The Low Trust Penalty
Executive insight

The *Trust* Project

Emmett & Churchman

THE LOW TRUST PENALTY 2025

In collaboration with

3Gem Research & Insights

The *commercial* cost of weak market position

Many ambitious B2B businesses have strong expertise, experience and capability. Yet market perception does not always reflect business reality.

Buyers make judgments long before they engage with potential suppliers.. They assess credibility, expertise, reputation and risk using the information available to them. When confidence is low, opportunities are often lost before a proposal is requested, regardless of technical capability.

The Trust Advantage research demonstrated the significant role trust plays in supplier selection. The Low Trust Penalty explores why some capable businesses fail to earn that trust and the commercial consequences that follow.

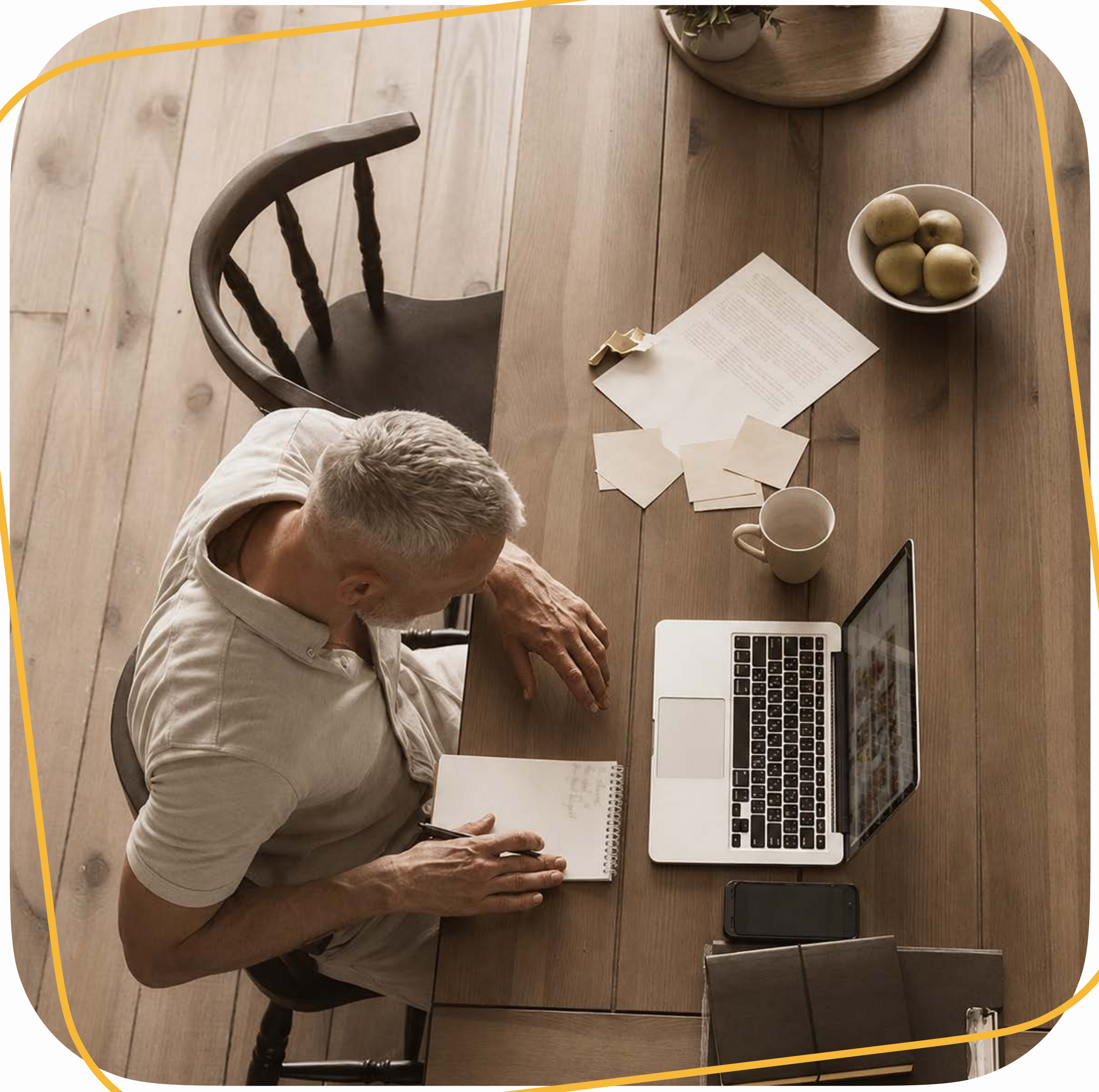
The *hidden* cost of weak market position

Many businesses assume they lose opportunities because competitors are better known, better funded or more established.

