The speed of life: Consumer intelligence series

Consumer privacy: What are consumers willing to share?

Series overview

Through PwC's ongoing consumer research program, we gain directional insights on consumer attitudes and behaviors in the rapidly changing media landscape. This report summarizes key findings from an online survey and follow-up focus groups, exploring:

- The behaviours and attitudes of consumers related to privacy and how that impacts their data, video and voice consumption behaviors
- Opportunities for both companies and consumers to benefit from sharing information.

In 2012, we conducted a two-phase program to capture this data. In Phase 1, we surveyed a geographically dispersed sample of 1,002 adult men and women between the ages of 18-59 . In Phase 2, we conducted focus groups to gain a deeper understanding of some of the underlying reasons for behavior reported in the survey.

I. Executive Summary

Today's consumers are eager for companies to deliver exciting, personalized services -- and for the most part, they are willing to share personal information to get it. The majority of consumers have accepted the fact that companies collect and use their personal information, and are comfortable sharing basic information such as names, addresses, gender, and even home phone numbers.

But getting consumers to share more in-depth personal information, such as access to their mobile phone data or their behaviors and habits related to the Internet, games or media content, requires companies to offer something in return. Consumers expect benefits in exchange for their personal data, such as free goods or services, or even non-monetary incentives, such as not having to watch ads or getting exclusive updates about new stores or restaurants. Consumers also want companies to be transparent about what information they collect and how it will be used. Above all, consumers want to be in control of their personal information. That means having the ability to "opt out" or turn off the flow of information from companies.

For businesses, this willingness to share information represents rich opportunities to reach and connect with consumers in new and exciting ways. Companies can encourage consumers to share more information by educating them about the benefits, being transparent about their practices, and marketing to younger demographics, which are more willing than their older counterparts to reveal personal data. Big companies can also benefit from reminding consumers about the stability and trust that comes with larger companies.

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II. Key findings

1. **Consumers will share their info -- if there's something in it for them.**

   The majority of survey respondents (73%) were willing to share personal information, depending on the benefits they will get in return.

Chart 1: Consumers' attitudes towards sharing personal information

I'd be willing to share personal information depending on benefits I get in return

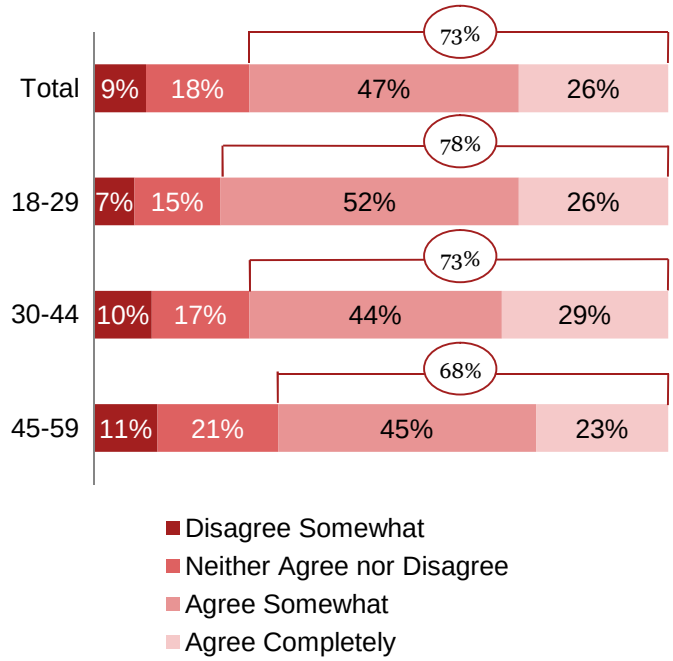
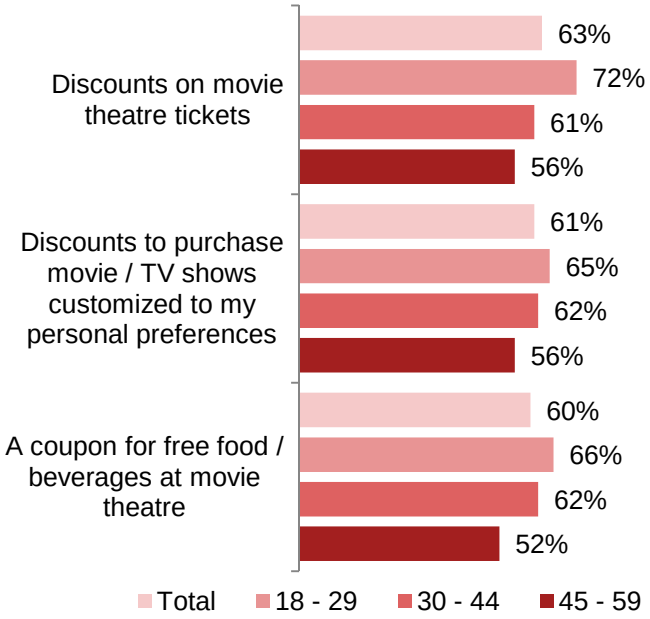


Chart 2: Benefits examples

I'd be willing to share personal information if I get in return...



