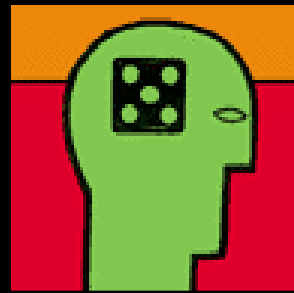


Public Perceptions of Privacy and Data

Clare Lees
Associate Director

The Henley Centre

Digital Identity Forum
13 November 2002

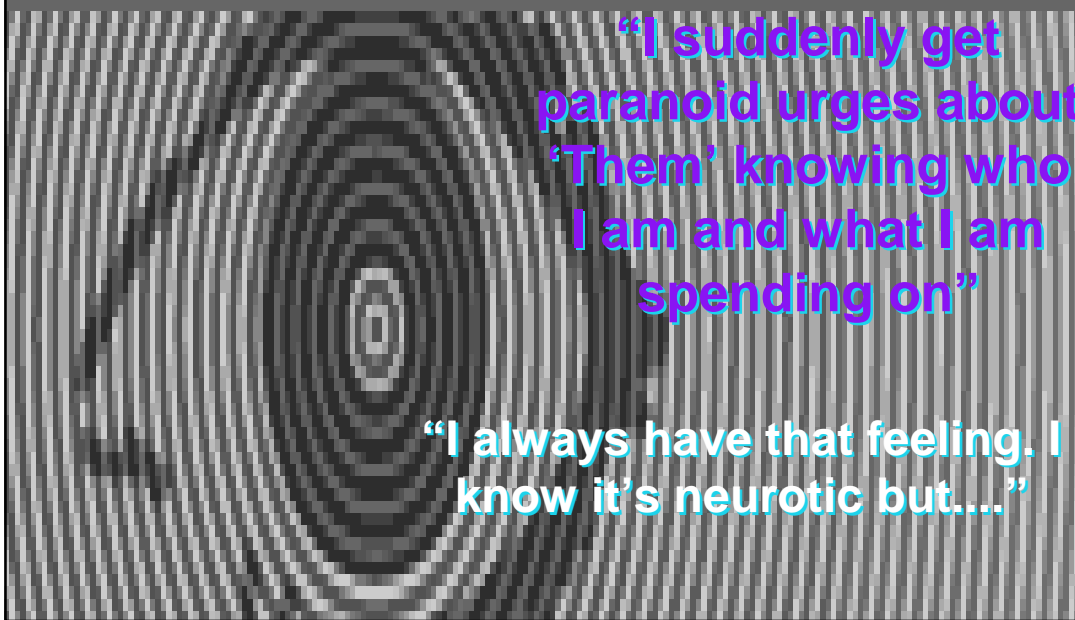


What I am going to talk about



- Initial perceptions regarding data and security
- The role of information in the buying process
- Mental budgets
- The question of trust
- The main factors regarding information provision
- Summary

Is it Big Brother?



People always tend to be wary when asked

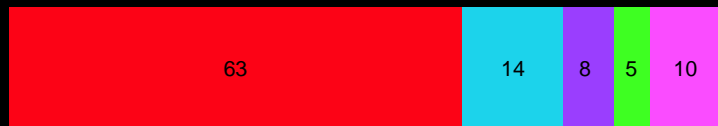


■ Agree strongly ■ Agree slightly ■ Neither agree nor disagree ■ Disagree slightly ■ Disagree strongly

It's an invasion of privacy for companies to ask for personal details



Companies shouldn't be able to pass on personal information about their customers to others



Source: The Henley Centre

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It's actually not that straightforward, consumers can see the benefit



“From a security point of view, it's a good thing, as you can trace where your money went”

