



UNDERSTANDING
ATTITUDES TO **DATA**

A global report exploring core
consumer beliefs, attitudes and
behaviors around data privacy

acxiom®

 **FORESIGHT
FACTORY**

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FOREWORD

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What an age we live in. Our lives inextricably link with data and technology. The mass consumer adoption of data-enabled everything, from how we buy retail to how we get from A to B, to how we share memories and mindlessly chat, means the thought of 'turning off the data' is preposterous. Except that in this same age, increased regulation, consumer awareness, if not understanding of this complex space, and media frenzy, has led to a perception that data may in fact be bad for us. The reality is, data is neither good nor bad: like sunlight, we can't live without it but too much exposure and there are downsides. It's all about intent, and good actors would be well-served by adopting the simple mantra 'don't lose it don't misuse it'.

This big issue of consumer understanding and empowerment is central to many debates. There are voices demanding people have complete control over their data and the ability to manage it all themselves. The problem is, as data and technology innovate and grow, so does complexity. Asking people to take responsibility for every aspect of their data-rich lives is a burden which experts acknowledge to be too onerous. Therefore, the conclusion is that the industry needs to bear some of that burden. With that comes a responsibility to not just keep data safe and use it for good, but to build trust through genuine value and transparency around the good which data can bring to people.

To help, this new research from Acxiom reveals that, as we enter 2020, we find ourselves at a point that will define the data ecosystem over the next decade. It is intended to complement the many reports that quantify consumer attitudes to data and privacy but looks qualitatively at what they're really saying. By conducting video interviews with individuals across four countries and three continents, our aim was to get underneath the stats, to understand real fears, misconceptions and concerns. We really are at a tipping point, for example, some would argue everyone is afraid of businesses using data, but what people tell us, is that they're mainly afraid of identity theft and hacking. Adoption of voice-controlled assistants is slowing but is still growing close to 10%, with a third of U.S. consumers already using them regularly*. At the same time, people express their concern around these technologies listening to their every word. Fear of the unknown is debilitating and potentially dangerous. Our aim here is to see what real people think, so we can build trust in data, from our strategies through to our everyday interactions with these same people. We need to use data for good, for the benefit of all. We hope this research will help you do just that.

*<https://www.searchenginejournal.com/33-of-people-are-now-using-voice-assistants-regularly/321413/#close>



INTRODUCTION

Since 2014, Foresight Factory has worked with Acxiom to uncover and understand public attitudes towards data privacy and sharing. In 2018, in partnership with the Global Direct Marketing Association, we launched a landmark quantitative study which captured global attitudes to data exchange across 10 key markets. This research drew an important and comprehensive line in the sand of where societal attitudes had reached and gave an indication of future evolution.

To build on the findings of this research, in 2019 we developed a new research program to dive deeper into the key insights of the quantitative research by conducting in-depth qualitative interviews with 90 consumers across the U.S., UK, China and Germany. Our intention is to test our findings and understanding of previous quantitative research and hear detailed opinions on the data landscape in the consumer's own words.

In this report, we outline the key findings from this qualitative research. All quantitative data referenced in this report is taken from the Acxiom/GDMA Global Data Privacy report from 2018. For full details on the research methodology of this report, please see page 19.

Taken together, this report seeks to provide a deeper understanding of consumer beliefs and behavior across key areas of the data landscape, setting out specific implications for how to promote a healthy and sustainable future data ecosystem.



EXECUTIVE SUMMARY

“Understanding Attitudes to Data” is a global report exploring core consumer beliefs, attitudes and behaviors around data privacy, brought to you by Acxiom and research partner, Foresight Factory.

In 2019 Acxiom developed a new research program to dive deeper into the key insights of the quantitative research conducted the year before with the Global DMA and Foresight Factory, by conducting in-depth qualitative interviews with 90 consumers across the U.S., UK, China and Germany. The intention was to test findings and understanding of this previous research and to understand macro forces shaping data opinions, core factors impacting data sharing and hear detailed opinions on the data landscape in the consumer’s own words.

