



THE BUSINESS VALUE OF TRUST.

WHAT COMPANIES CAN DO TO MAXIMISE ONLINE SALES BY
INCREASING CUSTOMER TRUST AND CONFIDENCE.





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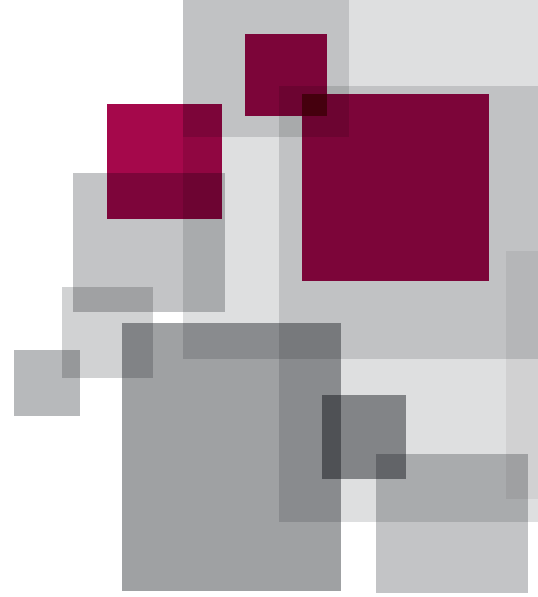
Are you looking to increase conversions, boost sales and reduce the number of people who walk away from the checkout process? VeriSign argues that customer trust is at the heart of the matter. Find out what IT managers are doing in the real world to make customers feel safer and more confident online.

It's not easy running an ecommerce website. Not only do you have to respond to the needs of the business - new products, new graphics and new features - but you have to keep the site up and running. There's always another patch to apply and another bug to fix. But what is the ultimate goal of your website? The answer is obvious and important: to sell stuff.

People are more likely to buy from online shops they trust. We surveyed IT managers for this report and four out of five of them said that 'increasing trust' was very important to them. Despite this, many online retailers neglect simple, proven, low-cost opportunities to increase customer trust and confidence¹.

This report looks into the need for trust in ecommerce and the ways in which companies are building it (and, in some cases, undermining it). It also outlines some of the ways in which VeriSign can provide quick, cost-effective ways to make customers more likely to do business.





WHY TRUST MATTERS.

Trust matters because people have bad experiences online. According to the UK government's Get Safe Online campaign, in 2008 a third of the population (34 percent) had experienced a virus, a fifth (22 percent) had suffered from phishing and one in five (21 percent) had been the victim of identity theft. The result is that nearly a third of internet users do not shop online, many because they are worried about their personal security or because they do not trust the retailersⁱⁱ.

For every person who experiences online crime, there are many people who are afraid of it. According to a recent study, 65 percent of citizens across Europe are worried about the loss of private data onlineⁱⁱⁱ. To overcome these fears, websites need to reassure customers that shopping online is safe^{iv}.

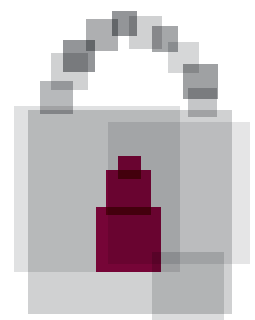
The good news is that shoppers are increasingly savvy about online security. According to VeriSign research, the vast majority is familiar with website security features such as the

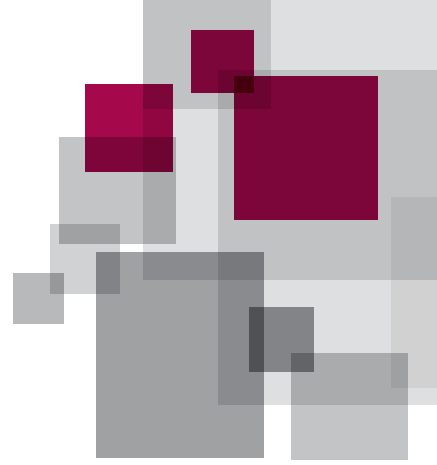
https protocol, the padlock symbol, the green address bar and trust marks such as the VeriSign Secured[®] Seal. An out-of-date certificate can be a major obstacle to trust. Customers also look for advice on how to protect themselves and reassurance that the site takes privacy and security seriously. They are reluctant to do business with sites that do not.