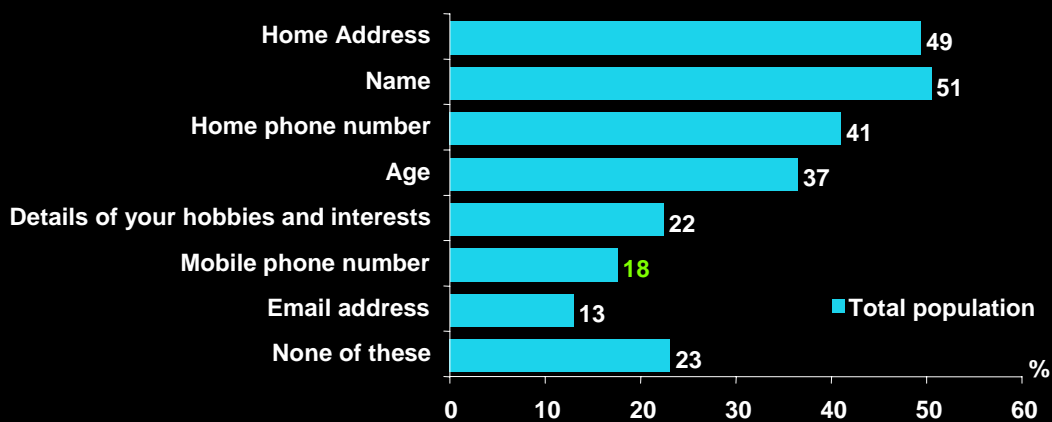
“It's advantageous to you - you can get a statement saying what you've bought each month”

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People will give information in return for something



Pieces of information are happy to provide a company with, if it means they provide you with a better service - % agreeing



Source: European Planning for Consumer Change, The Henley Centre, 2001
Base: Total population, European average

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Info bartering

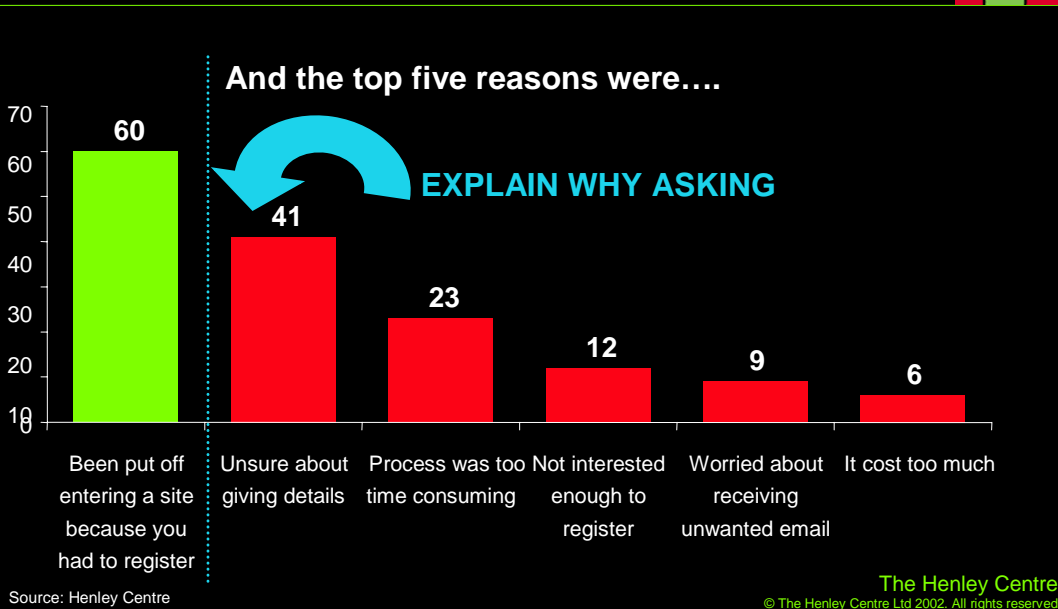


The re-negotiation of information exchange relationships between corporations and consumers

Source: The Henley Centre

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But there are hurdles: eg, 60% of net users have refused to register at a site



'Half knowing'



Communication

Perceptions distort

What consumer hears



“I didn't realise it was dangerous until somebody else explained”

“After watching that programme, I'm more cautious now”

“Roger Cook said...”

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1 in 5 online 15-24s have given false personal details when registering on a site

Why ?

A third to avoid giving away personal details

A fifth to avoid unsolicited mail

A tenth due to general mistrust of the site

Source: Online Culture 2001; BMRB Digital Viewer 2000

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Asking for data?



Why did having to register put you off the site?

Feels like they are trying to manipulate you

When they leave, will they come back?

It got too complicated

Did not know enough about the site

Always seems like there's something hidden

Source: Online Culture 2001

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Some people who do register tell lies...



Why did you give false details?