Macro forces shaping data opinions are:

- A fear of data hacking is the prime cause of unease among people, while advances in technology drive consumer empowerment in the digital world
- Events reported by the media strongly impact perceptions of the data exchange
- Confidence in key institutions is integral to establishing trust in the data economy

The core factors shaping data sharing are:

- Transparency is integral to happy data sharing
- The data exchange is underpinned by building blocks of trust
- Lack of knowledge is a key barrier to engagement
- There is a perceived imbalance of value within the data exchange
- Paying for privacy is not necessarily a solution for greater engagement

Key Implications for society:

- Consumer empowerment needs to be driven jointly by government and industry action
- Early data literacy education should underpin the future data ecosystem
- Clearer lines of responsibility are required from all parties participating in the data exchange
- The current data model is here to stay
- Data sharing tipping points across specific consumer groups is key to engagement

This report seeks to provide a deeper understanding of consumer beliefs and behavior across key areas of the data landscape, setting out specific implications for how to promote a healthy and sustainable future data ecosystem.



PART 1: MACRO FORCES SHAPING DATA OPINIONS

Previous research independently conducted by Foresight Factory on Acxiom's behalf has made clear that societal opinion towards data sharing is not formed in a vacuum. Rather, there is a complex mix of external factors that shape how consumers view the world of data exchange. In this part of the report, we explore the primary factors that form the public zeitgeist and macro opinions towards online privacy and the data ecosystem.

A FEAR OF DATA HACKING IS THE PRIME CAUSE OF UNEASE AMONG PEOPLE, WHILE ADVANCES IN TECHNOLOGY DRIVE CONSUMER EMPOWERMENT IN THE DIGITAL WORLD.

The pace of technological advancement has driven consumer concern around their ability to maintain their privacy, both in terms of the amount of data collected by organizations and the perceived ability of organizations to reach into their lives through their smart devices.

The increased sophistication of, and dependence on technology has led to consumers' concern with data exchange being focused on a growing vulnerability to hacking and identity fraud. It is this preeminent



concern that drives much of consumer unrest about the sharing of personal information. This is in part due to the sheer amount of data now shared and collected and society's continual movement towards a more online world. As more and more products become available, often exclusively, online and smart products are invited into our lives to an ever-greater extent consumers worry hackers have more opportunity to access their data and that data regulations may not be able to keep pace with technological advancements.

The rise of smart devices has also led to the fear that devices are listening into private conversations, particularly in the U.S. and Germany. Despite the demand for smart devices to be 'always on' assistants, and the ability to activate smart devices through key words ("Hey Siri"), consumers still express concern that, even when passive, smart devices are listening and potentially collecting and sharing personal information. There is a clear tension here between need and trust; many consumers are looking for a well-informed, full-time assistant, but there is currently a barrier to trusting such assistants.

EVENTS REPORTED BY THE MEDIA STRONGLY IMPACT PERCEPTIONS OF THE DATA EXCHANGE.

A rise in high profile data privacy incidents reported by the media, particularly the Cambridge Analytica scandal, has had a detrimental impact on perceptions of data privacy and the data exchange. Particularly in the U.S., events reported by the media have encouraged the belief that sharing consumer data is unsafe and data is susceptible to hacking, even when a business has positive intentions and good practice.

For most consumers, the fear of losing data to hacking is now their primary concern in relation to data privacy. This fear undermines positive lived experiences of the data exchange, as well as confidence in the security provided by data regulations.

CONFIDENCE IS INTEGRAL TO ESTABLISHING TRUST IN THE DATA ECONOMY.

Levels of confidence in different parties participating in the data exchange are vulnerable to change (in part due to events reported by the media), with some consumers currently skeptical of the extent to which government institutions can protect their data. Indeed, in the 2019 Edelman Trust Barometer it was reported that 56% of the global general population trusted businesses while just 47% trusted Government (Edelman Trust Barometer, 2019).

Respondents in China and the U.S. mirror this global trend, expressing lower trust in government institutions; due to the amount of information that is shared with them, some respondents are concerned about how this data could be used or criminally accessed. In Germany and the UK, consumers are more likely to trust official institutions to protect and use their data appropriately.

Trust in key institutions across the data economy must be built in order to encourage a more confident and engaged public. A key part of this will be to more effectively disseminate the impact of data regulations on consumer rights.



PART 2: CORE FACTORS IMPACTING DATA SHARING

Against the wider context shaping attitudes towards data exchange explored in part one, in the second chapter of this report we examine the core attitudes that consumers hold in relation to their willingness to engage with the data ecosystem.

