

Position: Advancing Digital Trust to Fuel E-Commerce Growth and Empower SMBs March 2025

Current Landscape

Canada's e-commerce sector is growing faster than ever due to emerging technology and changing customer habits. While this creates significant opportunities, it also presents challenges for small and medium businesses (SMBs), their partners, and customers. With significant business happening online, SMBs must navigate a growing competitive landscape of online security risks and earn customer trust to help unlock interprovincial and international growth opportunities.

When DIACC was established in 2012, its mission was to create a secure digital ecosystem. Today, this goal has become even more critical for the e-commerce sector, particularly for SMBs striving to scale up and remain competitive in a global market.

Digital trust, which empowers individuals, governments, and businesses with secure and transparent ways to engage online confidently, has become critical for businesses that want to assure customers that their interactions and personal data are secure.

By prioritizing digital trust, Canada can foster a robust e-commerce environment that empowers SMBs, enhances consumer confidence, and boosts economic growth. Interoperable frameworks such as the DIACC Pan-Canadian Trust Framework™ (PCTF) foster digital trust by protecting personal electronic information as it travels across an organization, ensuring that e-commerce systems remain secure, adaptable, and trusted.

Advancing Digital Trust to Fuel E-Commerce Growth and Empower SMBs

1. Strengthening SMB Competitiveness and Growth

Implementing robust digital trust solutions is crucial for SMBs to compete in e-commerce. By adopting these technologies, SMBs can:

- Enhance customer trust and loyalty
- Reduce fraud-related losses
- Streamline operations and reduce costs
- Expand into new markets more confidently

2. Enhancing Trust Through the DIACC PCTF

DIACC encourages e-commerce businesses to adopt the PCTF as a tool to:

- Implement secure and efficient customer onboarding processes
- Authenticate identities to reduce fraud in online transactions
- Improve supply chain management through verified digital credentials

3. Fostering Consumer Confidence

To address consumer skepticism and promote trust in e-commerce platforms, we recommend:

- Implementing clear, user-friendly privacy policies
- Adopting visible trust signals, such as PCTF certification badges
- Providing transparent data handling practices

4. Enabling Seamless Cross-Border Transactions

Digital trust frameworks can help SMBs expand into other Canadian provinces and internationally by:

- Facilitating secure cross-border identity verification
- Ensuring compliance with various regional regulations
- Building trust with customers and partners across Canada and internationally

5. Leveraging Digital Trust for Innovation

SMBs can use digital trust solutions to:

- Implement personalized shopping experiences that are secure and privacy-respecting
- Develop trusted AI-powered customer service tools
- Create innovative loyalty programs based on verified identity information

Best Practices and the Way Forward

1. Adopt Existing and Emerging Technologies

SMBs should leverage existing and emerging digital trust solutions that align with the PCTF. PCTF certification fosters verified trust across smart devices, digital credentials, wallets, and information-sharing networks. It will enhance their capabilities and ensure their competitiveness.

2. Collaborate for Standardization

DIACC encourages collaboration between SMBs, larger enterprises, and regulators to establish standardized digital trust practices in e-commerce.

3. Educate and Empower

DIACC is committed to educating SMBs and consumers about digital trust through:

- Hosting sector-specific workshops and certifications to promote best practices in digital trust
- Real-world case studies demonstrating the benefits of digital trust in e-commerce
- Advocacy for regulations that support SMBs in implementing digital trust solutions

Conclusion

The e-commerce sector, particularly SMBs, urgently needs robust digital trust solutions to thrive in the digital economy. By adopting frameworks like the PCTF, SMBs can enhance their competitiveness, build consumer trust, and drive innovation.

Together, we can create an e-commerce ecosystem that empowers SMBs, protects consumers, and solidifies Canada's position as a leader in the global digital marketplace.