Just to see what would happen

Didn't understand the form

Got cold feet

I do when going to Microsoft

I was paranoid

I didn't want to commit myself

I was told to, I was on a computer course

Wasn't taking the registration seriously

Source: Online Culture 2001

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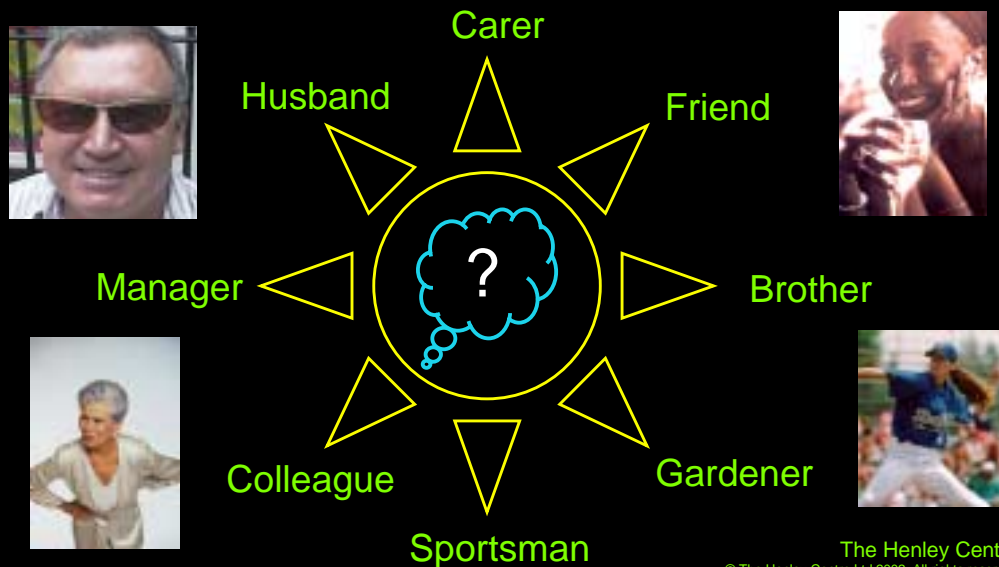
People are modal



The same consumer can vary in behaviour more on two different occasions than two different consumers on the same occasion

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All of us have many different roles to play Each accompanied by a different mindset



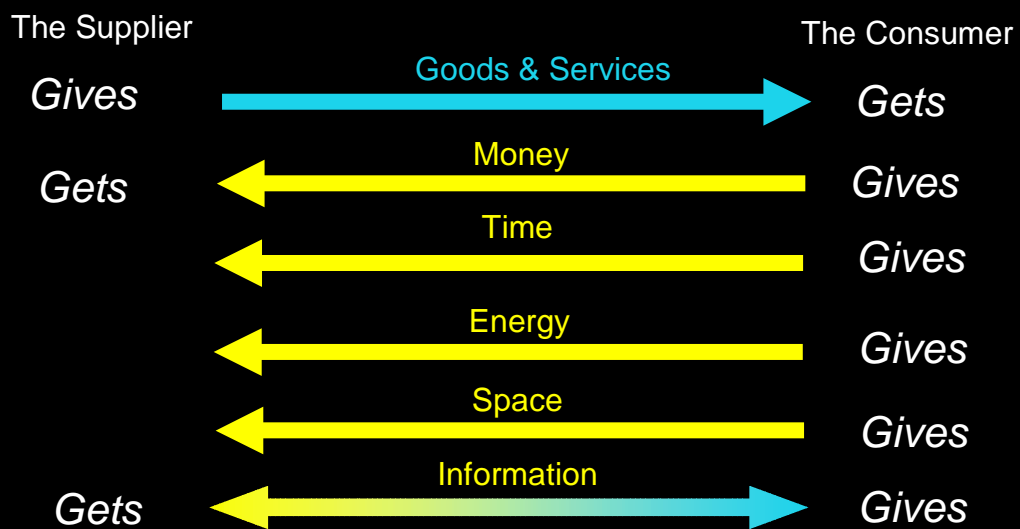
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The role of information in the buying process