While considering attitudes towards data privacy, it is important to understand both data privacy concerns and the degree to which these concerns impact the day-to-day lives of consumers; despite most consumers expressing at least some degree of privacy concern, a significant majority of consumers agree that data privacy is something that they only spend a little of their time worrying about. Concern is largely driven by a fear of criminal activities online and a lack of understanding regarding how institutions may use data, rather than a fundamental distrust of the online world.

TRANSPARENCY IS INTEGRAL TO HAPPY DATA SHARING.

Although many consumers believe data sharing is an essential part of modern society—from 46% in France to 64% in Germany—the key motivator for happy data sharing is transparency: 80% of consumers around the world agree that it is important that businesses are transparent about how data is both collected and used. Transparency impacts several aspects of the data exchange, from privacy policies to the type of data shared.

“I think [transparency] clearly adds a benefit and potentially brings benefits to the businesses because the consumers will be more willing to share data if the rules are clearer and there is full transparency over it, but I think the lack of transparency there is also holding back consumer behavior.”

— Miro, 42, Berlin, Germany

1. Consumers seek simple and concise language within the data exchange

The transparency consumers crave online is not a barrage of information, but rather simple language in an easy to understand and concise format—globally, 85% of consumers agree that when sharing their personal information, it is important that privacy notices are easy to understand. Long privacy policies consisting of legal jargon are viewed as a barrier to trust and ultimately discourage consumers from reading privacy content. Organizations need to find ways to overlay any necessarily detailed legal language with simple and concise overviews or summaries.

“Despite all my...concern, I just scroll down and check the box, and that’s it. So that’s kind of like, wait a minute, I’m saying all of this over here, but in reality I’m doing this. But my perception is that it’s all a bunch of legalese, that it’s not worth really reading”

— Greg, 54, Arizona, U.S.

“They are too long. I think it is for like 90% people. For me, I only probably look at like one second or two seconds...I just go down, go to the button and click, accept it.”

— Zhang, 27, Xi’an, China

“They always use language you can’t understand, because you are not professional.”

— James, 31, Jiangxi, China

Despite this, consumers are keen to engage more actively with privacy policies; globally 84% of consumers seek a flexible privacy policy that allows them to control the types and amount of data they share. One 18-year-old respondent in Germany provides a simple solution for greater engagement:

“I still think sometimes, why are they writing it [privacy policies] so complicated? If they could write it so easy, so more teenage boys or girls could understand it.”

— Jonas, 18, Frankfurt, Germany

Key institutions that provide an educative stance that focuses on transparency, rather than adding to the existing confusion, are likely to receive greater engagement from consumers within the data exchange.



2. Relevance, specificity and sensitivity data tipping points require greater transparency

For a majority of consumers, there are clear tipping points that discourage or encourage data sharing; more important than the sharing of data in principle, consumers are most interested in the relevance, specificity and sensitivity of the data requested in relation to the service/product delivered.

For most consumers, understanding why their information is needed for the specific benefit they will receive in return diminishes fears and reassures them that their data is being used honestly. The doubt evoked by a request for what is deemed to be irrelevant information is candidly described by a respondent in the UK:

“Why would somebody need to know that? I share my financial information and I get what, free sausages?...I’d be suspicious of that, certainly.”

— Brian, 45, Manchester, UK

Correspondingly, globally, 83% of consumers agree that when sharing data, the clearer the link between the data they share and the benefit provided, the better this is. Consumers must be able to understand the relevance of the data requested in relation to the benefits they can expect to receive, regardless of whether they have been willing to share that same information in different contexts.

Alongside the relevance of the data requested, specificity of the data is also a motivating factor—in the U.S. and Germany in particular, many consumers are more willing to share data if they are able to select a range, rather than providing their exact salary or date of birth. For one respondent in the U.S., despite believing that his age is relatively generic data, he is still only comfortable providing this information within a range:

“Age and gender...are generic enough. Now ask me for my specific birthday and I’d say no. But just age and gender from the standpoint of how that might fit within a demographic group, totally fine with that.”

— Greg, 54, Arizona, U.S.



Offering a bracket provides consumers, particularly those unfamiliar with a company, with a level of aggregation that they are comfortable with, ultimately encouraging greater engagement with data exchange than would have occurred otherwise. Once trust is established, this could encourage more specific data being shared by the consumer later.