The stakes are high. European ecommerce sales are on track to reach £275 billion by 2011^v, according to eMarketer, and more than two-thirds (70 percent) of the British population shop on the internet^{vi}. At peak shopping periods, such as Christmas, as many as 93 percent buy online^{vii}.

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of citizens across Europe are worried about the loss of private data online.





GROWING THREATS TO ECOMMERCE.

Consumers' fears are grounded in reality. Internet criminals are ingenious and highly motivated. By some measures, online crime is bigger than the global drugs trade, with less risk of getting caught or dying violently. There is a sophisticated black economy that encourages specialisation and rapid innovation. Hackers sell their wares - malware and know-how - to middlemen who, in turn, outsource the sale of stolen goods, money laundering and card cloning.

Internet crime is a growing problem. For example, internet and telephone card fraud increased by 13 percent between 2007 and 2008, according to APACS. In the first half of 2009, it amounted to £134m in the UK^{viii} and it has grown threefold since 2000 while the total value of online shopping transactions has only doubled^{ix}.

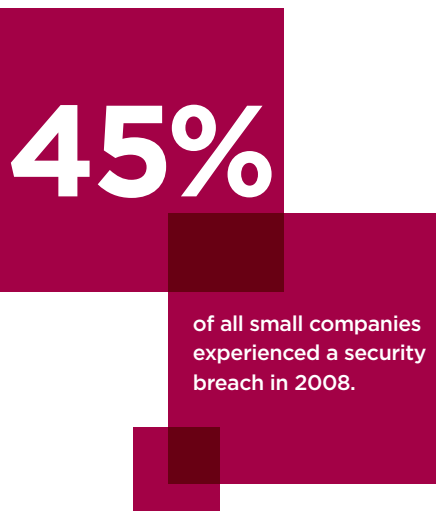
Consumers aren't the only ones at risk. Internet criminals threaten business with intrusion, spoofing, denial of service, spyware and data theft. The Department for Business, Innovation and Skills's recent Information Security Breaches Survey^x reports that nearly half (45 percent) of all small companies experienced a security breach in 2008 with an average cost of £10-20,000. Large companies were more likely to have problems (72 percent) and they were more serious, with an average cost of £90-170,000. Two of these threats - data theft and spoofed websites - directly influence customer trust. A failure in either area can be hugely damaging to a company's reputation.

Our respondents shared these concerns too. They were very mindful of customers' anxieties (71 percent). A large proportion of them rated the following risks as 'very important':

- Site spoofing (44 percent)
- Phishing (40 percent)
- Identity theft (63 percent)

Then they reported concerns about certificate management itself and the risks involved in letting certificates expire early or the information in them going out of date. Just managing multiple certificates was a significant problem for 36 percent of respondents and 53 percent were concerned to avoid unexpected certificate expiry.

In other words, the problems are real and both IT managers and customers see them as barriers to ecommerce. Luckily, there are some straightforward, widely available and well tested ways to reassure customers and protect their data.



HOW VERISIGN HELPS.

VeriSign can help you do two vital things. It helps you protect your customers by encrypting their personal data and helping prove to customers that your site is genuine.

It also clearly shows that you care about your customer's privacy and security. Our survey revealed specific business goals and deploying proven VeriSign technology on your store can help you address them.