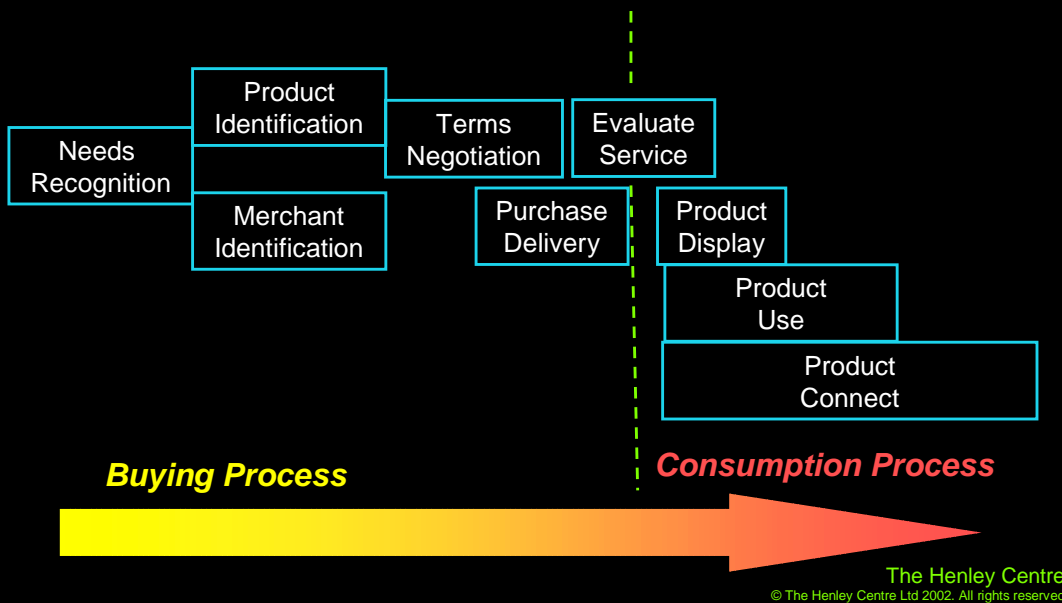
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A real transaction

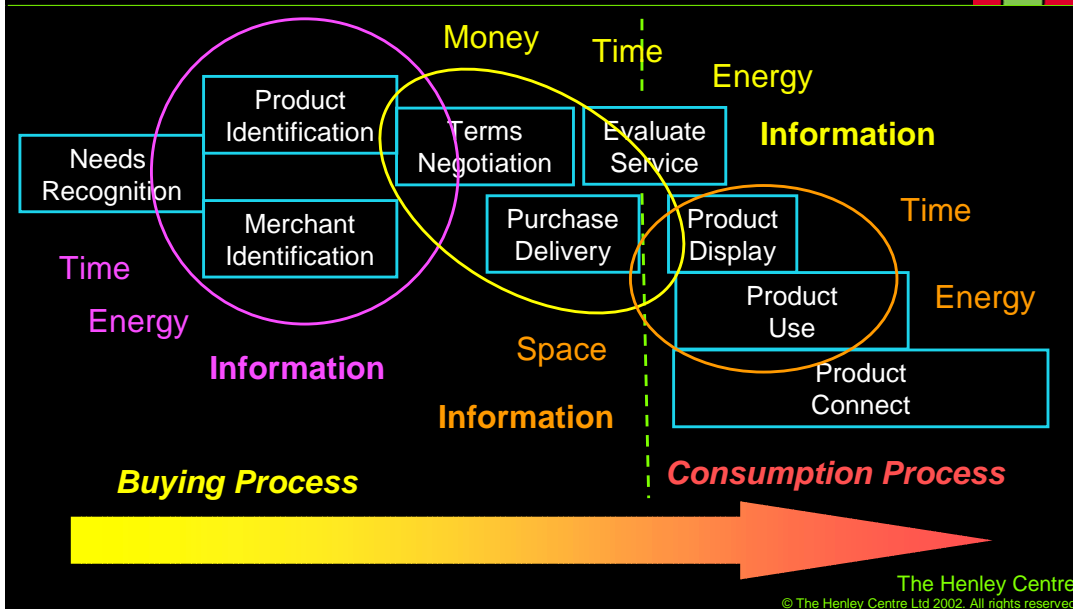


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There are a number of touchpoints in the buying process



Providing information may be required at a number of stages



People like having options, so this increases the number of times we have to share data



“One Visa for shopping, one for petrol, another Visa for mail order and Access for everything else”



“I’d like a choice of options, not having to use any one”

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Willingness to give personal details:
Just looking?