Finally, the level of sensitivity of the data requested is also key. While this varies significantly between consumers, making the tipping point hard to judge, most perceive financial information that could put them at risk of fraud to be private. In contrast to more generic financial information, such as salary. While financial information that could potentially be used fraudulently is of concern to most, views on sharing hobbies and opinions differ greatly between consumers. For some, personal hobbies are seen to be impersonal:

“The kind of football team you’re rooting for and that sort of stuff. You know, you don’t mind that sort of stuff being shared.”

— Robert, 70, Liverpool, UK

For others, it is exactly our personal preferences and opinions that define us:

“My data makeup, like my date of birth and my name and my address...I’m so used to giving those over. I think it would probably be personal points of views on things [I wouldn’t want to share].”

— Edith, 31, London, UK

It is important to note this variety among consumers, in order to effectively individualize data requests; in the same way that consumers have different preferences over the types of products and services they are looking to receive in return for their data, consumers have different spheres of comfort, regardless of what is deemed legally ‘sensitive’ (special category) by regulators.

While the type of data requested tends to be the primary concern of consumers, the amount of data requested is also a key consideration. Many consumers may feel comfortable sharing their age, gender and occupation, but will be cautious about providing one company with all of this information at the same time; consumers are happy for companies to have a generic data picture of many consumers within which they are a row, but not for companies to collect so much information that their anonymity is jeopardized. There appears to be a concern that once data is shared, ‘everyone’ online can obtain it. This again links back to fears of hacking or ID theft.

“I change the day of my birth. Because that’s just one of those things that I don’t want people building up a profile with...and using that to steal and hack into things like bank accounts.”

— Laura, 52, London, UK

THE DATA EXCHANGE IS UNDERPINNED BY BUILDING BLOCKS OF TRUST.

Alongside transparency, trust within the data exchange is underpinned by long-term and positive data sharing experiences with an organization.

“I trust Amazon and Walmart ... Because they’re pretty secure. I’ve done thousands of transactions with them and I haven’t had problems with anyone, giving them my financial information or anything like that.”

— Angela, 63, Chicago, U.S.

“I trust Alibaba or WeChat since I’ve already been using their services for three to four years.”

— Jack, 37, Dongguan City, China

“When I’ve been shopping at a company for a while, I have a certain level of trust and it’s also a cooperation. I know that they take my information for communication purposes and introduce me to new products. In this situation, I am happier about sharing my data.”

— Huiyan, 50, Dalain, China (translated)



Organizations that already hold sensitive data are also deemed more trustworthy by consumers, due to the belief that they will have more secure systems in place to protect the data.

“Well, my bank for one. Usually organizations that are pretty upfront about using secure systems. Those would be the ones that I trust.”

— Lucy, 27, Texas, U.S.

Particularly in China, the popularity of an organization can replace the need for personal positive experiences:

“I trust more big companies, or ones everyone use...For example, Alipay...On average, almost 90 percent, 95 percent use this app ... I put a lot of money inside this app...So, I use this app for over five years or maybe many years and it never happened, anything.”

— Zhang, 27, Xian, China

“I think I trust banks a lot, and I just feel like they feel very trustworthy, so I would trust them with all of my data and hopefully they’ll be secure enough.”

— Louise, 22, Glasgow, UK

“I trust my bank, of course, and the big ones, the big names, like PayPal, Amazon. Those are the main ones.”

— Kristine, 38, Munich, Germany

For some, the intentions of an organization dictate trust, particularly in terms of an organization being not-for-profit:

“So I think I have some kind of trust in government agents protecting my data. Because they’re not for profit, they just want to protect.”

— Jacob, 26, Berlin, Germany

On occasion, consumers may still engage in the data exchange with businesses that they do not trust; an example of how behavior can be disconnected from expressed attitude within the data exchange. Here, necessity dictates a type of functional trust:

“I mean, you’re signing something...but that doesn’t necessarily mean that you feel that trust.”

— Hannah, 29, Texas, U.S.

Previous Foresight Factory/ DMA/ Acxiom research has shown that people will continue to use services and share data, despite a lack of trust in that organization, if they value the benefits sufficiently. However, in general, to create a happy and more sustainable data exchange, this gap between feeling and action must be bridged through positive lived experiences.

CURRENT LACK OF KNOWLEDGE ACTS AS A BARRIER TO ENGAGEMENT.