Business goal	Percentage of respondents who rated it as 'very important'	How VeriSign helps
Increase customer trust and confidence	80 percent	Since you have a choice of SSL Certificate providers, it makes sense to pick one that will create the greatest level of trust and confidence for shoppers. Recent research found that 81 percent of UK online shoppers recognise the VeriSign Secured® Seal, significantly more than any other trust mark ^{xi} and, across Europe, 78 percent of online shoppers consider VeriSign the company best described as trustworthy ^{xii} . Displaying the VeriSign Secured® Seal gives customers a way to check the validity of the SSL certificate and also visibly confirms that your site uses a trusted company to help protect their data. Similarly, VeriSign Extended Validation SSL Certificates display the name of the site owner and a green bar in modern browsers, giving visual reassurance that the site is genuine and SSL encryption is in place.
Raise security	64 percent	VeriSign's Server-Gated Cryptography (SGC) Certificates enable 128- or 256-bit SSL encryption (depending on the web browser, operating system and host server), the most powerful SSL encryption commercially available today, to over 99.9% of Web site visitors ^{xiii} . This helps ensure that customer's data is kept safe and secure as it travels between their browser and your server.
Enhance the value of your brand	54 percent	The vast majority (84 percent) of UK online shoppers are familiar with website security features such as https, the padlock symbol, the green address bar and trust marks ^{xiv} . This means that you can use these visual clues to add cues about trustworthiness to your brand and the presentation of your site. In addition, VeriSign lets you manage all your certificates in one place using the VeriSign® Certificate Center and VeriSign® Managed PKI for SSL for larger companies. This reduces the risk of certificates expiring unnoticed, with all the security and reputational risks involved.
Increase conversions	44 percent	It's one thing to get customers to your site but it's another to see them actually buy something. While marketing and advertising can help drive traffic, what happens on the site is fundamental to conversions. In fact, more than two out of three people (68 percent) say they will be more hesitant to do business with vendors online who do not display assurances such as trust marks ^{xv} . Using Extended Validation SSL Certificates and trust marks such as the VeriSign Secured Seal helps customers feel confident, especially when they start the check-out process or they enter personal information. It's also helpful to give information about what you do to protect customers on the site to reinforce the impact.
Increase order value	34 percent	Increased trust and security can support your efforts to upsell additional goods and services. Where trust is low, links to extended warranties or related products look more like spam or pop-up adverts. Conversely, where customers trust a site, they may be more likely to investigate this kind of offer. This is especially true where you rely on them giving you more information. For example, an insurance company may require a lot of personal information before it can give customers a quotation. Experience shows that cart abandonment and signup rates fall if people don't feel secure.





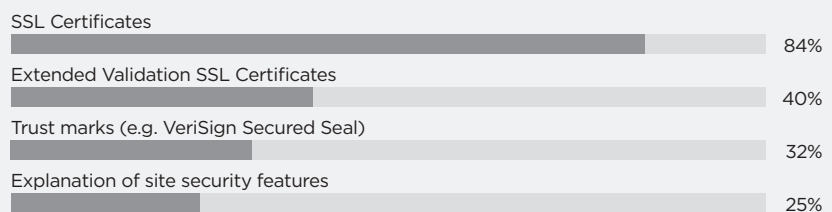
HOW COMPANIES PROTECT THEMSELVES.

An enlightened majority already do most of the things we recommend: use Extended Validation SSL Certificates, display trust marks such as the VeriSign Secured® Seal and offer explanations and visual cues about security measures on the site. However, a surprising number do not. In fact, only 40 percent of respondents in our survey used Extended Validation and only 32 percent used trust marks.

In addition, only 30 percent had any kind of centralised certificate management. Without these features, you could be losing business to smarter competitors. They offer an easy competitive advantage.

What does it take to implement these features? Not much. They're straightforward and economical. Swapping from a regular SSL Certificate to Extended Validation is technically straightforward, especially with support from VeriSign. Displaying a trust mark and advice about online security requires only minor changes to a site's appearance. Centralising certificate management goes a long way to ensuring that certificates don't expire accidentally.

How companies increase trust



Source: VeriSign IT manager survey January 2010.

VERISIGN CONCLUSIONS.