http://www.thetrainline.com/Time_Table/Display_Ti24/10/2000	14:55:38	100
https://www.thetrainline.com/Buy_Tickets/Login/log24/10/2000	14:56:56	78
http://www.thetrainline.com/Time_Table/Display_Ti24/10/2000	14:57:18	22
http://www.thetrainline.com/Buy_Tickets/matrix/jou24/10/2000	14:57:47	29
http://www.thetrainline.com/Time_Table/Display_Ti24/10/2000	14:58:10	23
https://www.thetrainline.com/Buy_Tickets/Login/Ne24/10/2000	14:59:12	11
http://www.thetrainline.com/Buy_Tickets/matrix/jou24/10/2000	16:09:47	33
http://www.thetrainline.com/Time_Table/Display_Ti24/10/2000	16:09:57	10
https://www.thetrainline.com/Buy_Tickets/Login/log24/10/2000	16:10:21	24
https://www.thetrainline.com/Buy_Tickets/Login/Ne24/10/2000	16:10:46	25
https://www.thetrainline.com/Buy_Tickets/Login/Ne24/10/2000	16:11:43	57
http://www.thetrainline.com/Buy_Tickets/matrix/me27/10/2000	11:55:40	87
http://www.thetrainline.com/Buy_Tickets/matrix/dis27/10/2000	11:55:54	14

**The purchase of a train ticket took
26 minutes over two days**

Source: Online Culture 2001

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We don't have the energy to use information



Two-thirds of consumers agree that you can never have too much information...

51% of consumers say that they just don't have the energy or the time to use the information they already have to its full advantage

This could be an opportunity



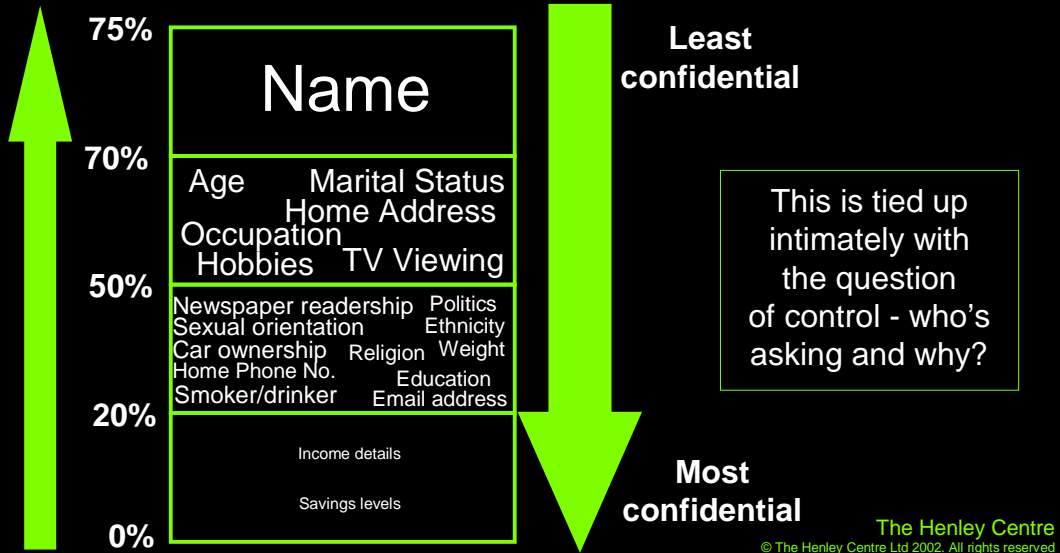
*Please sign this
pro-privacy pledge.*

*Enlightened companies
remember information
for people, not about them.*

Some information is more secret



% of net users willing to provide information



Mental Budgets



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Consumers use 'mental budgets' to help them compartmentalise goods and services



Essentials

Mortgage
Rent
Food
Utility....



Fun

Holiday
Cable TV
Cinema
Leisure....



Savings

Savings
Pensions
Investments....

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The degree of involvement and thus willingness to share data is also segmented



Essentials

Mortgage
Rent
Food
Utility....

What degree of trust?



Fun

Holiday
Cable TV
Cinema
Leisure....

What degree of trust?



Savings

Savings
Pensions
Investments....

What degree of trust?

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Who is asking for data?
What 'mental pot' does the
consumer place the
company/institution asking for
data?

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"Of course
have to give
information
to get
passport'



"Um, why?"

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“Of course
have to give
information
to get
passport’



“YES”

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**Trust is key to understanding who
consumers will share data with**

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Who do you trust?