Knowledge relating to the data exchange appears to be underpinned to a greater degree by negative news stories, than by knowledge of data regulations. In 2017, 79% of consumers globally agreed that recent news headlines about data breaches have heightened their awareness of their own personal data privacy, while just 26% in Europe were aware of GDPR shortly before its introduction. In 2019, our qualitative research has shown that negative news stories appear to still be more front of mind than GDPR or the likes of CCPA in the U.S.

Most consumers across countries have read negative news stories relating to data breaches, which appear to have had a particularly detrimental effect on trust for social networks, though this may not translate into an equal effect on behavior.

“When that whole Facebook thing came out...I think that it made you not just not trust Facebook...I don’t really trust any social media websites now. I use them all, but I don’t really trust them.”

— Charlotte, 26, Newcastle, UK

In contrast, consumer understanding of data regulations and the data economy in general appears to be lacking. While most consumers, in the UK at least, are now aware of GDPR, few have an understanding of the core principles of the regulation:

“I ought to because I had to go to a one-day workshop...but no, not off the top of my head.”

— Barbara, 62, Devon, UK

A respondent in Germany expresses a similar tension between ‘should know’ and ‘don’t know’:

“I should know more about it [data regulations in Germany]. I mean there was the thing. I guess a lot is on a European level? This is actually embarrassing. It was on the news for a very long time but sorry...I don’t remember.”

— Dan, 29, Berlin, Germany



New regulations such as GDPR have the potential to offer reassurance to consumers, however they currently do not fully understand the regulation resulting in comfort in theory only.

“[concern around data privacy] I suppose it slightly decreased when the GDPR regulations came in, but that’s purely psychological...because I have no idea if my data’s actually safer.”

— Edith, 31, London, UK

Outside of Europe, respondents have little understanding of data regulations within their country:

“I think there are [data regulations in the U.S.] but I have honestly no idea. I feel like friends have mentioned some but I don’t know...how true they are, if it’s something they read on like an internet blog or something.”

— Nick, 34, Washington, U.S.

Beyond data regulations, overall knowledge of the data ecosystem is also lacking, with some respondents aware of their digital footprint, but unaware of exactly how it works:

“When I think about companies collecting my data, I think about what I give them...but I don’t know what’s going on behind the scenes and what they’re sharing with each other that I might have inadvertently agreed to.”

— Edith, 31, London, UK

It is clear that education surrounding the data exchange is currently lacking, highlighted in particular by the limited detailed knowledge of regulation such as GDPR and CCPA among consumers, both before and after its implementation.

For many, this lack of knowledge and misunderstanding as to what is legal within the data sharing economy has resulted in unfounded fear about losing control of their data. Most consumers believe that despite initial control over what they share, once data is shared, it is out of their control. Globally, a significant majority of consumers agree that they would like more control over the personal information they give companies and the way in which it is stored, from 78% in the Netherlands to 89% in Spain.

“I think little control, almost out of control. Because, I just have the right to decide which information to whom. But I don’t know how they will use my information, for what and the when and how. And if they sell my information to others, I have no idea.”

— Ruina, 30, Shaanxi Province, China

“I feel like your personal data is something, it’s a weird kind of ambiguous ownership of it, I guess, because it belongs to you, it’s part of you, but at the same time you know, it’s something that can infinitely be shared.”

— Dan, 29, Berlin, Germany

There is also a real sense of longevity, particularly in the UK, U.S. and China, that data is lost forever:

“By giving your data, you’re releasing control, aren’t you? And then it’s really hard, short of going round to their offices and deleting off their servers yourself, there’s no way. You know, it’s out there. They’ve got your information.”

— Brian, 45, Manchester, UK

“Once we give away our data, we can never get it back and the company can decide what it will be used for.”

— Cecilia, 18, Beijing, China

Feeding into this, 58% of consumers believe that they are unable to prevent companies from sharing their personal information with third parties. The lack of understanding of how data regulations currently monitor information sharing has fueled the belief among consumers that they have limited control over their data once shared, certainly less than they have in reality. This not only reduces initial engagement, but also creates a sense of distrust that could have a negative impact on the data exchange in the long-term.

This perceived lack of control also invites dishonesty into the consumer-business relationship, especially in the UK and Germany; from deliberately giving an incorrect date of birth to setting up a second unused ‘burner’ email account, consumers are looking to regain some control:

“I lie about my phone number. I lie about my date of birth...so that if somebody does try to link it...with something else it can give them a harder time...that makes me feel really in control.”

