Microsoft – IDC Study: Understanding Consumer Trust in Digital Services in India
1. Our Digital Asia Pacific
2. Consumers’ Expectations of Trust in a Digital World
3. Consumers and Their AI Future
4. Recommendations for Organizations
The Digital Asia Pacific

**UNESCAP:**
- 60% of youth globally are in Asia Pacific

**GSMA:**
- 2.7 billion mobile subscribers

**UNESCAP:**
- 47.2% of global e-commerce market
Microsoft – IDC: Five Elements of Consumer Trust

- Privacy
- Security
- Reliability
- Ethics
- Compliance
Microsoft – IDC Study: Understanding Consumer Trust in Digital Services in India

Age Group

- Gen Z (15-24 y/o) 20%
- Gen Y (26-40 y/o) 20%
- Gen X (41-55 y/o) 30%
- Baby Boomer (56-75 y/o) 30%

Gender

- Female 44%
- Male 56%

India

459

Occupation (Asia)

- Management 1854
- Office worker 1059
- Customer care 332
- Professionals 683
- Worker 452
- ICT 238
- Creative 113
- Students/home 936
- Others 705

Industries Assessed

1. Manufacturing
2. FSI
3. Retail
4. Education
5. Healthcare
6. Government
7. Automobile
8. Telco & Media

<table>
<thead>
<tr>
<th>Country</th>
<th>AU</th>
<th>CN</th>
<th>HK</th>
<th>ID</th>
<th>IN</th>
<th>JP</th>
<th>KR</th>
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</table>
Digital Lifestyle in India

Bank Transaction, Service Purchase and Online Purchase are the most frequent digital services and activities that respondents performed.

S4: How many times have you performed the following activities in the past 3 months?

- **Bank Transaction**: India = 8.8, Asia Pacific = 7
- **Online Purchase**: India = 6.2, Asia Pacific = 5.8
- **Service Purchase**: India = 6.5, Asia Pacific = 4.3
Priorities in Trust

Privacy  Security  Reliability  Ethics  Compliance

IND
- Privacy: 85
- Security: 86
- Reliability: 80
- Ethics: 83
- Compliance: 82

APAC
- Privacy: 87
- Security: 88
- Reliability: 84
- Ethics: 83
- Compliance: 82
Priorities in Trust and the importance of Trusted platforms

Consumers in India have the highest expectations of trust from financial services institutions, followed by education institutions and retailers.

**Asia Pacific**

<table>
<thead>
<tr>
<th>Organization</th>
<th>Rankings</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSI</td>
<td>1</td>
</tr>
<tr>
<td>Healthcare</td>
<td>2</td>
</tr>
<tr>
<td>Education</td>
<td>3</td>
</tr>
</tbody>
</table>

**India**

<table>
<thead>
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<td>FSI</td>
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</tr>
<tr>
<td>Retailers</td>
<td>3</td>
</tr>
</tbody>
</table>

Only **7%** of consumers in India prefer to transact with an organization that offers a cheaper but less trustworthy platform.

Nearly **three out of four** consumers in India will still recommend a trusted platform to others even if its costs is higher.

Q7: On a scale of 1 to 5, how much do you believe that the digital services from these organizations will treat your information in a trustworthy manner? (1 = Do not trust; 5 = Strongly trust)

(Multiple responses question – percentage across these 8 verticals will not add up to 100%)
State of Consumer Trust in India

41% of consumers in India trust organizations offering digital services to protect their personal data.

Q7: On a scale of 1 to 5, how much do you believe that the digital services from these organizations will treat your information in a trustworthy manner?
(1 = do not trust; 2 = Somewhat distrust; 3 = Neutral; 4 = Somewhat trust; 5 = Strongly trust)
6% more consumers in India have had a negative digital experience as compared to Asia Pacific.

The top three trust elements that caused consumers in India to stop using digital services:

- Reliability (62%)
- Security (55%)
- Privacy (51%)

Half of consumers in India will replace the digital services they are using and switch to another organization.

Q9: In the context of a digital relationship, have you ever had a negative experience that made you stop using the organization’s digital product/service? (Y/N)

Q10: If yes, how would you describe, using these 5 trust attributes, what caused you to stop using the service?

Q11: What will you do when you have a negative experience with the digital services of an organization?

(Multiple responses question – percentage across these five elements will not add up to 100%)

<table>
<thead>
<tr>
<th>Trust Element</th>
<th>Asia Pacific</th>
<th>India</th>
</tr>
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<tbody>
<tr>
<td>Reduce</td>
<td>36%</td>
<td>32%</td>
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<tr>
<td>Replace</td>
<td>53%</td>
<td>51%</td>
</tr>
<tr>
<td>Stop</td>
<td>34%</td>
<td>32%</td>
</tr>
</tbody>
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AI IS AN ENABLIER FOR FUTURE DIGITAL SERVICES
Trust in Harnessing AI by Industry

Consumers in India have the highest trust in financial services institutions, education institutions and automotive companies to harness AI to improve their lives.

### Asia Pacific

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>FSI</td>
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<tr>
<td>Automotive</td>
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</table>

### India

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</tr>
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<td>Retailers</td>
<td>4</td>
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</table>

Q16: How much do you trust these organizations to harness the power of AI to improve how we live, work and play? (1 = Do not trust; 5 = Strongly trust)

(Multiple responses question – percentage across these 8 verticals will not add up to 100%)
Trust = Responsibility
Ownership of Trust

Technology companies followed by governments should take the lead in building trust

Governments and technology companies should be responsible for ensuring that AI is used in a trusted manner

Q8: As we move towards a more connected future, which sectors do you think should be most responsible for establishing trust in an online world?

Q20: Rank the following bodies you believe should be responsible for establishing what is appropriate in relation to the use of AI
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Recommendations: Building Trust in Digital Asia Pacific

- Trust should be the foundation of digital transformation plans
- Security and privacy are the two most important trust elements
- Dialogue between governments, technology companies, and other industry stakeholders are needed
- Build an ecosystem of partners that value trust
- Build digital services on trusted public cloud platform
Microsoft’s Commitment to Trust

- Privacy
- Security
- Transparency
Microsoft’s mission

Empower every person and every organization on the planet to achieve more