


# The Benevolent Enterprise

*How to Operationalise  
and Scale Doing Good*

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# Executive Summary

## Trust matters in our economies and societies more than ever.

This is particularly the case in data-intensive environments in which trust has become a significant roadblock to the adoption of digital technologies. However, though widely discussed, trust is still not a primary concern for most organisations and their trust literacy – the ability to design, manage and measure trust explicitly – is in its infancy.

In order to make trust actionable, our research at the Cisco Chair in Trusted Retail at QUT's Centre for Future Enterprise breaks trust down into four factors, uncertainty, vulnerability, confidence and, the focus of this report, benevolence. In the following, we present eight benevolent practices providing inspiration and operational guidance to those organisations who have the authentic disposition to 'do good by their customers' and to use 'technology for good'. This taxonomy is based on comprehensive primary and secondary data across various industry sectors.

Deploying the proposed practices can help organisations to further elevate trust as a unique differentiator and with this create a positive impact on customers' advocacy, retention and engagement as previous research has shown.

**Trust is still not a primary concern for most organisations and their trust literacy - the ability to design, manage and measure trust explicitly - is in its infancy.**



# 1 Why Trust Will Matter Even More

**In a world with mature and capable digital technologies, a high level of digital literacy in our society and the disruptive potential of business model innovation, a new roadblock to progression is emerging – trust.**

When customers hand over their private data, make online decisions on a product they have never touched or engage with sophisticated technologies such as autonomous systems, facial recognition payments or video analytics, the trust intensity of such engagements is high.

That means whether a customer trusts or not influences their purchasing intentions significantly. The higher the trust intensity, the higher the likelihood that the customer will not trust. This creates a high sense of urgency for organisations working in digital- and data-intensive environments and explains the tremendous interest in zero trust architectures.

In addition and beyond these individual considerations, global demands for sustainability and transparent and fair supply chains are amplified by increasingly mandated ESG reporting (see for

example Global Reporting Initiative). These require organisations to also be accountable for their social responsibility for all stakeholders as opposed to a common narrow focus on corporate, profit-driven performance with only immediate shareholders in mind. No longer is a just customer-centric deliver-to-promise sufficient to gain trust.

Rather, customers' trust concerns also cover more comprehensive promises such as net zero targets.

As a result, customers acknowledge it when companies commit to relevant purposes such as Cisco's 'Power an Inclusive Future for All' and demonstrate ongoing progress in their purpose-related actions as Cisco is doing it in their annual purpose reports. Here, annually progress is measured across goals such as 'number of people positively impacted', 'percentage of electricity used from renewable sources' or 'decreased use of virgin plastics'.<sup>1</sup>

However, despite this growing importance of being trusted, organisations have largely not made trust a primary concern. The professionalisation of trust is low, roles dedicated to trust (e.g., trust architects, trust designers) practically unknown and so are funds dedicated to trust-building initiatives, unless the organisation has a trust deficit (e.g., after a Royal Commission or trust-breaking actions with severe reputational damage).

This is a paradox situation. In industries in which the quality of products and services as well as their prices vary only marginally among competitors, trust promises to be a source of differentiation.

**Previous research has shown that an increase in trust correlates positively with the willingness to engage early with new products and services, to pay more as well as increased advocacy and loyalty.<sup>2</sup>**

In light of these positive relationships, there is an increased ambition of organisations to explore and benefit from trust-building opportunities.

In the business context, trust is commonly defined as the belief in the reliable ability of an organisation to deliver on its promise with integrity and benevolence.<sup>3</sup> This report is focused on the latter, benevolence, only. Approaches to build reliable capabilities (automation, Six Sigma, Lean Management, etc.) do exist and integrity and conformance overall have received substantial attention.

Far less is known about how companies can approach the topic of benevolence. How can the disposition to do good be operationalised and scaled when economic business imperatives dominate?

In this report, we provide an answer to this question by proposing a taxonomy made up of four pairs of patterns of benevolence. Before we describe these, we will first present a revised view on trust, the trust quotient, to position benevolence next to other trust factors. Then, we will briefly outline the research methodology of this project which took place between March – September 2022. After discussing the eight patterns of benevolence, we will reflect on the prerequisites of an organisation willing to commit to benevolence.

1. Cisco. Our Purpose, Our Progress. 2021 Cisco Purpose Report, pp. 19-20.  
2. See for example S.P. Gounaris (2015): Trust and commitment influences on customer retention: insights from business-to-business services. *Journal of Business Research*, 2(58), 126-140.  
3. Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20(3), 709-734.

# 2 The Trust Quotient

Very much like profit, which is the difference between revenue and cost, trust cannot be managed directly.

Trust is a combination of four factors, each of them shaping the trust perception of customers. We call this combination the trust quotient as two of these factors need to be decreased, and two of them increased to have a positive impact on trust (Figure 1).