— Laura, 52, London, UK

“With my age, I’m always lying...I think, why? Why are people interested in my age? It is not a dating portal.”

— Andreas, 56, Keil, Germany

Lying online is heavily linked to feeling in control, suggesting again that once consumers feel in control (beyond the initial sharing of data), they will be more likely to engage openly and honestly in the data exchange.

In order to empower consumers within the data exchange, along with greater transparency, a better understanding of how regulations impact both the consumer and business is essential. Through a better, simplified understanding of the data exchange, consumers will be dictated less by doubt and more confident in their understanding of the rules governing the data exchange and how both companies and their partners are regulated within this.



THERE IS A PERCEIVED IMBALANCE OF VALUE WITHIN THE DATA EXCHANGE.

Currently, the majority of consumers believe that the data exchange favors businesses; globally, 78% of consumers believe that industry benefits the most, while just 9% believe that consumers benefit the most.

Underpinning this perceived imbalance is the belief that businesses have the ability to accumulate data from a wide sample of consumers, whereas the individual is only concerned with his or her data; you are an isolated exchanger, while businesses can exchange with a larger number of customers.

“Definitely the businesses [benefit more] because they’re doing it for a thousand people. It consolidates individuals. They can pick a sum of 20 individuals who they know are reading something or looking at something or looking at some sort of adverts, and then target them.”

— Robert, 70, Liverpool, UK

“I think of course the business [benefits more]. Because the business, they collected all the people, and they can use your data, in like some commercial way.”

— Zhang, 27, Xi’an, China

Even if businesses provide fair value in exchange for data, they cannot remove the feeling that overall the business is benefiting more—consumers need to be convinced that not only are they benefiting in any one particular exchange, but they are also more of an equal partner within the data exchange overall.

It is also important to note that some consumers are entirely unaware of receiving any value in exchange for their data, which of course impacts perceptions of a value imbalance. While they may have experienced benefits at some point from sharing their data, they are not aware that these benefits have come as a result of data sharing. This impacts trust and organizations need to do more to demonstrate the positive impact of data. For some, there is an awareness of value, but an inability to pinpoint the exact time and place at which this value is received:

“I’m sure there’s things that I don’t even notice every day that come about in my experience that were only because of the data people have about me, and I don’t realize the positive ways it might be affecting me.”

— Jack, 27, Illinois, U.S.



PAYING FOR PRIVACY IS NOT NECESSARILY A SOLUTION FOR GREATER ENGAGEMENT.

Even for cautious consumers, paying to ensure their data is not collected is usually not an appealing or realistic solution. Despite the belief that businesses offering services for free make their money through the collection of data and tailored advertising, many consumers also believe that the internet and free services* such as search, maps, email and social media sites, are primarily for the people and therefore should be free on principle: *Few are aware it is the premium platforms such as the providers of these services can charge to brands, in return for being able to place advertisements to segments based on data, that effectively funds their provision for free:

“I think there’s something inherently wrong about making, say, like, a subscription to the internet.”

— Isabel, 33, Washington DC, U.S.

For some, it is less about the internet being free as a whole and more about a precedent having already been set for certain free services: 35% of consumers would prefer to pay for TV/movie streaming services such as Netflix rather than share personal information in order to receive the service for free, while just 20% would be willing to do the same for social networks such as Facebook. A respondent in the U.S. explains that the availability of music on Spotify has made him accustomed to receiving online content for free:

“I think services like...Spotify for instance. That sort of whole business model where you...have access to whatever you want at any point...that’s kind of conditioned me to feel like I have a right to whatever information I want online at any point, without having to really pay for it.”

— Jack, 27, Illinois, U.S.

At the same time, some consumers express doubts that paying for online services will ensure that their data is not collected or shared; even with good intentions, a business may still be hacked.

“I wouldn’t have any faith that they wouldn’t collect the data anyways. So, I probably wouldn’t pay.”

— James, 38, Bristol, UK

While some would prefer the product or service to be free on principle and are skeptical of payment options, many are willing to exchange their data for a free service simply because of their love, and frequent use of, that product or service. Online maps were a particular source of enthusiasm for a number of consumers:

“Oh. I love maps. I love looking at the maps online. I love Google Maps. Um, I’d rather have it for free [in return for data].”

— Brian, 45, Manchester, UK

“Like Google Maps is amazing...to know that if you need to get from A to B and you want to avoid traffic, you know where the traffic is because of the data that these apps have. If that’s beneficial, the data they’re collecting to help, then I think that it’s a good thing.”

