

Figure 7

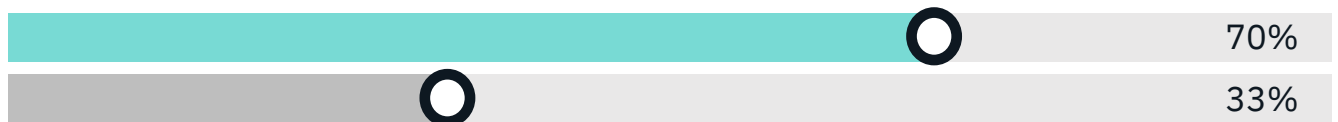
Creating the future

Torchbearers use trusted data to strategic advantage

Torchbearers
Aspirational

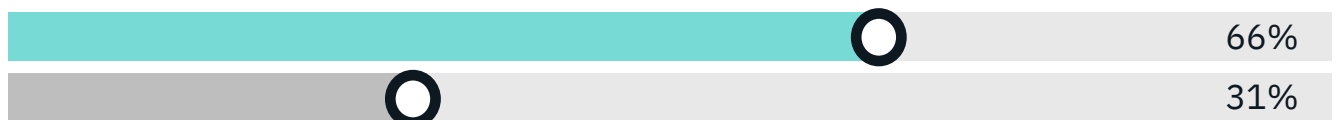
Extensively using data to develop new business models

112% more



Extensively using data to enter new markets

113% more



Personalized premiums based on telematics in a car, for example, set off new concerns about privacy. By contrast, a blockchain-based business model that traces the provenance of coffee—proving its sustainability credentials as it moves from farm to factory to corner store—has trust built into its fabric.

Business models that require more trust needn't be avoided. Quite the contrary, organizations that have already earned customer trust can stake out a differentiating position by taking on those models that raise the bar on trust. By building a trust advantage, organizations can seize opportunities too risky for low-trust brands.

Case in point: the global market opportunity for usage-based auto insurance is expected to grow to USD 107 billion by 2024.¹⁰ And compared to just 37 percent of Aspirational, 82 percent of the

insurance Torchbearers we surveyed say that despite the known data and privacy issues, they're highly likely to adopt data-linked insurance products. For individualized insurance products, such as auto insurance based on usage, insurers typically give back by sharing with customers what they learn from the data they collect to help them avoid risks.

Like insurance, every industry can innovate to help customers realize their goals, make better decisions, and live happier and healthier lives. Energy companies are helping their customers use less electricity. Phone manufacturers let users monitor and limit screen time. Banks propose lower-priced account options. Discovery Holdings, a financial services firm in South Africa, has partnered with insurers such as US-based John Hancock to help its customers adopt healthy habits and lifestyle changes. (See sidebar, "Discovery: A Torchbearer's tale.")