Buyers are often evaluating something different. They are assessing whether a business appears credible, capable and able to reduce the perceived risk of choosing them.

When buyers cannot easily find evidence to support those conclusions, uncertainty increases. Uncertainty creates friction. Friction reduces the likelihood of making a shortlist, increases scrutiny and lengthens decision-making.

This is the Low Trust Penalty. It is the commercial cost of a gap between business reality and market perception.



The *credibility* gap

EVERY BUSINESS HAS TWO REALITIES

The first is the business itself

Expertise – The depth of specialist knowledge your business brings to a specific problem space.

Experience – The breadth and frequency of situations where you have applied that knowledge in practice.

Capability – The resources, processes and capacity that enable you to deliver your work reliably and at scale.

Track record – The proven results and outcomes that show how effectively you have delivered over time.

The second is how that business is perceived externally

Reputation – How your business is talked about and regarded by customers, peers and the wider market based on past behaviour and results.

Visibility – How easily buyers can find and encounter your business in the channels that matter to them, from search to social to events.

Credibility – The extent to which your claims are believed, based on the quality of your evidence, consistency and external proof points.

Market authority – The degree to which your business is seen as a leading, go-to voice in its category, shaping agendas rather than just participating in them.

The difference between business reality and market perception is the Credibility Gap. Many capable businesses operate with a significant Credibility Gap. Their expertise exceeds their market recognition, their capability exceeds buyer confidence and their value is not fully understood by the market. The larger the gap becomes, the greater the commercial penalty.

How buyers access *commercial credibility*

The Trust Advantage research found that trust is hardest to establish during the discovery and research stage. Long before engaging with sales teams, buyers evaluate a range of credibility signals, including:

1. **Reputation** – How the business is regarded in the market based on its track record and what it is known for.
2. **Recommendations** – What trusted peers, clients and colleagues say in referrals, reviews and word of mouth.
3. **Visible expertise** – The quality of insight the business shows publicly through content, commentary and points of view.
4. **Relevant experience** – Evidence of solving similar problems for similar organisations, sectors or use cases.
5. **Case studies** – Specific examples that show the problem, approach and measurable outcomes delivered for clients.
6. **Leadership credibility** – How credible, consistent and accountable the senior team appears in public.
7. **Independent validation** – External proof points such as certifications, analyst reports, awards or media coverage.
8. **Market presence** – How clearly and consistently the business shows up across search, social, events and industry channels.

These signals help buyers assess risk and determine whether a business warrants further consideration. When they are absent, inconsistent or difficult to find, confidence declines. Highly capable organisations can be overlooked as a result.

How *perception influences* commercial outcomes

Weak market perception creates commercial consequences long before buyers engage with sales. When commercial credibility is low, businesses experience:

- Opportunities fail to progress.
- Shortlists become harder to achieve.
- Sales cycles lengthen.
- Buyers favour familiar alternatives.
- Procurement scrutiny increases.
- Competitive pressure grows.

Over time, these effects accumulate into a measurable commercial cost. The underlying issue is often confidence rather than capability.

Building *commercial* credibility

- Trust is built through consistent evidence of credibility. Buyers look for proof in the form of expertise, relevant experience and reassurance that a business understands their challenges and can deliver on its promises.

Organisations that consistently communicate expertise, demonstrate thought leadership and provide credible evidence reduce uncertainty throughout the buying journey. These businesses become easier to shortlist, easier to trust and easier to choose.

They understand that commercial credibility is built through multiple proof points, communicated consistently over time.

Closing the *credibility* gap

For many growing businesses, the challenge lies in perception. When market perception fails to reflect business reality, growth becomes more difficult than necessary.

Businesses that consistently outperform competitors are often those that close the gap between what they are and how they are understood.

- They invest in commercial credibility.
- They strengthen buyer confidence.
- They make it easier for buyers to recognise their value.

As commercial credibility grows, buyer confidence increases, trust follows naturally and opportunities become easier to create, progress and win.

About the *Trust project*

The Low Trust Penalty builds on findings from The Trust Advantage, a study of 200 senior B2B technology buyers exploring the role trust plays in supplier selection.

Together, these reports form part of The Trust Project, Emmett & Churchman's ongoing research programme examining the relationship between trust, credibility, market perception and commercial growth.

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