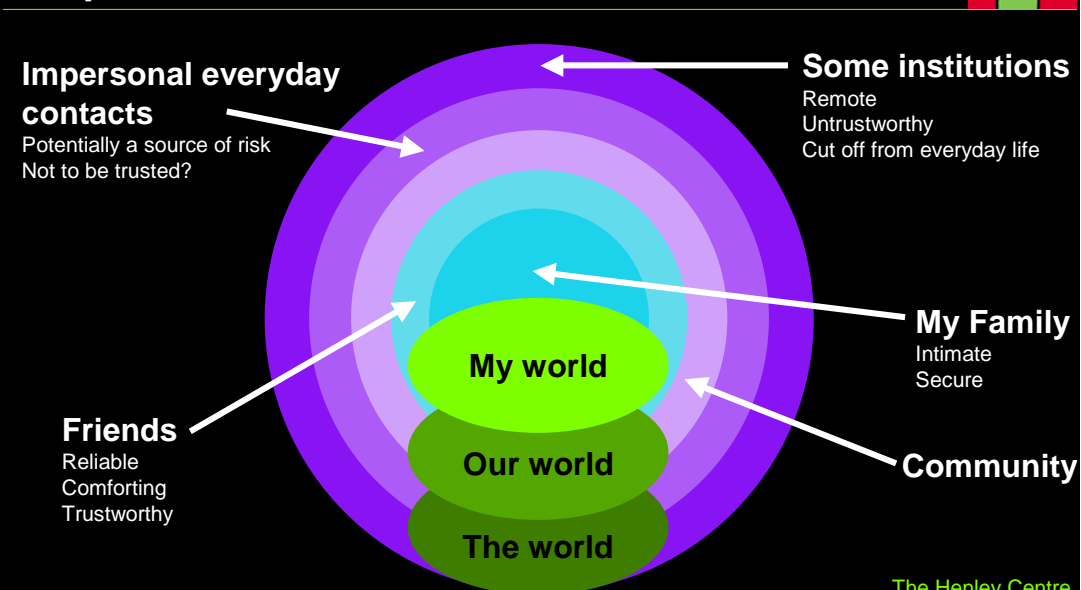
1. Your doctor
2. Your church
3. Your neighbours
4. Your work colleagues
5. Your bank
6. School teachers
7. Your employer
8. The police
9. The post office
10. News on TV
11. The judiciary
12. Your electric company
13. Your gas company
14. Your insurance company
15. Your local supermarket
16. Your local corner shop
17. Pressure groups like Greenpeace
18. Your daily newspaper
19. The magazines that you read
20. Your main Internet service provider
21. Your mobile phone network provider
22. Your parliamentary representative
23. Your local administration
24. The current government
25. European Union institutions
26. Companies from your own country
27. Multinational companies

Source: Planning for Consumer Change (Europe), 2001

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Who to trust?

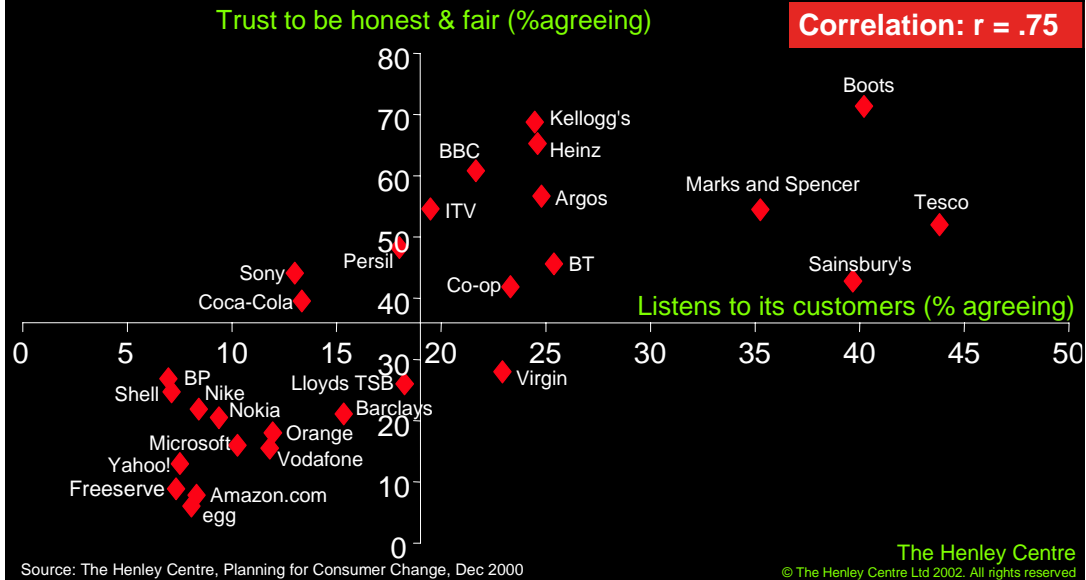
People trust those in their inner core



Source: The Henley Centre

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Some brands are more trusted and can be in an inner core