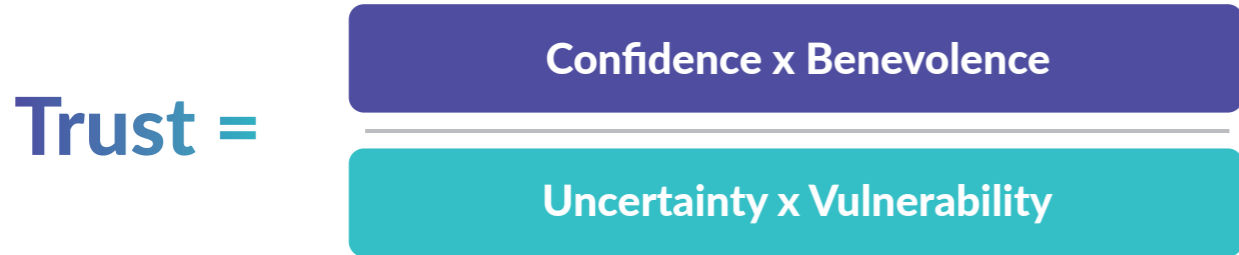


Fig. 1: The Trust Quotient

First, and most importantly, an organisation needs to ensure that it can provide reliable products and services according to its promise. The higher the **uncertainty** that this is not the case, the lower is the trust of the customer. This is evident, for example, when e-commerce providers have a high variety in their product delivery times, customer-facing staff in a franchised retailer perform differently or airlines are unable to provide a quality of service according to their flight schedules.

**Uncertainty can be actual or perceived.** The former can be addressed via approaches such as automation, standardisation or re-design approaches such as Six Sigma. The latter is addressed by increasing transparency (e.g., digital performance dashboards, tracing solutions along supply chains).

Reducing uncertainty to zero is in most cases technically, organisationally or economically not feasible. Thus, there is a residual risk that a product or service may not meet customer's expectations. **Vulnerability** describes the costs for the customer to deal with this lack of 'fit for purpose' (e.g., a product ordered online is not in accordance with customer's expectations).

Organisations are addressing customer's vulnerability by the 4R approach – reduce, replace, reimburse, repair. They reduce the costs of the purchase, they replace the product (in some cases over the lifespan of the product), provide a 100% (or even greater than 100%) reimbursement offer or provide a warranty to repair the product if needed. Low vulnerability increases customer's trust as they have 'less to lose'.

In addition to reducing uncertainty and vulnerability, organisations have a positive impact on their customers' trust by increasing their customer's **confidence** in the organisation's products and services. Customers screen an organisation's trustworthiness by looking into product reviews by experts, relevant social media, recommendations from trusted sources like colleagues or friends, or assess their previous experiences, the industry and the organisation overall. An organisation can influence some of these confidence signals (e.g., add external expert reviews, seek certifications, facilitate gaining zero-cost product experiences).

The fourth factor and focus of this paper is benevolence. **Benevolence** is less about the trustworthiness of the daily business-as-usual but about demonstrating that the well-being of the customer truly matters to the organisation. Benevolence requires an organisation's disposition 'to do good' and to demonstrate this in their routines and customer interactions consistently, proactively and most of all authentically.

However, while benevolence has been comprehensively studied in the context of interpersonal relationships, less is known about operational and scalable benevolence in the context of large organisations. Also, as long as the profit maxim determines corporate decision making, benevolent behaviour can only be expected if there is a net benefit to benevolence. This motivated the research we share in this report.