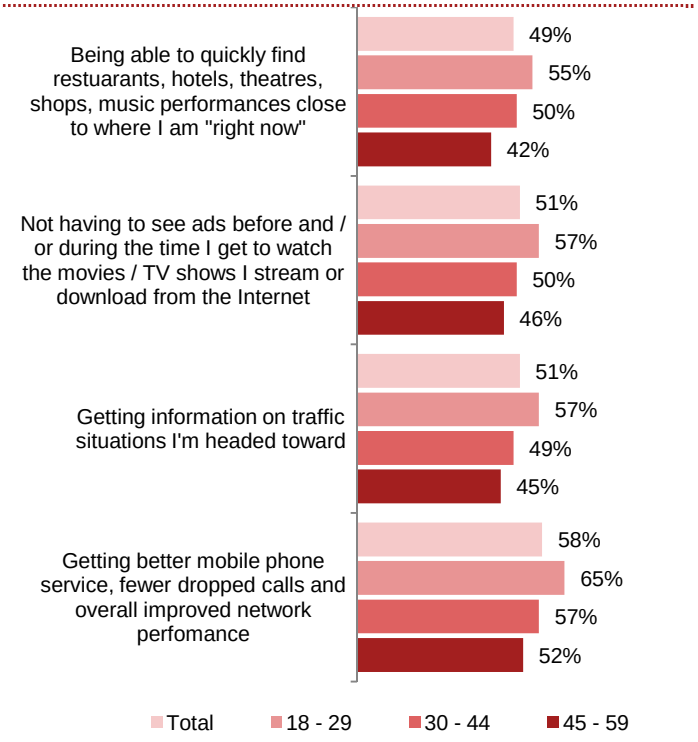
- This is especially true for younger consumers aged 18-29, where 78% are willing to share personal information, compared with older consumers aged 45-59, where 68 percent are willing to share personal data.

- Focus groups participants in the older segment were more willing to share information if they thought there was increased benefit to them. "A locker sounds like you have absolute security over it and it...sounds like a cloud doesn't."

- "A lot of information, a lot of benefits. A little information, a little...." (Consumer, aged 35-54)
- "Do I want a free candy bar? No? You don't get my information. A free timeshare? Okay, what do you want to know about me?" (Consumer, aged 35-54)

- The number of respondents willing to share personal information increased to 76% when they were offered free benefits, such as free mobile or Internet services.
- Again, the younger respondents were more likely to share private information: 82% were willing to share if they received free Internet service, compared with 79% of older consumers; and 81% of younger consumers would share information for free mobile service, versus 69% for older consumers.
- Nearly 60% of respondents are willing to share personal information in return for non-monetary goods or services.
- Consumers are interested in receiving a variety of non-monetary benefits in exchange for personal information. Focus group participants recognize there are benefits beyond dollars.

Chart 3: Benefits examples



- "It's still a gain. It's just at the end of the day, you decide if that gain is going to work for you. Are we saying like the service is going to get better? Yeah, even it's not monetary, you feel like it's beneficial, period." (Consumer, aged 18-34)
- "Actually, I've thought about that idea before and that's pretty much what people are trying to go to ... hit people where they are, exactly what they want. Honestly, I wouldn't be opposed to it because let's say if I was walking down 5th Avenue and there's a store I like having a sale or having an event where there's drinks, cocktails and stuff, like I totally would be down for that stuff." (Consumer, aged 18-34)