— George, 28, London, UK

It needs to be made clearer to consumers, what they are paying for, both in terms of any product or service they are receiving and exactly how payment will ensure that their data is not collected. In many cases, however, consumers are happy to share some data in order to receive their favorite products or services for free.



PART 3: **KEY IMPLICATIONS**

CONSUMER EMPOWERMENT NEEDS TO BE DRIVEN JOINTLY BY GOVERNMENT AND INDUSTRY ACTION.

A lack of understanding and awareness of the data ecosystem is apparent across large parts of the consumer landscape. A more informed and empowered consumer landscape will be critical to ensuring that societies are prepared for the expected technological developments in the years ahead.

At the heart of the issue is transparency and trust. Evidence from the Edelman Trust Barometer shows that a more informed public is a more trusting public. Indeed, in Edelman's 2019 research they compared trust in key institutions across the general public and a smaller sample of the 'informed' public (citizens with higher education and stated awareness of public policy and business news). The findings showed that the 'informed' population had significantly more trust in business compared to the general population; 68% vs. 56%. Consequently, nurturing a more 'data informed' consumer landscape will be a key step in building broader trust in the data ecosystem.



Moreover, the lack of data awareness and understanding also poses challenges for future societal and economic development. Almost all projections of future societies and industries are based on a premise that the continued flow of consumer data will underpin new technological innovations and infrastructure. Should technological advancements outpace public awareness and trust in such developments, then a public backlash could well emerge as a handbrake to such progress.

As a result, the development of a 'data informed' public should be a priority for both industry and government. Specifically, a proactive campaign to communicate the benefits and workings of the current data ecosystem would be a vital first step. However, a cross sector and joined-up campaign, involving all stakeholders in the future data landscape, will be necessary if any meaningful impact on societal attitudes is to be achieved.

EARLY DATA LITERACY EDUCATION SHOULD UNDERPIN THE FUTURE DATA ECOSYSTEM.

For a substantial number of consumers, a reluctance to engage in the exchange of data is underpinned by a lack of knowledge. Many consumers are left to rely on a certain degree of faith in a system that they feel they cannot gain a comprehensive understanding of (in Germany, a number of consumers say they "hope" their data is not being used dishonestly), partly due to the complicated language used in privacy policies and partly due to time restrictions.

Regulatory developments may change the data exchange landscape, but they do not appear to have had a significant impact on how consumers feel while they are engaging in the data exchange. In the UK for example, most consumers are aware of GDPR, usually through their workplace, but do not understand the core principles of the regulation. Communication relating to data regulation needs to transcend the workplace into the everyday lives of consumers.

Beyond regulatory changes, data understanding (along with wider STEM skill strategies) should form part of early intervention education and skill programs in order to ensure that consumers can make informed choices and feel in control within the data exchange.

In particular, as data and technology is only likely to grow in volume and complexity, an equal focus needs to be given to wider data literacy alongside specific STEM skill sets; ensuring from a young age that consumers are equipped with the knowledge and tools to navigate and benefit from the evolving data ecosystem.

CLEARER LINES OF RESPONSIBILITY ARE REQUIRED FROM ALL PARTIES PARTICIPATING IN THE DATA EXCHANGE.

Most consumers believe that consumers, industry and the government are all responsible, to differing degrees, for ensuring the safety and security of consumer data.

“Two different parties, they have different responsibility. The government, you need to have these kind of regulations. And the businesses, if our society has these kind of regulations, you need to obey it.”

— Kelly, 25, Beijing, China

“Well I think it should be the companies you interact with, but the government need to be able to enforce the laws. So it’s the responsibility of the company, but if the company breaks the laws or doesn’t look after it, then government have a responsibility to prosecute those.”

— Lucy, 25, Manchester, UK

“I mean, it should be me, but then operations, institutions like Facebook, should at least make it more user-friendly that you really can decide what information they get from you.”

— Christian, 39, Grosshansdorf, Germany

Responsibility is closely connected to control in this context; consumers largely feel responsible for their data at the point of highest perceived control, when initially choosing whether to share their data. Beyond this, industry is responsible for keeping their promise to look after the data, while the government is responsible for monitoring the industry. Even in Germany where belief in the responsibility of the consumers is highest, with 49% agreeing that consumers have ultimate responsibility for their data security, 27% still agree that the consumer, industry and the government all have a role to play.