## The four key questions behind each of these four trust factors



Fig. 2: The Four Factors of Trust



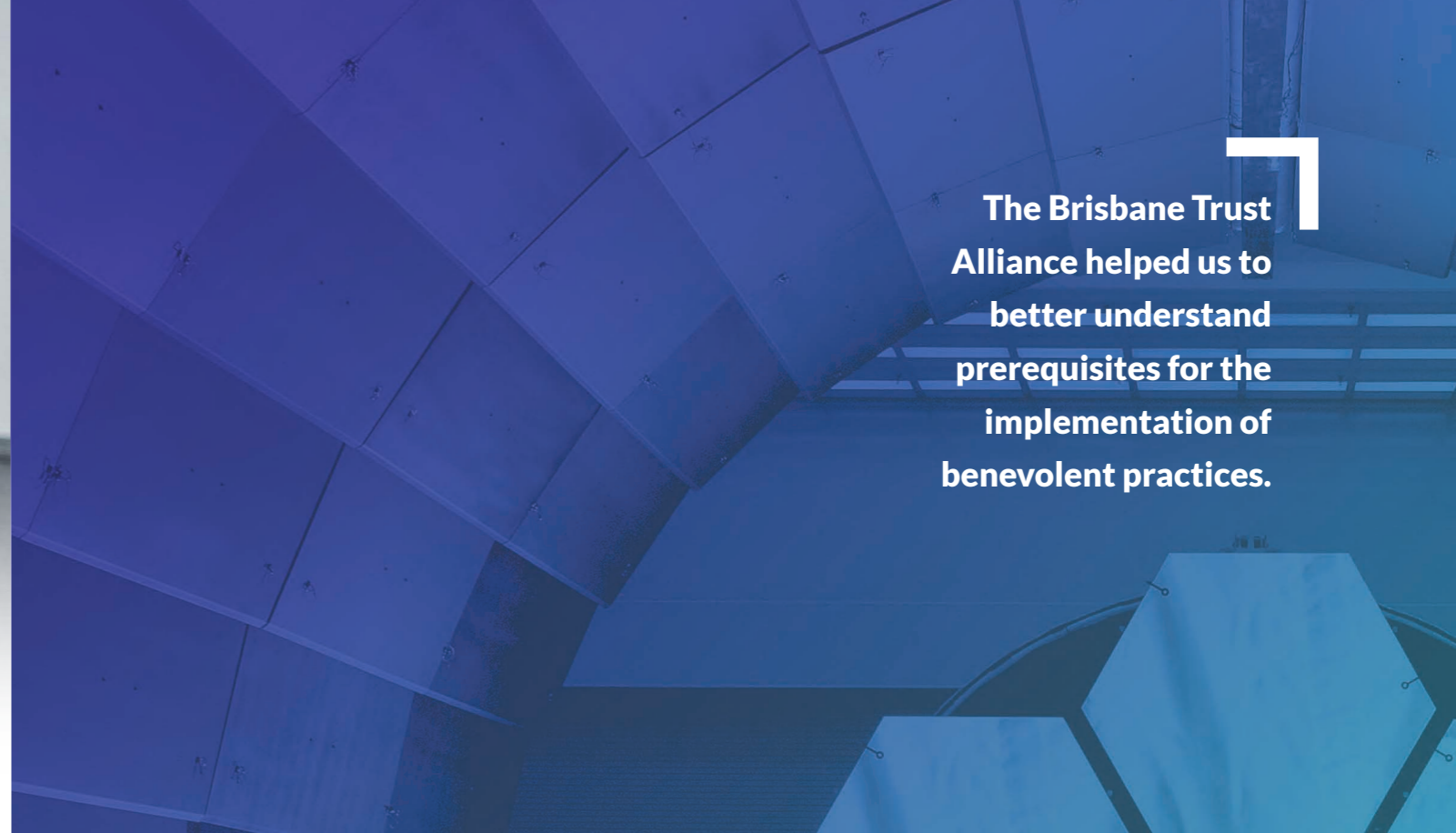
### 3 The Research Methodology

**In order to understand how organisations currently approach benevolence in their customer interactions, we studied benevolent practices as they are deployed across various industries with a focus on B2C engagements.**

For this, we used secondary data from documented case studies. For each practice, we captured the trigger point for the practice (initiated by the customer or the organisation), the context and described the basic interaction pattern. This led to a comprehensive list of benevolent practices which we then categorized in four dimensions according to their overall intention.

#### We call these four dimensions:

- Be Fair:** Provide the product or service that is right for the customer
- Do Right:** Prevent harm and make up for mistakes
- Say Yes:** Make accepting the customer's request the default
- Be Humane:** Acknowledge significant events in the life of a customer



The Brisbane Trust Alliance helped us to better understand prerequisites for the implementation of benevolent practices.

For each of these four dimensions, we identified a pair of benevolence patterns leading to a total of eight patterns which make up a taxonomy of practices of benevolence.

Next, we presented and discussed this framework of benevolent patterns with the members of the Brisbane Trust Alliance. This Alliance, founded in early 2022, is a community of practice of more than 40 representatives from sectors such as healthcare, retail, banking, insurance, government, sports, technology, marketing, consulting and legal practices that meets on a monthly basis to discuss and jointly progress specific trust topics.

Two members of this Alliance deployed the framework and identified for each of these eight patterns (a) their related practices, (b) new practices they could deploy (pre an economic assessment), and (c) those practices that would be impossible to implement. This discussion helped us to further validate the completeness and comprehensiveness of our benevolence framework, provided us with additional practices and helped us to better understand prerequisites for the implementation of benevolent practices.

# 4 Benevolence

The word benevolence comes from the Latin words “bene” and “volens”, which means “wanting the good”.<sup>4</sup>

In the management literature, benevolence is understood as caring for the other party and manifests in actions that go beyond contractual obligations.<sup>5</sup> Benevolence is demonstrated by the giving party being responsive to and considerate of the receiving party’s needs.<sup>6</sup>

Benevolence can be altruistic and mutualistic.<sup>7</sup> **Altruistic** benevolence is “the extent to which a trustee is believed to want to do good to the trustor, aside from an egocentric motive”.<sup>8</sup> This form of benevolence comes without expectation of future gain. Employees who act in this way help their customers voluntarily, without being required to do so.<sup>6</sup>

**Mutualistic** benevolence, on the other hand, is defined as “the degree to which one party is genuinely interested in the other’s well-being and seeks joint gain”.<sup>9</sup> This form of benevolence is based on reciprocal utilitarian motives and also at the heart of the shared value concept.<sup>10</sup> For example, sales staff provide their customers with exceptional support in the hope of strengthening their loyalty.<sup>6</sup>

The expected gain of the organisation providing these benevolent services, however, is unpredictable, delayed and cannot be guaranteed. In this report, we assume mutualistic benevolence and expected ‘returns-on-benevolence’ in the form of increases in retention and advocacy in particular.



Against this background, we define benevolence in the context of corporate customer engagements by the following three characteristics:

- 1** It constitutes an immediate benefit for the recipient party (the customer).
- 2** It is an investment for the giving party in the short term.
- 3** It is an optional behaviour.

Though benevolence towards customers is the focus of this paper, benevolent behaviour can of course also be practiced with suppliers, employees or other stakeholders.

We differentiate benevolence with regards to the initiation of benevolent behaviour.

**A further differentiation of benevolence can be made based on the social level of the interaction.**

The **micro** level refers to benevolent behaviour between two individuals. An example for micro benevolence is the salesperson who drops off a replacement part on the way home from work to a customer who needs it.