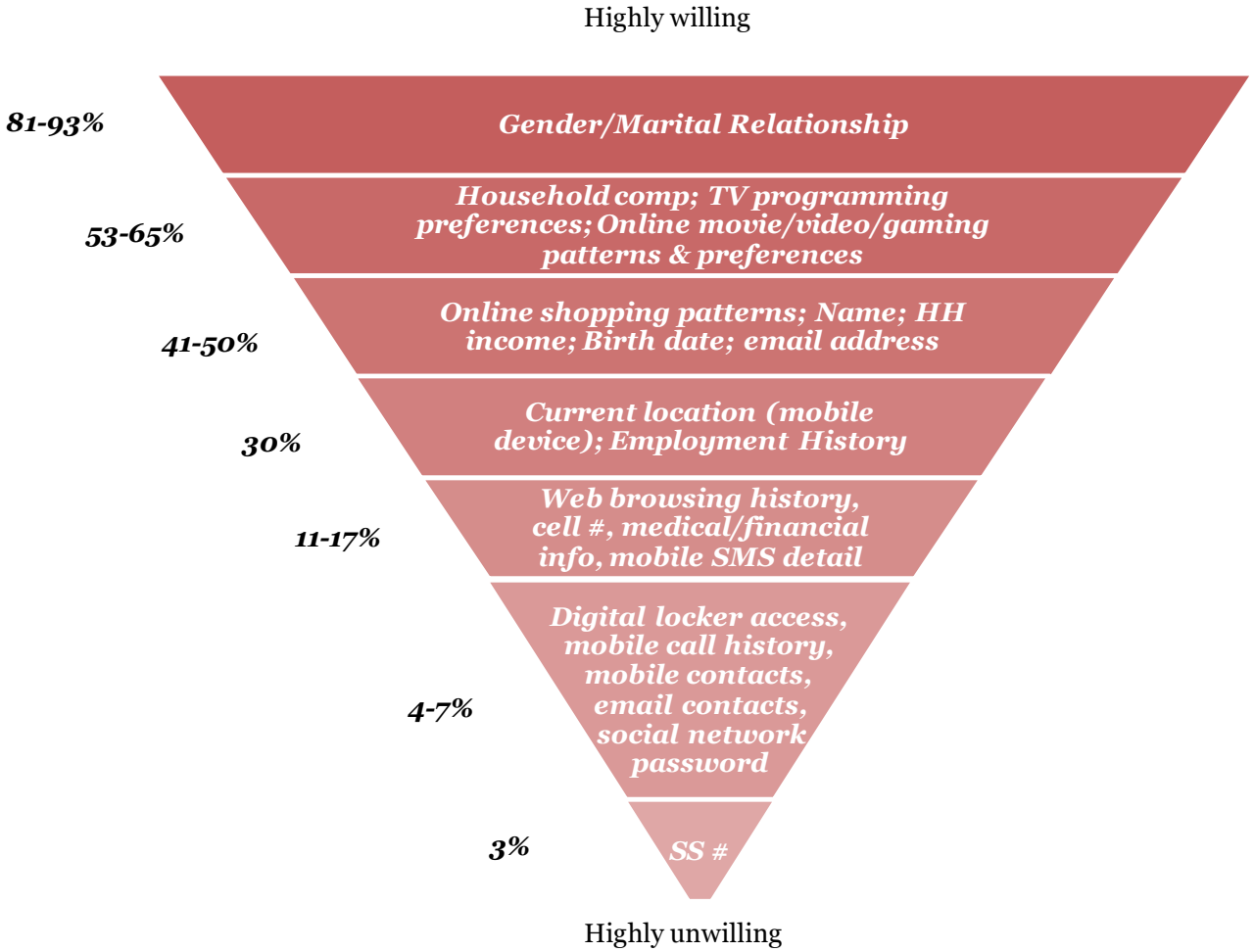
This is likely driven by the fact that most consumers (including 70% of our respondents), recognize that their current online activities are already being used to provide them with personalized content, free services, and tailored advertising.

2. **The more personal the information, the less consumers are willing to share it.**

   Consumers are more willing to share broad demographic data and information about their use of media content because they see it as being less personal and more anonymous. However, consumers are less willing to share more sensitive information that might compromise their private interests, such as their web browsing history; information about their personal social lives, such as mobile texting data or call history; or information related to their identity or security, such as social networking passwords, banking or financial information or their social security number.

Chart 4: Type of information consumers are willing to share

Please indicate the degree of willingness to share considering some benefits worth sharing.



