designer's services, even if the graphic designer is not skilled in web-design. Some may require certificates or degrees from graphic design programmes and schools in order to feel comfortable purchasing design services. Others still might prefer kudos on third-party industry websites to establish credibility.

Credibility is also established through different means for different service providers. For example, while a suitable means of establishing the credibility of a contractor might be through testimonials of satisfied customers and referrals from architects or engineers, an appropriate means of establishing the credibility of an ophthalmologist may be via professional licenses, membership in an industry association and even 'softer' determinants such as a modern waiting-room.

It is because credibility is established differently from customer to customer that a service provider must find diverse and multiple ways of establishing credibility.



**“CREDIBILITY IS
ESTABLISHED
THROUGH
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FOR DIFFERENT
CUSTOMERS.”**



HOW TO ESTABLISH CREDIBILITY

“A COMPANY THAT DOES NOT HAVE A WEBSITE IS NOT TAKEN SERIOUSLY.”

- **Website**

The internet has changed the way business is done. Websites are not the novelties they might have been a decade ago, but are mandatory. A company that does not have a website is not taken seriously.

This holds even truer for service exporters. Potential consumers in a new market will undoubtedly first visit a website to make a determination on the services being offered.

A service exporter's website is a serious investment. It should be world-class and kept up-to-date. It should add value to the advertising efforts of the company and definitely make a statement regarding credibility.

To this end, consider including professional affiliations, certifications or licenses, awards, testimonials, referrals, kudos from others leaders, examples of work completed, links to papers published, a blog to demonstrate a high level of subject-knowledge, links to guest blogs contributed to or where the company has been cited, etc. This information/validation should be readily accessible from the homepage.

See page 21 for more information on building a credible website.

- **Social Media**

Similar to the necessity of a website, a positive social media presence can no longer be excluded by companies serious about doing business internationally. Not having a Facebook presence, for example, may not only negatively affect credibility⁴, but reflects poorly on the commitment to customer relations being offered by the company.

Update the content regularly. Include some of the credibility builders noted above. Use online personas to demonstrate continuously that the company is competent and capable. Most of all, engage customers. 70% of consumers trust online feedback⁵. Facebook and Twitter should be a source of positive online feedback about your company.

- **Public Appearances**

From the moment a service provider steps on stage with a microphone in hand, their credibility increases. They are an expert, is what is believed of them.

When considering a new market, ascertain if there are any upcoming local events that would offer an opportunity to serve as a speaker or panelist. If the agenda has been decided, determine how else to contribute to the occasion, perhaps by sponsoring a side event where there would be an opportunity to introduce your company.

The distinctive name-tag worn by speakers not only increases visibility but enhances the opportunities to engage in conversations with other participants.

- **Printed Promotional Material**

As the services being offered by service providers are intangible, all tangibles carry significant weight. Business cards and brochures are often the first tangible representations of the company - the facets of the service we can examine and make according determinations on the service itself.

Be certain that business cards, brochures, flyers are world class and well reflect the characteristics of the company you wish to highlight (professional, creative, modern). It is better not to distribute promotion material than to distribute second rate material.

- **Professional Licenses and Certifications**

Certifications and licenses can label service providers as experts in their field. They immediately demonstrate that a service provider has attained a certain standard and are competent in their area of expertise. It is important however that certifications obtained and promoted to potential clients are internationally recognized. Listing numerous ill-respected and irrelevant certifications may negatively impact credibility.

- **Awards**

Compete in industry awards programmes at national and international levels. Winning awards are powerful credibility enhancers. Make sure that awards obtained are well noted in the company's marketing activities.

There are many industry award lists noted online. Determine the



awards that are relevant to your company and apply. If there are no national award programmes, encourage local business support organizations to start one.

- **Publications**

Published articles, white papers and books are also strong credibility boosters, particularly if the publications are in recognized industry journals, magazines or on leading industry websites. Once published, be sure to widely share articles with clients and potential clients.

- **Media Coverage**

One advantage to doing business in the Caribbean is that the media is often willing to cover company events and publish industry articles. Being highlighted in the media can quickly increase credibility. Cultivate relationships with the media and be certain to save all relevant news clippings and links to share on your website and Facebook.

- **Strategic Alliances**

Partnering with a well-respected company is a good way of enhancing credibility in new markets. If a well-respected company trusts the services of your company enough to partner with you, it is understood that the services being offered must be of a high standard.