The **meso** level refers to benevolence in the context of an organisation's business processes. Meso benevolence, for example, is demonstrated if a company still offers a maintenance service free of charge if the customer submitted the request a week after the warranty expired, or if it advises the customer to not renew products (e.g., an insurance) that are not beneficial to them.

Finally, the **macro** level captures regulated forms of benevolence which are dedicated to protecting the rights of customers and employees. If an employee can request COVID leave without providing a medical certificate, this is a form of macro benevolence.

Based on the awareness of the customer for the benevolent act, benevolence can be distinguished into public and private.

**Public** benevolent behaviour is known to the customer and therefore expected by a customer. For example, a customer might be allowed to exchange a product without the need to provide any reasons for doing so, and this is explicitly stated in the company's return policy.

**Private** benevolence, on the other hand, is a situational behaviour that is not expected by the customer. Tesla's previous over-the-air update which extended the possible distance to be travelled by a customer close to a hurricane (USA) or bush fire (Australia) was an unexpected type of private benevolence.

Finally, we differentiate benevolence with regards to the initiation of benevolent behaviour.

**Reactive** benevolence is an act in response to a customer request. This could be, for example, a restaurant that does not charge a customer if they did not enjoy the meal served.

**Proactive** benevolence is initiated by the provider, e.g., the practice of many airlines to extend the tiered memberships of their customers beyond the typical annual period in light of limited travel due to COVID.

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# 5 Patterns of Benevolence

In our research we identified four pairs of benevolent patterns that describe a spectrum of benevolence which organisations have at their disposal in their ambition to become a trusted enterprise.

Figure 3 provides an overview about these four pairs and their respective patterns



Type of Benevolence	Definition	Example
<b>Adequacy</b>	A company provides a customer with the best fit for purpose service.	A bank automatically transfers funds to an account with higher interest rate.
<b>Awareness</b>	A company advises a customer to make use of a full-service offering.	A manufacturer reminds their customers four weeks before their product warranty expires.
<b>Compensation</b>	A company compensates a customer for a negative experience.	An airline provides a voucher to a customer that experienced a screen failure on a long-haul flight.
<b>Prevention</b>	A company denies a customer access to a service to prevent an undesired outcome.	A bank refuses to sell a financial product to a customer if it is not suitable for their income level.
<b>Acceptance</b>	A company accepts a customer request that goes beyond defined practices.	An organisation accepts a cash payment in a foreign currency.
<b>Tolerance</b>	A company tolerates a customer request exceeding a specified threshold.	A provider serves the last customer of the day, even though they are clearly late for the appointment.
<b>Empathy</b>	A company shows empathy with negative experiences of a customer.	An organisation provides free audio books when a customer is in hospital.
<b>Attentiveness</b>	A company shows attentiveness to positive experiences of a customer.	A company sends a gift on a customer's birthday.

Fig. 3: The Four Pairs of Benevolence and their Patterns





## 5.1 Be Fair

**Benevolence materialises most when corporate actions demonstrate that a customer’s well-being matters more than the immediate interests of the organisation.**

The first of our four dimensions, **‘Be Fair’**, captures two patterns dedicated to practices in which organisations ensure that customers are:

- 1: Fully aware of the products and services they can access, and
- 2: Getting those products and services that are the ideal fit-for-purpose.

Unfortunately, such practices are not always common. The Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, established in December 2017 ([royalcommission.gov.au/banking](http://royalcommission.gov.au/banking)), as an example, surfaced practices, in which the financial advice provided to banking customers was incentivised more by commissions than suitability of the products for the customer.

The two patterns discussed under ‘being fair’ are relevant when products are complex and it is difficult for the customer to select the right one, when the products are not commonly used (e.g., only matter in exceptional situations) or when the products (e.g., due to interest rates changes) change frequently. ‘Be fair’ captures two patterns dedicated to making sure customers receive the product or service, right for them. These two patterns can be differentiated based on the strength to which they ensure fit-for-purpose; is it a recommendation (Awareness) or an action (Adequacy) that seeks to ensure this fit?

The awareness pattern is driven by the intention to ensure that the customer is fully aware of these services.

### 5.1.1 Awareness

A provider of white goods sells products such as washing machines, dish washers etc. with a standard two-year warranty during which any issue will be fixed free of charge. Four weeks before the warranty expires, customers are contacted to ensure they are aware of the upcoming expiry date, and that any issue could be addressed within the next four weeks without any cost. Similarly, health insurance providers ensure that their customers are aware of free access to a number of wellbeing services such as massages or acupuncture.

Awareness as a benevolent pattern is grounded in the fact that customers often have access to services free-of-charge that are relevant to them, but they are unaware of these. The awareness pattern is driven by the intention to ensure that the customer is fully aware of these services. The relevant services are often about-to-expire, in advance paid services such as maintenance, warranty, but also gift vouchers.

They can be part of a comprehensive bundle of services (e.g., car insurance), but also complementary services (e.g., a taxi service in case of a breakdown) which can be less obvious to the customer. Making the customer aware of a free-of-charge service means alerting them to the accessibility of a value-add service without any costs.

If the customer indeed requests this service to be provided or delivered, the provider carries the related costs of a service that otherwise would have not been requested.