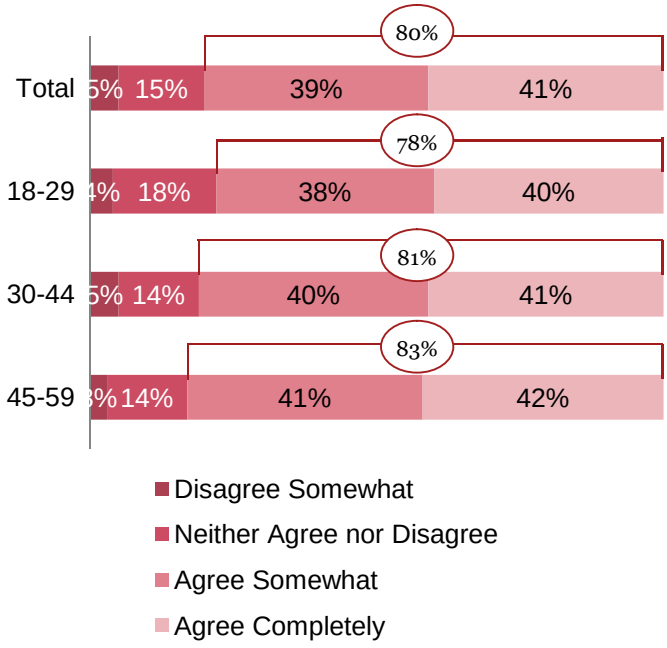
– "I don't see date of birth bothering me. Yearly income, it doesn't even have to be true. What I say it is. Obviously, we just went through the email address. It means nothing to me. Phone numbers, I would be more wary of giving my cell phone number. I give them a house number all the time. No one answers that. It's just cell phones are direct to you." (Consumer, aged 18-34)

3. Consumers want to feel in control

Consumers want honesty and transparency. In our surveys, 80% of respondents said they were willing to share personal information if the company lets them know upfront how they are going to use it. Consumers feel more comfortable sharing information if they understand the benefits to them individually or as part of a larger group.

Chart 5: Transparency in personal information usage

I'd be willing to share personal information if a company asks upfront and clearly states use.

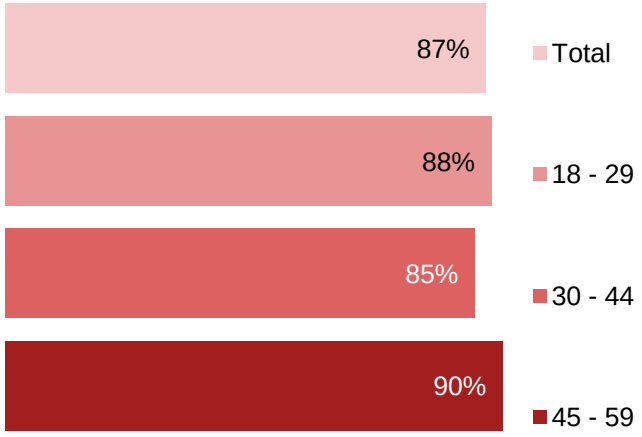


– "I did share it today when I had to speak to the insurance company. I was okay with it being the insurance company. They're my insurance company, so they're kind of here to service me. It's my plan through my employer. So, I was okay giving them that information. It wasn't going anywhere." (Consumer, aged 35-54)

An overwhelming majority (87%) of survey respondents want to be able to manage what and how personal information is used:

Chart 6: Ability to control the information shared

I want to control the amount of information shared.



- This is especially true for females (91%) versus males (84%).
- Companies need to delicately balance the need to capture personal information to improve the customer experience with consumers' willingness to share personal information and the potential overload in communicating with the customer.

Focus group participants highlighted their desire to be able to turn the flow of information from companies on and off at their own discretion. Consumers want to share, but don't want to be overwhelmed by solicitations.

- "As long as they're not bombarding you with ... ads that you have to kind of get rid of." (Consumer, aged 35-54)
- "And frankly, I will say this: I hate being marketed to personally. If I'm online researching whatever ... I'm going to get the answer myself. I don't need somebody to tell me how to do it. Like I'm good, guys. I've got it covered ... Don't call me, I'll call you." (Consumer, aged 35-54)
- "Do we have the option to turn this on and off? Because the thing about GPS, a GPS doesn't always have to be on. Turn the phone off. If you have the option to turn the GPS off and you don't want to be bothered, do that." (Consumer, aged 18-34)
- "But I don't want to be advertised to. I don't want to get texts telling me to like go and ... I don't want information bombarded at me." (Consumer, aged 35-54)

A majority, 80%, of respondents said they want to manage personal preferences for all mobile and Internet services in one location.

4. **TV, media and gaming habits are fair game**

Most consumers (53-69%) are generally willing to share information about their media use, such as television habits, movie and video preferences, and online gaming behavior, because they perceive this type of information as non-personal and they want better programming/gaming options.