More information on strategic alliances can be found in the Strategies for Services Exporters booklet on strategic alliances.

- **Referrals and Testimonials**

Referrals from reliable sources are a good way of enhancing credibility. As noted above, if you are a contractor, referrals from well reputed architectural or engineering firms would be valuable. If you are a tiler, referrals from tile distributors are meaningful. Referrals from well-known companies are also important. Consider how you can encourage and reward partners for referring your company.

Testimonials or feedback from satisfied customers are equally important. Create a system to easily capture and formalize even informally offered compliments. Be willing to ask for referrals and testimonials, or they might not be received, regardless of the caliber of service that was delivered.

- **Membership in an Industry Association**

Join the local industry association. Better yet, endeavour to serve as an officer or committee member of the association. If you are committed to a particular market, join the industry association in that market.

Consider joining an internationally recognized industry association relevant to your company. For example, while Barbadians would be comfortable purchasing architectural services from a member of the Barbados Institute of Architects, international consumers may not be. However, most consumers would be comfortable purchasing services from a member of the American Institute of Architects or the Royal Institute of British Architects.

Membership in an industry association demonstrates that you are a serious competitor in that industry.



TIPS

Establishing credibility is not limited to objective verification or personal guarantees of your skills. The above tips will serve to attract potential customers to you, but what happens when these customers call, visit or email; how do you continue to build credibility?

- **What do you do?** Can you relay your service offerings clearly and concisely? How do you stand out from the rest? Have your elevator pitch down pat.
- **Be honest.** Trust can be quickly lost through dishonesty and never regained. If there is a problem, do not try to cover it up. Remember that credibility can equally be gained through effective resolving of customer service or other organizational issues.
- **Be knowledgeable.** Explain how you can assist a potential customer without bedazzling them with complicated words or jargon. Do not speak negatively of competition.
- **Be passionate.** Excitement is contagious.
- **Listen.** Service providers who talk too much about their offerings without ensuring an understanding of a potential customers needs first are off-putting. Ask questions. Encourage feedback. Get to know your customers better. Get to know your staff better too.

- **Try Humour.** Lighten up! Joke. Smile. Humour goes a long way in building trust and winning over customers and others.
- **Practice what you preach.** An overweight dietician does not instill trust, nor does a smoking, drinking physical trainer. A hairdresser or manicurist should have their hair and nails done.
- **Be consistent.** Who you are on a Saturday night should reflect who you are on a Monday morning. With the deluge in information and the merging of personal and professional, it is harder than before to separate personalities. If your company is closely associated to you, ensure that you control search results for your name. Be mindful that your personal social media personas reflect well on your company.
- **Be positive.** Perpetual negativity does not inspire anyone.
- **Keep your promises.** Backing out of promises disappoints and erodes credibility.



CODE OF BUSINESS PRACTICES⁷

“THE BUREAU EVEN OFFERS ACCREDITATION BASED ON THESE STANDARDS TO HELP GUARANTEE THE CREDIBILITY OF MANY ...”

The US Better Business Bureau has developed a Code of Business Practices built on eight ‘standards for trust’, principles that summarize important elements of creating and maintaining credibility in business. The Bureau even offers accreditation based on these standards to help guarantee the credibility of many US businesses. Reflect on these eight principles and how your company meets these standards:

- **Build Trust**
Establish and maintain a positive track record in the marketplace.
- **Advertise Honestly**
Adhere to established standards of advertising and selling.

- **Tell the Truth**

Honestly represent products and services, including clear and adequate disclosures of all material terms.

- **Be Transparent**

Openly identify the nature, location, and ownership of the business, and clearly disclose all policies, guarantees and procedures that bear on a customer's decision to buy.

- **Honor Promises**

Abide by all written agreements and verbal representations.

- **Be Responsive**

Address marketplace disputes quickly, professionally, and in good faith

- **Safeguard Privacy**

Protect any data collected against mishandling and fraud, collect personal information only as needed, and respect the preferences of consumers regarding the use of their information.

- **Embody Integrity**

Approach all business dealings, marketplace transactions and commitments with integrity.