Awareness is a benevolence pattern that can be automated with current technologies. For this, it needs to be defined when and for what type of service what type of customer group will be notified using what type of communication channel. In many cases this will require the use of artificial intelligence and machine learning. Responsible AI/ML frameworks like Cisco’s related design requirements and Cisco’s AI/ML Incident Response Team are essential to ensure benevolent practices respect privacy and security as well as protect against any unintended bias or discrimination.

Awareness is a benevolent practice that not only matters to B2C relationships. For example, Cisco has a comprehensive initiative dedicated to building supplier capabilities to ensure they follow a responsible minerals policy preventing the use of so called ‘conflict minerals’ while at the same time helping responsible suppliers to expand their capacity and find new markets.

As a result, the customer receives an immediate monetary benefit without compromising the quality of service needed.

### 5.1.2 Adequacy

As part of their customer engagement process, a telecommunication company runs monthly queries to identify customers of mobile data plans who have consistently used 50% or less of their data plans over at least six months.

Those customers are then proactively downgraded to the next lower data plan and informed about the decision.

Customers have two weeks to respond in case they would like to keep their current data plan, otherwise the downgrade takes place. From then, the customer is charged less each month.

In a similar way, some Neo Banks proactively move their customers' funds into higher interest retail banking products unless the customer declines within a specified timeframe. A more common form of benevolent practices increases the quality of services (e.g., increased Internet speed or data volume) without price changes.



#### Adequacy is an event-driven activity

Adequacy is an activity in which a customer's service proactively is adjusted to the most appropriate and sufficient service. As a result, the customer receives an immediate monetary benefit (e.g., paying less) without compromising the quality of service needed. Thus, adequacy is a true net gain for the customer. The provider, however, misses out on the difference between the previous and the revised pricing model. Thus, adequacy is a form of down-selling.

However, while common down-selling reactively offers more budget-friendly solutions to a hesitant buyer (e.g., after they took out an item of their shopping cart), adequacy is about proactively ensuring that the customer only pays what is needed to get a sufficient product or service.

**Adequacy is about proactively ensuring that the customer only pays what is needed to get a sufficient product or service.**



## 5.2 Do Right

**Doing right is about ensuring that harm is prevented from the customer and recognising when an organisation did not deliver to its promise.**

**We call these two patterns**

- 1: Prevention which occurs proactively and early on in the customer engagement and,
- 2: Compensation which takes place reactively and at a late stage in the customer engagement.

### 5.2.1 Prevention

**When customers order the same book again on Amazon, they will be asked to re-confirm that they indeed like to proceed with this purchase.**

This hard coded re-confirmation step prevents the customer from ordering the book by mistake (e.g., another family member using the same account might have already bought the book). One might take this further and predict cases in which an organisation re-confirms an order because the item ordered (e.g., an electronic part) is not compatible with the items previously ordered by the customer.

Confirmations as a form of benevolence are also deployed in processes in which the provider aims to keep the customer safe. For example, if a customer of a mobility service wants to rent an e-scooter after 10pm the provider's app might request that the user enters 'YES' on the small keyboard of their mobile phone as an attempt to prevent possibly intoxicated customers from using the scooter.

**The customer benefits from prevention if the intended purchase is indeed made in a hurry or without double-checking.**

The same is the case for cars (like Teslas) that already stop proactively at a red light or headsets that automatically reduce the volume of music after the user has listened to it on a volume level that could be damaging for too long. An organisation embeds a reactive re-confirmation step in its sales process to avoid regret on the customer's side. This benevolent pattern trades off a short-term revenue opportunity (selling one more book) for customer's wellbeing (making a redundant purchase).

Thus, prevention is the explicit and for the customer often unexpected (and even surprising) decline of a provider, made with the intention of an additional consideration of the purchase to avoid post-order regrets on the customer's side. The customer benefits from prevention if the intended purchase is indeed made in a hurry or without double-checking (e.g., if the item has been ordered before or does fit with the assets owned by the customer). The company's demonstrated goodwill is potentially trust-building as it puts the customer's wellbeing matters above immediate revenue opportunities.

However, such behaviour could in some cases also be seen as an unwanted interference with the customer's autonomous decision making and as such requires careful design and deployment.

Implementing prevention requires an additional re-confirmation activity which could be in most cases an automated, context-dependent step (e.g., same item is ordered again within a certain timeframe).

Prevention might, however, require the customer contributing some personal information to assess fit of purchase.

**For example**, an Australian retailer warns their customer if they are about to buy a car battery that does not fit their vehicle according to the car registration they provided. Similarly, one can predict that some grocery stores will soon invite their customers to share personal dietary constraints (e.g., nuts allergy, gluten-free) so that the retailer is able to warn their customers at the checkout in case they are about to buy a potentially unwanted item.

The automation of prevention requires an identification of possible regrets such as redundant or incompatible purchases. This requires access to data such as previous transactions or assets owned by the customer.

## 5.2.2 Compensation

**Whereas prevention is about anticipating potential harm for the customer early in the engagement process, compensation is about recognising later in the engagement process that the organisation did not fulfill its promise.**

For example, the fast-food chain McDonald's offers in certain situations the meal ordered for free if the customer had to wait for too long. In a similar way, Starbucks provides coffee free of charge if customers had to wait too long for it to arrive. The German Railway has a published (and by its customers well known) policy according to which a passenger will get a 25% (50%) discount of the purchased ticket if the train is delayed by 60 (120) minutes respectively. Compensation does not always have to be time-related.