VeriSign customers report significant increases in conversions and sales and a reduction in abandoned carts when they deploy this technology. For example, Misco saw a reduction of five percent in the number of abandoned carts when they deployed Extended Validation SSL Certificates.

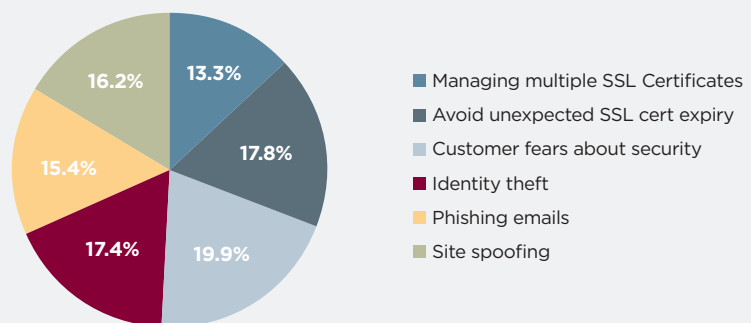
While other factors specific to these customers may have helped contribute to their results and your results may vary, the cost is relatively small as a proportion of most website budgets and the potential gains are very large as a percentage of online revenue. It's not a difficult investment to justify.

Directline holidays saw conversions go up by eight percent. Similarly, when QuickRooms.com installed Extended Validation SSL Certificates and the VeriSign Secured® Seal, their sales increased by nearly seven percent.

The long-term opportunities are even bigger. As the market grows and competition intensifies, trust-building is a way to differentiate your site, increase conversions and boost order values. It isn't just the right thing to do, it's good for business.

Customer fears about security was rated as the most important issue for IT Managers.

How serious are the following issues



ABOUT VERISIGN.

VeriSign (NASDAQ: VRSN) is the trusted provider of Internet infrastructure services for the networked world. Billions of times daily, our SSL, authentication, identity protection and registry services help companies and consumers all over the world to communicate and conduct commerce with confidence.

VeriSign is the leading Secure Sockets Layer (SSL) Certificate Authority enabling secure ecommerce and communications for Web sites, intranets and extranets. VeriSign continues to lead the SSL Certificate industry as a member of the CA/Browser Forum, a voluntary organisation currently focused on EV SSL Certificates.

➤ Visit www.verisign.co.uk for more information.

¹ VeriSign online research conducted 4-13 January 2010

² "Fear Holding Back Online Shopping," BBC News, May 2009. Available at <http://news.bbc.co.uk/2/hi/business/8043717.stm>

³ "Data Loss Is Europe-Wide Problem Says EU Expert," SC Magazine, October 2008. Available at <http://www.scmagazineuk.com/Data-loss-is-Europe-wide-problem-says-EU-expert/article/119969/>

⁴ Get Safe Online data: GSO Annual Report 2009, www.getsafeonline.org

⁵ eMarketer report, May 2008

⁶ Get Safe Online data: GSO Annual Report 2009, www.getsafeonline.org

⁷ IMRG Research: <http://www.imrg.org>

⁸ APACS: http://www.ukpayments.org.uk/media_centre/press_releases/-/page/732/

⁹ APACS: http://www.ukpayments.org.uk/resources_publications/key_facts_and_figures/card_fraud_facts_and_figures/

¹⁰ Security Breaches survey: http://www.pwc.co.uk/eng/publications/berr_information_security_breaches_survey_2008.html

¹¹ VeriSign 2009 Brand Research™ Synovate/GMI, May 2009]

¹² Synovate/GMI Ibid.

¹³ SGC: <http://www.verisign.com/ssl/ssl-information-center/strongest-ssl-encryption/index.html>

¹⁴ VeriSign 2009 Brand Research™ Synovate/GMI, May 2009

¹⁵ Synovate/GMI Ibid.

*Your company's results may vary. Factors specific to these customers may have helped contribute to their results. Contact VeriSign today to talk about how VeriSign can best address your company's security needs.