ESTABLISHING CREDIBILITY ONLINE

**“THE EXTREME QUANTITY OF INFORMATION
AVAILABLE ONLINE CAUSES USERS TO PROCESS
INFORMATION AND MAKE DECISIONS VERY QUICKLY.”**

In this digital world, relationships with customers are often entirely conducted online. The extreme quantity of information available online causes users to process information and make decisions very quickly. As such, online company profiles like websites, Facebook, Twitter and blogs are first assessed, not based on content, but rather, various other elements. These credibility-enhancing characteristics vary from platform to platform. Factors affecting the credibility of websites and Twitter profiles will be explored below, but the lessons learnt should be applied to any platform being used.

WEBSITES

While the credibility builders noted in the ‘Website’ section above are important in establishing credibility online, they will not be explored, or

attributed maximum value if the site itself is deemed not credible.

A study conducted by Stanford University⁸ reviewed 18 areas that people noticed when evaluating the credibility of a website. The top five are as follows:

1. The primary factor when evaluating the credibility of a website is 'design'. Elements like layout, typography, white space, images and colour influence design. Sites that do not appear professionally designed tend to be quickly dismissed. As an example, the use of the font Comic Sans has become an internet joke and should be avoided⁹.
2. After design, the next determinant for establishing credibility was 'structure of information'. Well laid out, organized sites were deemed more credible.
3. 'Information focus' was the third most important factor in assessing credibility. Too much focus made the site appear biased, while not enough focus also negatively affected credibility.
4. The 'motive' of a website is the next most important characteristic. For example, credibility is negatively affected when the primary motive for the site is to sell things. If you do wish to sell products or services via your website, ensure that the primary thrust is education rather than sales.
5. The fifth characteristic used to assess credibility is the 'usefulness of information'.





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ESTABLISHING CREDIBILITY ON TWITTER



In 2012, Microsoft Research conducted a survey and corresponding experiments to assess users' perceptions of Twitter tweet credibility¹⁰. While the survey was specific to Twitter, the results can be applied to other social media platforms such as Facebook and blogs to enhance credibility. Thirty credibility-affecting characteristics were identified. These include:

1. **Grammar and punctuation** - Always use Standard English, despite the character limits.
2. **User image** - Default images inspired little credibility, while photos inspired more credibility than cartoons or icons.
3. **User name** - Topical user names inspire the most credibility.

IMPORTANT

There are many opportunities to create credibility; be creative.

- 4. Message Topic** – Messages about science were deemed more credible than those about entertainment or politics.
- 5. Author credential** – Credentials should be available at a glance and include ‘number of tweets on topic’, ‘number of mentions’ and ‘number of followers’.

In whatever action your company undertakes, consider ‘How will this affect my company’s credibility?’ It’s not enough to avoid negative impacts, rather create positive credibility enhancers at every occasion. There are many opportunities to create credibility; be creative. Be persistent; credibility is not built overnight.

¹ Nielsen Global Online Consumer Survey, 2012

² McKinsey Quarterly, April 2010

³ International Trade Centre UNCTAD/WTO, Successful Services Exporting: A Handbook for firms, associations and governments, 2001

⁴ <http://www.dailymail.co.uk/news/article-2184658/Is-joining-Facebook-sign-youre-psychopath-Some-employers-psychologists-say-suspicious.html>

⁵ Nielsen Global Online Consumer Survey, 2012

⁶ <http://nortontopsearch.com/>

⁷ BBB Code of Business Practices (BBB Accreditation Standards)

⁸ <http://www.itu.dk/~rgsindberg/UA-eksamen/U%20Slides/Artikel%20med%20brugerevaluering.pdf>

⁹ <http://ihatecomicsans.com/>

¹⁰ http://research.microsoft.com/pubs/155374/tweet_credibility_cscw2012.pdf



This publication has been developed for the benefit of Caribbean service firms and all of the stakeholders who contribute to the development of the services sector in the region. Permission is granted for the reprinting of any material in this booklet, subject to due acknowledgement of the source.

Several industry specialists and experts have contributed directly and indirectly to this series. Best practices have been incorporated where possible based on interviews with successful exporting firms, trade support institutions and/or international best practices. Several key documents were referenced, including publications developed by the International Trade Centre and the Government of Canada, as well as extensive internet research on the specific topics. We wish to acknowledge and thank the many contributors, as well as those who reviewed the material for content and accuracy.

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For more information see <http://c-nsc.org>.



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