For example, a retailer might proactively (and free of charge) ship a new (improved) product in return for the old one to those customers who just purchased the product, but after the day of purchase product faults were identified. Or a bank might reimburse its customers when their banking card did not work during a transaction.

Nowadays, customers have to contribute in many cases not just money but also (waiting) time to get the product or service they desire. However, while the money to be paid is well defined and predictable, waiting time is not. Once the waiting time exceeds a certain period, customers are impacted. Providing a discount, even up to 100%, is one way for a provider to show benevolence in such situations, i.e., sympathy for the customers' inconvenience.



The correlation of the discount with lengthy waiting times might be very much known to the customer (see German Railway) (a form of public compensation) or can come unexpectedly or at least the extent of benevolence by the provider might be unknown. The latter can be observed recently in the practices of airlines who are compensating their loyal customers (members) for their cumulated under-performance during the COVID aftermath (private compensation).

Compensation is the practice of discounting a product or service ordered in response to under-performance or to provide additional products and services as a way to make up for limitations in the fulfillment. Thus, compensation creates forms of additional customer value, a provision of value the company has to fund.

The ease and ways of automating compensation will vary depending on its configuration. Public compensation is typically well-defined in articulated business rules which come in the form of ECA (event-condition-action) triplets.

The organisation needs to decide on what is seen as types of non-satisfactory fulfillment, and if these are categorized (and communicated) in advance, of if there are largely ad-hoc assessments. It also needs to be specified, if the customer needs to report on the limited quality of service, or if the organisation can proactively monitor and identify it (e.g., using video analytics and soft biometrics as a way to measure waiting time).

Compensation can be a case-by-case scenario, or deployed to a high number of customers at the same time (e.g., in the case of a cancelled concert or sports event). There is an option of staged discounts (see German Railway).

Private compensation can vary and in the extreme case be a 'shop floor' decision that relies more on manual than automated decision making. Implementing compensation as a benevolence practice also requires considering potential fraud, and how it can be prevented.



Any lack of benevolence can in today's hyper-connected world quickly escalate and become a reputational (social) media challenge.

## 5.3 Say Yes

**The simplicity of 'saying yes' says it all. No matter what the customer asks for, all possible attempts are made to fulfill the customer's request.**

Such requests might be either exceptional (qualitative) enquiries requiring a case-by-case decision (acceptance), or they are frequent situations that can be anticipated and quantified (tolerance).

### 5.3.1 Acceptance

**An airline received a phone call from one of its members. The caller asked to put her membership on hold as she was undergoing cancer therapy, and as such could not fly during the period of this treatment.**

The call centre agent looked into the airline's policy and responded that only pregnancy was a recognised reason to put a membership on hold, and as such had to reject this request.

This case made it into the media and the airline's CEO later stated that he could not blame the call centre agent as they had acted according to the company's script and policy. However, the CEO expressed deep concerns about the challenge to

operationalise and scale benevolence for cases like this. An Australian superannuation provider received a request from a customer who wanted to access income protection as he was about to donate their liver. However, the company's policy stated that only receiving an organ qualified for access to income protection. The case also made the news as the customer wanted to donate their liver to their two-year old daughter who was facing a life threatening illness.

Acceptance is a unique benevolence pattern for two reasons. Firstly, it is characterized by the specificity of the customer's enquiry, making the definition of upfront rules difficult.

The need for benevolent action is most visible when customers approach an organisation with an off-script enquiry (put membership on hold) and the systemically proposed next best action (rejection) is not one with the benevolence required. Constrained by predefined conversational and process patterns, the organisational response system often does not have the flexibility required to support what seems like the right, kind-hearted action.

Secondly, as the examples above demonstrate, any lack of benevolence can in today's hyper-connected world quickly escalate and become a reputational (social) media challenge.

However, companies can be proactive when it comes to benevolence, and for example, define upfront customer requests in their line of business as they relate to the impact of COVID, natural hazards or personal tragedy.

**For example**, a bank might embed a 'loan holiday' in its mortgage product, and customers can activate this holiday – a period during which they pause repayments – in exceptional personal circumstances. This is a practice in place by many Canadian banks (e.g., The Royal Bank of Canada, Bank of Montreal). Similarly, restaurants might consider cash payments in a variety of currencies

if they are in a tourist-intensive, transitional place (e.g., at an airport). If anticipating and classifying requests is too difficult or simply impossible, organisational governance solutions are needed. This could be in the form of the practice at the Ritz Carlton. This luxurious hotel chain moved from prescribing the actions to be taken by their concierges (e.g., carry luggage) to empowering and funding their front-line decision making.

As a result, a concierge can now react situationally to a specific context and also has the means to fund accepting unexpected requests (e.g., a request for a special vehicle). Such empowerment as a mechanism of benevolence only works when the staff is sufficiently trained and experienced.

An alternative and more scalable governance arrangement is practiced by some organisations in their call centres. When an agent receives an exceptional request but needs to make an immediate decision (as time-consuming escalation to a supervisor would not be seen as 'benevolent enough'), they can reach out to an immediate colleague close by and seek confirmation. If both agents agree, and this is to be documented, the request will be accepted (or declined).