Security resides in the reputation of the company



“I bought from QVC. I do worry at times but they seem to be such an efficient organisation”

“I log with MSN so I trust them and the security”

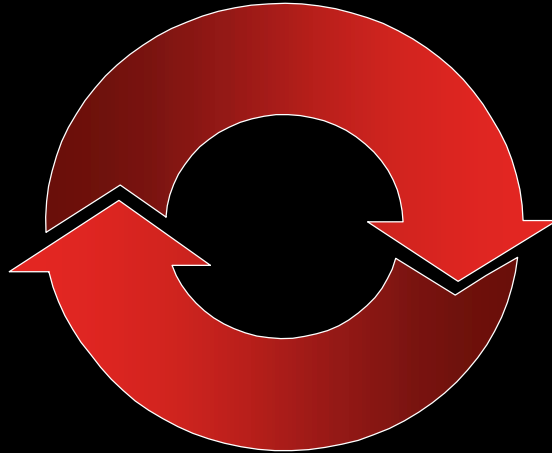
“If it was a reputable company, I’d buy CDs over the Internet from the USA”

“With a small restaurant or shop it depends on the circumstances, but a big company is OK because if anything did go wrong, you could go back to them”

Trust is a two way street - you give and get



Gather



Value is created in the trust built by honest exchange with your customers

Give back

Source: John Hagel

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If you win trust, you win

% agreeing that if they trust a company, they will...



'Look to it first for something I want'



91%

CROSS SELL

'Give its new products a chance'



75%

UP SELL

Source: The Henley Centre, Planning for Consumer Change, 1999 & 2000

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The 5 Rs of information provision



- Resentment
- Resignation
- Relevance
- Returns
- Reconciliation

Source: The Henley Centre

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Factors influencing attitudes to information provision



