

What is trust online?

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Abstract

The online environment is just like the real world. When using the internet, people should use their real world sensibilities, just as you would with everyday social and economic transactions. Societal norms dictate that internet users operate ethically and lawfully.

Whether online or offline there are several factors which come into play: how and where you are interacting with a person; the nature of the transaction (you need more trust for a financial transaction than a chat); and the other parties reputation. The simple fact is that online, the majority of internet users (consumers, businesses, etc) don't know who they are interacting with. It is also well known that identity theft can be easily done in the online world, just as it is in the real world. The credentials we rely on to 'identify' someone (currently the 100 points system) is pretty much worthless.

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1 What is identity?

To most people, companies and governments, identity is about credentials. The best ones, like passports are given more weight than others. However many of these credentials are used to generate others, like credit cards. Interacting online with people from throughout the world is a daily occurrence for millions of internet users, yet most do it with little regard to the personally identifying information they are broadcasting, nor the lack of confirmation of the person or organisation they are engaging with.

In the real world we address this with documents, but how do you verify such documents in the online world? For example, to register with many social sharing sites, all you need is a name (of any description) and a working email account. Other websites, such as wikipedia offer a similar experience for users whether they are registered or not. Online auction sites only require minimal information, most of it unsupported. Yet the vast majority of internet users successfully enjoy all these mediums.

In some e-commerce transactions, accurately verifying a person's identity is critical, however the vast proportion of online activity does not. Even the majority on online trading does not require third party verification, for example, if a buyer does not give their correct address goods will not be rendered to them.

However, the reality is some people provide false or misleading information to these sites. This is incredibly hard to detect and stop. As a result, online identity needs to be looked at differently, not just looking at credentials, but a person's online activity and

reputation.

2 What is trust?

Developing trust in another person, an organisation or government may take both an emotional response and a logical act. In the old days (read the late 1990's) trust was mostly to do with e-commerce. To trust a web site enough to enter personal details, such as credit card and address information a set of standards was developed. This included:

- Proving there's a real organisation behind a website (e.g. contact details, about us section);
- Explanation of what that site is going to do with personally identifying information;
- A professional site design; and
- Regular updates the site so it looks alive and fresh.

Unfortunately the rise of phishing and the way it has morphed with both social and technical attacks has been bewildering for many people, subsequently eroding their trust in such technology.

In the online perspective there are generational issues. The I-Pod generation or digital natives are interested in user generated content (which is the foundation of web 2.0). There is an avalanche of new content on the web, the accuracy of which is often largely unknown.

Now the issue of trust has moved away from the people who run the site and is now focused on the people who populate and operate within the site, such as:

- Social sharing platforms (MySpace, You Tube, Second Life);
- Information sites (Wikipedia); and
- Commercial conduits (eBay);

Trust is now being developed by an exchange of goods and ideas. However the values of exchanging trust in the online environment are different because we often do not know what we are receiving, only what we expect. So, trust in the online world means making an exchange with someone (either a person or an organisation) without having full knowledge about them, their intent and the things they are offering to you, whether it is a commercial arrangement or something else.

3 How do we develop trust?

In the real world, the development of trust between culturally disparate organisations and people is a necessary step in the development of a shared basis of action (eg. response to an emergency situation). Behaviour such as sharing world views and life experiences provide an opportunity for people to build a working relationship and a cultural understanding.

The online world is exactly the same. Web 1.0 allowed for web based sharing of information across global and cultural boundaries, including, pictures, stories, maps, etc.

Web 2.0 introduced social networking and discussion technologies, providing a basis for sharing deeper world views and establishing better cultural understanding. This allows for greater ability to realise a persons/organisations values and therefore generate trust quicker and deeper.

To understand an organisation's ideals, you must be able to understand their beliefs and philosophy. Such information needs to be provided with clarity and respect.

Gen Y embrace blogs, etc and are prepared to share themselves thinking that others will share information about themselves.

Organisations can embrace Web 2.0 and those who use it (essentially the next generation of customers, employees and stakeholders) by aligning their values with actions. The question is does an organisations actions align with what they are saying?

People like transacting with organisations who have a good reputation. But how do you create this or in the case of 'bricks n' clicks' organisations transfer this to the online world? eBay use the feedback forum, who don't other e-commerce introduce this functionality? Wikipedia has content provided by volunteers from all over the world and these vast numbers of users edit such content. Like eBay, those who act in ill spirit may be reprimanded. Amazon.com has a reputation system which allows users to judge the value of other people's reviews. This also provides an important tool for users to make value based purchasing judgments. Organisations who 'know' their users can offer a more granular response to them.

If consumers gain confidence about a supplier they will be more inclined to use them, increasing sales and potentially prices. This is how the market works. If a social sharing site contains user postings which are trusted by their community then more people will be driven to use that site.

4 Do we need to be concerned about identity?

The online world of social interaction and commercial transaction is made up of static credentials and reputation. If we know such credentials can be falsified then shouldn't we be more concerned with authenticating a user rather than identifying them?

A significant amount of user data is collected by websites. This includes:

- registration details;
- verification by email address;
- IP addresses (at each login); and
- Purchasing and search behaviour.

This allows for a far greater ability in picking patterns of unusual activity than in the real world. Combine this with clear and regular communications about site's expectations and that of their community and there is a greater chance of creating goodwill.

Authentication can be tailored for each site depending upon the interaction they

provide. This can include requiring users to prove one or more of the following:

- What they are (biometric data such as fingerprints);
- What they have (a smartcard or token); and
- What they know (an account name and password).

If internet users consistently authenticate themselves in a range of social and economic transactions, then the trust in their identity will grow and other users and merchants are more likely to want to interact with them. The fact they are authenticating their correct identity is apparent, so they can transfer this trust to real world transactions. This concept also applies to organisations of all sizes.

5 Conclusion

As users move around the chasm of Web 2.0 and transact in social and financial ways their values will be outwardly displayed therefore creating trust in their identity. The sharing of these values is an absolute requirement for the development of trust between individuals and organisations. There are a number of ways websites can seek this aim, including:

- Ensure users continue to trust your site (email, SMS activation upon registration);
- Demonstrate to users they can't operate completely anonymously by telling them you are collecting IP addresses;
- Validate users by considering recommendation from other sites (LinkedIn, eBay);
- Still use original techniques from Web 1.0, but build on them (static pages containing mission and values statements);
- Develop back end modelling and monitoring of e-commerce activity;
- Use tools such as IE7 and other vendor products; and
- Educate your users and customers to protect their identities online and create a mechanism where they can report activity to you which may damage your brand.

References

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