### 5.3.2 Tolerance

Recently, one of the authors of this paper was on a domestic flight in Australia. Their suitcase was 24 kgs, one kilogram above the upper limit of 23 kilograms. This would typically lead to an extra fee of AUS\$85.

However, instead of charging or even mentioning anything, our colleague noticed how the airline member lifted the suitcase when it was on the scale and checked it in without any request for payment. We don't know if this was a spontaneous action of the staff, or an action according to a defined script of the airline. In any case, it is an example for what we call tolerance – 'saying yes' to a (suit)case in which a customer exceeds a defined threshold which is part of the engagement.

Unlike acceptance, tolerance can be quantified and related requests can be anticipated. This allows organisations to implement related benevolent guidelines in which they state under which circumstances what type of tolerance levels will be deployed.

For example, an organisation might tolerate requests for a free-of-charge repair of an item a few days (or weeks) after the product's warranty has expired. Similarly, late payments of a customer might be tolerated without a penalty or late arrivals (for a booking at a restaurant or a pick-up of a requested item from a retailer) might be tolerated as a sign of benevolence. A company deploying tolerance as a benevolence pattern needs to define the tolerance spectrum and eventual context factors moderating it.

For example, the booking situation might make this type of benevolence more feasible in low demand periods versus high demand periods.

**Augmented tolerance** requires an interplay of an implemented routine and human judgement by an empowered staff member. Tolerance is applicable to repeatable, threshold-sensitive customer engagements. The provider has to decide what kind of 'tolerance policy' should be implemented including the tolerance levels, the extent to which justifications are required and needs to be approved, and the type of services that are impacted. It also needs to be defined to what extent tolerance is highlighted ('this is an exception and should not be seen as a common practice') or is provided as a quiet, and maybe not even noticed action.

## 5.4 Being Humane

The previous six patterns all relate to common business-related interaction patterns an organisation has with its customers and adds a benevolence lens to the established focus on performance and conformance.

The fourth, and final pair of patterns is different. **'Being humane'** is about the customer as an individual with a personal life that has its ups and downs. Attentiveness is a set of practices that recognises positive life events whereas empathy is the opposite and related to how the organisation reacts sensitively to negative life events.



### 5.4.1 Attentiveness

When a customer checks into a hotel on their birthday, there might be a high chance to be upgraded. The hotel uses the simple trigger point birthday as a way to be supportive on a day deserving celebrations.

A builder in Australia has a principle that they purchase a gift for the new owner of the home they built to the value of up to AUS\$500. The only prerequisite is that the gift needs to fit into the life of the customer (e.g., an expensive cactus for someone who likes outdoor gardening).

This is their way to help celebrate the first day in their new home. Similar practices are deployed by some banks on the day a mortgage is fully paid off or health providers at the end of a successful therapy. It could also be providing a gift on a wedding day, the birth of a child, first day of retirement or gaining a new citizenship of a country. Many companies have small gift procedures that are triggered by a customer's milestone date already embedded as an engagement routine.

These examples show that attentiveness goes beyond immediate fulfillment and is about taking part in the life of a customer. The benevolent act here can be closer (paying off a mortgage) or further removed (wedding gift) from the vicinity of the business.

A prerequisite for being attentive is to have legitimate access to a life event and to comply with regional data protection rules. For example, the European GDPR prevents organisations from even sending Christmas cards to their customers as their addresses have only been collected for the sole purpose of conducting business transactions.

Being 'too attentive' can also be seen as an unwanted intrusion by the customer. The Dutch airline KLM had an initiative called 'KLM Surprise' during which they used social media data of their travelling customers to learn more about the motives of their customers. However, when they then surprised their customers at check-in (e.g., with baseball caps of the team they are about to watch during their trip to Florida), not all customers appreciated this level of attentiveness. In general, being attentive shows that the organisation cares, and this caring does not need to translate into a significant monetary investment. Rather, it can be as simple as a personal message during a conversation. However, as indicated, attentiveness also requires a very careful consideration of customer's privacy.

## 5.4.2 Empathy

### **The call centre of an Australian insurance company received a phone call in which a father wanted to cancel the car insurance for their daughter.**

The young agent in the call centre was trained to keep the customer by exploring rate discounts or other forms of down-selling. However, the caller was not interested – their daughter sadly had passed away.

The agent cancelled the insurance immediately and closed the file. There was no action beyond the minimalistic transactional response provided, very unlike to what would be common in benevolent human-to-human interactions. In such a personally challenging situation it could be as simple as embedding a hard-coded 'send flowers' action that is triggered by the agent which expresses care for the customer's grief.

Demonstrating empathy is needed in special, often emotionally or traumatic circumstances and goes beyond concentrating on the successful fulfillment of a transaction. Empathy requires taking the perspective of the affected customer and showing feelings such as sympathy or compassion. Empathy is defined as the “affective response more appropriate to someone else's situation than one's own.”

Empathy is possibly the most authentic of all benevolence patterns as it is decoupled from the immediate activities that tend to make up the transactional nature of typical customer engagement processes.

Showing empathy requires a careful consideration of the circumstances and a classification of what type of actions are an adequate demonstration of empathy. The most appropriate next call of action might be a pre-described routine (if-then-then-this) or

a to-be-defined choice by the empowered staff in charge. Showing empathy requires funding allocated to this type of benevolence and rules for how to allocate it (e.g., for a defined subset of customers only). Comparability, appropriateness and the requirement for personalisation needs to be carefully considered.