Another factor is that given the growing use of data in peoples’ lives, placing the full burden of responsibility and accountability on the individual is both unrealistic and unacceptable. The only realistic model for success is one where individuals may take care of certain aspects of their ‘data lives’, perhaps an overarching view along with some areas of particular importance to them, but thereafter, trust organizations to operate legally and ethically.

Consequently, for consumers who believe that there is no clear guardian for consumer data, this exacerbates the fear that nobody is truly liable for the loss and potentially fraudulent use of consumer data. Once consumers understand who is responsible for their data, partly through transparent privacy policies, well communicated data regulations and general data education, consumer control and a greater willingness to engage in the data exchange are likely to follow.

THE CURRENT DATA MODEL IS HERE TO STAY, BUT IT NEEDS TO BE BETTER UNDERSTOOD.

A key finding from the research is that there is little appetite for a fundamental shift in the current model of value exchange within the data ecosystem. Indeed, it seems unlikely that there will be any significant move towards a predominantly paid-for digital world; consumer preference for a value model where they exchange some personal data in return for free content or services remains dominant.

However, the current model of value exchange needs to be simplified and better communicated to consumers. Indeed, the challenges posed by ad-blocking technology and consumers providing false information when engaging with brands online, demonstrate the potential consequences of a value exchange model that is not fully understood.

To achieve this, industry needs to develop a consistent and clear set of messages that explain the data exchange model at its core; communicating the existing and potential benefits available to consumers.

UNDERSTANDING DATA SHARING TIPPING POINTS ACROSS SPECIFIC CONSUMER GROUPS IS KEY TO ENGAGEMENT.

At the most fundamental level, the research reveals three core factors that impact how likely a consumer is willing to exchange data with a business or organization:

1. How relevant the data requested is to the service/product delivered;
2. How specific the data requested is;
3. How personal the nature of the data feels to the individual.

For each context of data exchange, a business or organization will need to consider how their customers will respond against these three metrics; understanding that for different customer profiles and segments, the importance of each of these factors will vary.

Keeping these three factors at the core of all data exchange practices and incentivization strategies, will provide a successful model to enhance consumer willingness to engage with the future data ecosystem.



METHODOLOGY

Between July and November 2019, Foresight Factory conducted, on behalf of Acxiom, 90 qualitative interviews. Each interview was a 1-hour video interview exploring attitudes towards data privacy and the data exchange. Foresight Factory interviewed a total of 90 respondents across four markets, including the UK, the U.S., Germany and China*. For this research, Foresight Factory used interlocking nationally representative quotas on age and gender per country. The sample was also adjusted based on a global segmentation analysis constructed by Foresight Factory and the GDMA in 2018 that categorized consumers according to their attitudes towards privacy and data exchange.

All of the quantitative research included in the report was conducted by Foresight Factory on behalf of the GDMA in November 2017. It was an online survey of a minimum 1,000** sample of respondents aged 18+*** across 10 markets, including Argentina, Australia, Canada, France, Germany, the Netherlands, Singapore, Spain, the UK and the U.S.

*20 respondents in the UK, Germany and China and 30 respondents in the U.S.

**2000 respondents in the U.S.

***18-64 in Singapore



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Acxiom provides the data and technology foundation for the world's best marketers. We enable people-based marketing everywhere through a simple, open approach to connecting systems and data to drive better customer experiences for people and greater ROI for business. A leader in identity, customer data management and the ethical use of data for more than 50 years, Acxiom now helps thousands of clients and partners around the globe work together to create millions of better customer experiences, every day. Acxiom is a registered trademark of Acxiom LLC and is part of The Interpublic Group of Companies (IPG). For more information, visit www.acxiom.com.

ABOUT **FORESIGHT FACTORY**

Foresight Factory is a leading international consumer research and analytics agency. Our core expertise is based on identifying and forecasting social and consumer trends and determining the extent of their impacts on markets, services, brands and products. Since our launch in 1996, we have worked to meet the strategic needs of businesses through the application of insight. We identify, measure and examine trends, attitudes and behaviors through the rigorous analysis of quantitative and qualitative research. Our robust program of research provides businesses with the grounding and confidence to anticipate the likely impact of the evolving consumer environment and identify new market and revenue opportunities. For more information, visit www.foresightfactory.co.

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