

EXECUTIVE SUMMARY

Privacy and Consumer Trust

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Executive Summary

Privacy is alive and well for consumers

A global, cultural and technological shift is occurring in how individuals value their privacy and the steps they will take to protect it.

The IAPP's first-ever Privacy and Consumer Trust report shines a light on what consumers around the globe think about privacy and the companies that collect, hold and use their data. Based on a survey of nearly 5,000 consumers from 19 countries, this report paints a picture of consumers' attitudes and behaviors regarding the privacy of their personal data.

The key takeaways of the report are organized around six Cs: care, compliance, comprehension, consumer trust, cybersecurity and computer automation.

KEY TAKEAWAYS



CARE



COMPLIANCE



COMPREHENSION



CONSUMER
TRUST



CYBERSECURITY



COMPUTER
AUTOMATION



Consumers care about their privacy

Privacy concerns have deep roots. Nearly 68% of consumers throughout the world said they are either somewhat or very concerned about their online privacy. This concern affects how much they trust companies, organizations and governments to collect, hold and use their personal data. Consumers make choices based on their perceptions of privacy, adjusting their compasses in a world awash in data by deleting apps, withholding information and avoiding purchases when they feel their privacy is at risk.

Consumers believe legal compliance drives privacy efforts

More than 35% of consumers ranked compliance with legal obligations as the biggest factor motivating companies to protect their privacy. While other forces — from corporate values to competition in today's marketplace — are thought to play a role, most consumers see privacy laws and regulations, such as the EU General Data Protection Regulation, as having a large or moderate effect on the privacy practices of companies.

Consumers struggle to comprehend what data is collected and how it is used

Consumers' ability to understand what companies and organizations do with their personal information has long been hindered by hard-to-read privacy notices. Few consumers said it is easy for them to understand whether a company follows good privacy practices. The majority of consumers had limited understanding of the types of personal data collected about them. Globally, only 29% of consumers said it is easy for them to understand how well a company protects their personal data.



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Over 80% of consumers
 said they are likely to
 stop doing business
 with companies that
 have been the victim
 of a cyberattack

Consumers are clear on what enhances and what reduces their trust in a company

There are several actions consumers want organizations to take, and not take, to gain their trust. According to 64% of consumers, companies that provide clear information about their privacy policies enhance their trust. Meanwhile, 33% of consumers would lose trust in an organization that uses their data to offer them products or services from another organization.



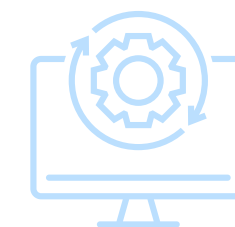
Cybersecurity affects consumers' brand loyalty

Data breaches are becoming common experiences for consumers globally. A majority of global consumers report being impacted by a data breach that targeted a company from which they purchase goods or services. More than 80% of impacted consumers said they are likely to stop doing business with a company after it is the victim of a cyberattack.



Computer automation with no human oversight is perceived by most consumers as a privacy risk

Peering out over the frontier, artificial intelligence and other emerging technologies raise privacy concerns for consumers. Indeed, 57% of global consumers view the use of AI in collecting and processing personal data as a significant threat to privacy. Trust in companies also varies based on whether they use humans or computers to analyze collected data. Interestingly, a majority of consumers preferred their data being processed by a combination of human and computers.



As this report makes clear, a significant portion of consumers around the world feel their privacy is valuable and are increasingly willing to forgo benefits, change their consumption habits and take other steps to ensure their privacy is protected by companies. It is up to companies to rise to these new challenges.

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