Beyond such individual empathy, organisations also need to consider global empathy. Cisco's digital inclusion initiative targets those estimated 3.7 billion people who lack access to the Internet or cannot afford it. Cisco research such as the Digital Readiness Index provides important, regional insights into the current challenges and roadblocks towards higher levels of digital inclusion. Clearly demonstrating such global empathy is an increasingly important characteristic of the benevolent enterprise.







## 6 Implementing Benevolence

**Demonstrating benevolence is the obvious choice for organisations that are purpose-led as opposed to those that solely follow the profit paradigm.**

However, benevolence also needs to be seen from its organisational, technological and economic setting as well as from the viewpoint of the customer's individual decision making to be a realistic choice. Though the idea of committing to customer's well-being is compelling, it has to be feasible and aligned with the strategic and operational context and the technological potential of the organisation.

As trust accounting does not exist, and gains in loyalty and advocacy are less tangible than the funds benevolent practices require, many organisations tend to remain focused on rating quarterly targets higher than building long-term partnerships. However, a changing environmental climate in which concepts such as shared value, conscious capitalism and the purpose-led organisation are getting increasing attention, is expected to provide fertile ground for more benevolent prac-

tices. The formalisation of ESG reporting will make purpose-related reporting the new 'business-as-usual' and quarterly reporting requirements will facilitate that trust-building actions are truly becoming a primary concern.

Organisations eager to progress and scale their benevolent actions will typically have to revise their customer service charter, i.e., their rules, policies, procedures and service-level agreements as well as work on internal changes of the culture of customer. This will be required to establish a scalable system capable of delivering authentic benevolence.

The level of sophistication in measuring the benefits of benevolence needs to be increased. This requires measuring advocacy, loyalty and how the impact of benevolence on customers' trust positively influences these.



Organisations eager to progress and scale their benevolent actions will typically have to revise their customer service charter.

In addition to the benevolence practices we largely covered in this report and that are individual to a customer, global benevolence, doing good to our planet and all people living on it, will have to be a commitment for the benevolent enterprise. Cisco's annual purpose report comprehensively showcases how such global benevolence can be delivered with the same rigor and consistency in its commitments, actions and measures as established financially focused strategies. The report also convincingly demonstrates the power of 'technology for good' and by this makes benevolence operational and globally scalable.

An organisation interested in benevolence is best advised to select one of the patterns presented here and start to build its own experiences with and insights in the consequences of more benevolent behaviour, for the well-being of the individual or the globe.



# Conclusion

## Trust has the potential to become a roadblock in the uptake of technology-intensive solutions.

However, managed well, it also comes with the promise of being a source of competitive advantage and global well-being. One of four factors in the trust quotient is benevolence, the authentic disposition to do good. In this research, which is grounded in primary and secondary data across various industries, we consolidated existing benevolent practices and integrated these in a taxonomy made of four patterns of benevolence.

Each of these patterns provides stimulation for those organisations who want to make trust a primary concern and look for operational and scalable trust practices. The relevance of these patterns will vary depending on the industry setting, as well as the product and service portfolio. Most of the patterns can be automated as routines leading to a 'benevolent-as-usual' culture which provides a compelling proposition to customers who want to dedicate their loyalty and advocacy to those organisations that truly care, about them as a customer as much as them as a citizen on a fragile planet.

## About The Research

The data for this paper was obtained through comprehensive content analysis of primary and secondary data from March to September 2022. Primary data was derived from interviews and workshops with members of the Brisbane Trust Alliance, a community of trust professionals founded in early 2022 and dedicated to increasing the trust literacy within organisations.

These datasets were complemented by a comprehensive content analysis of published benevolent practices. This research has been supported by Cisco under the project 'Trusted Retail Innovation' and is part of Cisco's National Industry Innovation Network (NIIN).

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### About the Centre for Future Enterprise

The purpose of the Centre for Future Enterprise is to provide capabilities that matter for future enterprises. The Centre's focus is on those emerging attributes of organisations, and their leaders, that have not seen sufficient professionalisation. Dedicated to demand-driven, rigorous research exploring and testing possible futures for enterprises of all sizes, CFE works closely with industry partners across various sectors. Based on the hypothesis that an increasingly opportunity-rich environment will require new enterprise capabilities, CFE research focuses on three themes and the nexus between these: the trusted enterprise, the algorithmic enterprise and the robust enterprise.

### About Innovation Central Brisbane & National Industry Innovation Network (NIIN)

Innovation Central Brisbane (ICB) is an open innovation research hub based at QUT, founded in partnership with Cisco as part of Cisco's \$61 million Country Digital Acceleration investment in Australia. Based at QUT Gardens Point, Brisbane, ICB facilitates innovation exploration and partnerships between industry, students, researchers and Cisco engineers to prototype and pilot digital solutions. ICB and QUT are members of Cisco's National Industry Innovation Network (NIIN), an Australia-wide alliance between industry and universities driven by one goal: to realise digital opportunities that can benefit the lives of all Australians. University partners each have an Innovation Central or Specialised research hub, and a Cisco-funded Research Chair in the areas of: Advanced Networking; Digital Health; IOT and AI; Retail and Logistics; Digital Transport; and Security and Critical Infrastructure. <https://www.cisco.com/au/niin>



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