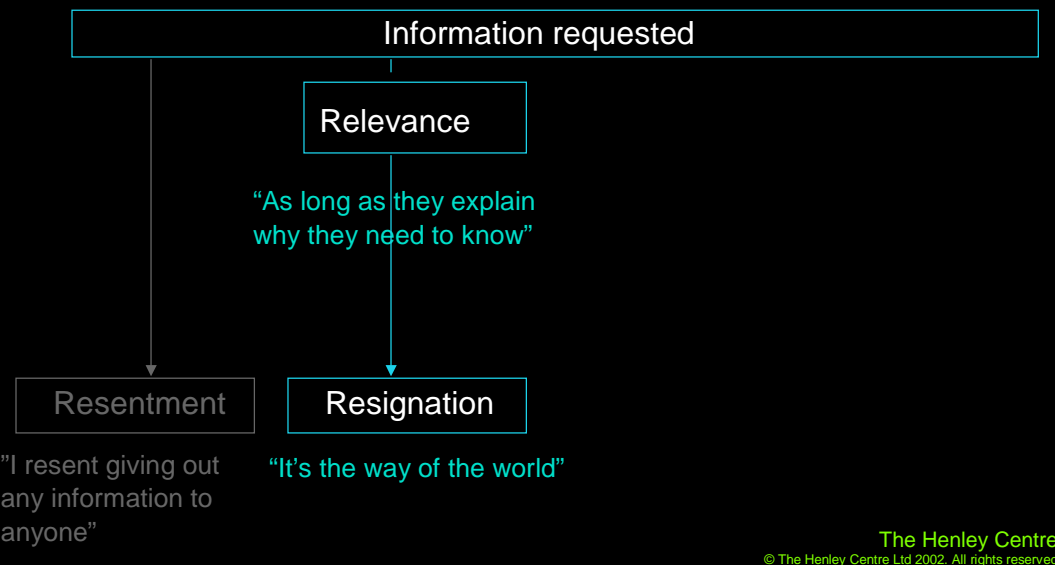
Information requested

Resentment

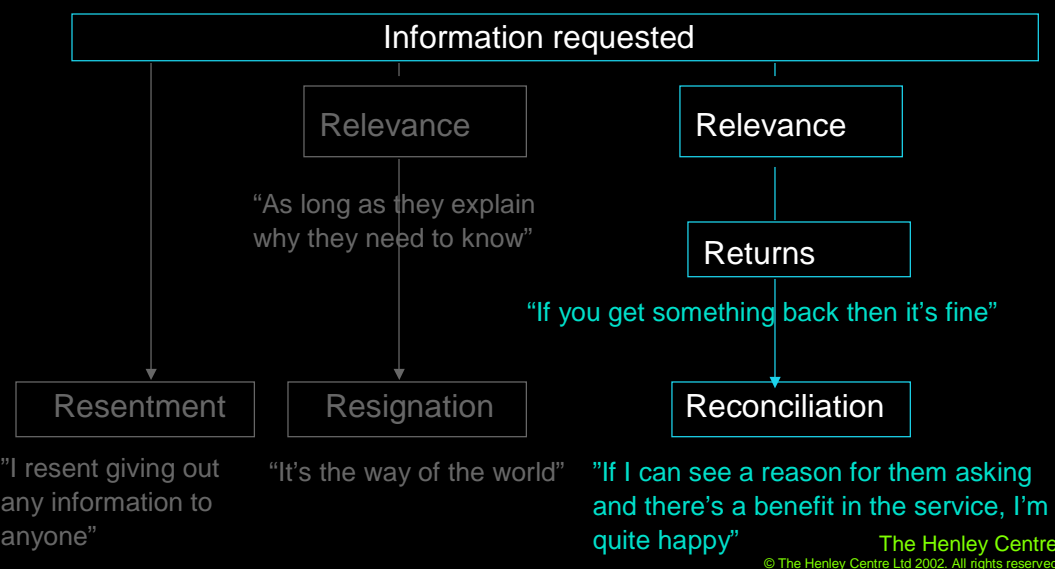
"I resent giving out any information to anyone"

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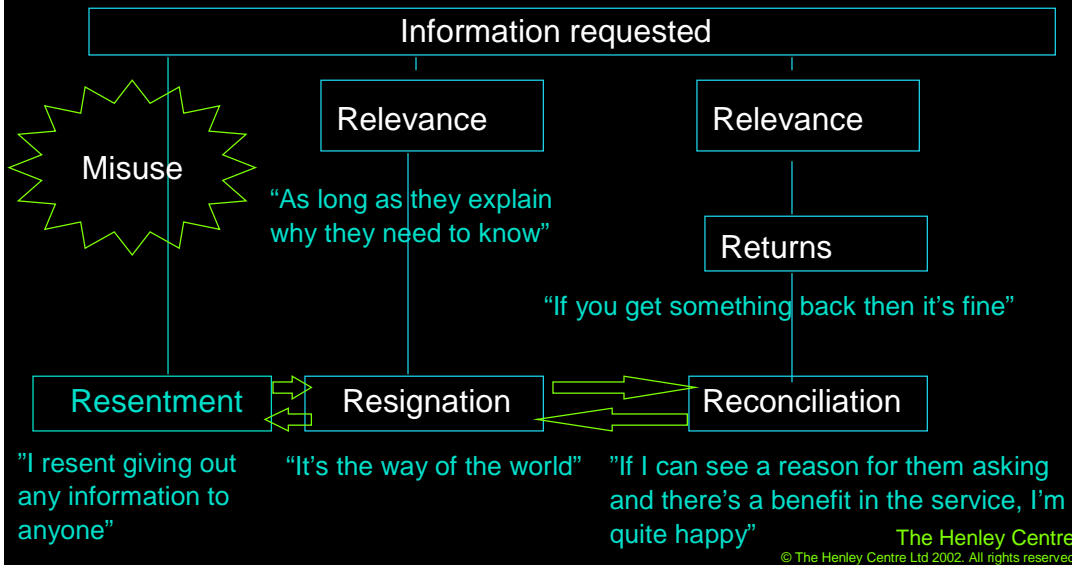
Factors influencing attitudes to information provision



Factors influencing attitudes to information provision



Factors influencing attitudes to information provision

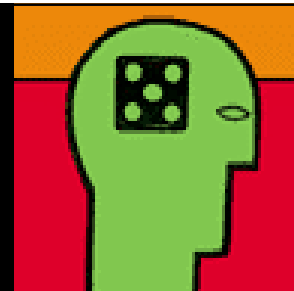


In summary



- Consumers are willing to give information and data
- Their willingness and the extent of information they will divulge depends on:
 - the degree of trust they have in the company asking for the data
 - what and why are they being asked?
 - will they get anything in return?
- Consumers will info-barter - but it is a two-way street
- There are 5 R's relating to attitudes towards information provision

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