- "You get suggestions. Like, say you like this show, this show, and they're like – oh, this show is like this show." (Consumer, aged 35-54)
- "Hopefully, better programming. That's what my primary benefit would be." (Consumer, aged 35-54)
- "If they see I'm not watching reality TV, maybe they'll get the clue that it's crap and it's not where they should spend their money." (Consumer, aged 35-54)

5. **My mobile is off limits**

Consumers are not willing to share mobile content, specifically, their conversations, text messages, and contacts. Only 4% to 11% of consumers were willing to share this information. This trend is driven by consumers' desire to protect what they consider to be their lifeline. Their cell phones and mobile devices are personal and they want to keep it that way.

- "When you get a text message, generally it's from a friend - or something you're looking for, somebody you kind of want to hear from. So, even text messages are more personal than email." (Consumer, aged 18-34)
- "I think everyone's cell phone has become their lifeline to everything. Like, my kids with the babysitter, if the babysitter needs to get in touch with me, I need my cell phone. I can't shut it off. I can't put it away. Some sort of emergency that's not going to end, this is the lifeline ... So, do you want your defibrillator getting AM/FM radio? No, you don't. " (Consumer, aged 35-54)

Consumers also recognize that they turn off their computers, but they never turn off their mobile. If a business uses their mobile to send information, the consumer feels like they can't escape.

- "I think there would just be too much static going on in my life. Like every other store I pass, like another ring on my phone. It would just be crazy." (Consumer, aged 18-34)
- "And you feel like it's something that's on you constantly. A computer, I think we're on them a lot, but a lot of people more or less are on the go. Just always having that cell phone on you, it's just a constant." (Consumer, aged 18-34)

– "Digital clutter. Like I don't want the clutter. I'm already too addicted to it." (Consumer, aged 35-54)

The level of trust consumers have when using their mobile device supports why more survey respondents (45%) prefer their mobile carrier to be responsible for maintaining and/or transferring their data over any other service provider.

Chart 7: Company consumers trust most when sharing personal data via mobile

Relative to my mobile device I would feel most comfortable sharing my personal information with…

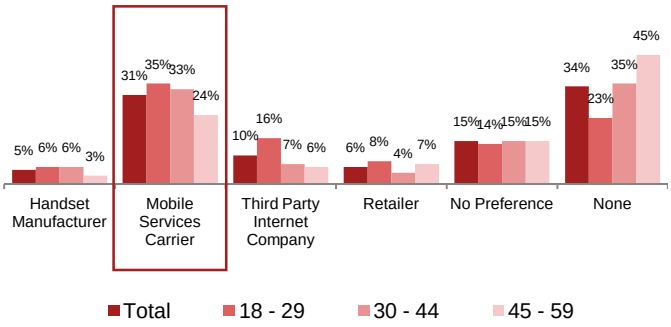
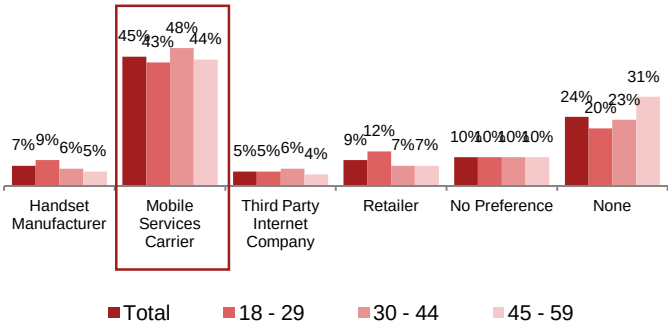


Chart 8: Company consumers trust most when transferring their data from mobile

When you get a new handset or computer or want to work across multiple devices, your personal information (contacts, location etc.) needs to be transferred. What kind of company do you think should be responsible for that?



6. **Consumers prefer to share information via email as it is considered less personal and allows them to have more control.**

During the focus group sessions, participants noted that they maintain multiple email addresses to help manage 'junk' versus 'personal' email. They are able to control the flow of information easier via email versus being on the receiving end of SMS text messages where they can't turn them off.

a. "The emails are fine because that's what I want. That's how I know, okay, let me go online and shop online, but I don't really need a text message." (Consumer, aged 18-34)

b. "I have like 15. I have a lot of different purposes that I use them for, like one for school, one for shopping, one for business, and a bunch of them I just made up for like random things." (Consumer, aged 18-34)

c. "Even [email] addresses to me are very … You can make one up for anything. So, they're not that serious to me anymore. Before email addresses were really private. Now you can have fun. One you use for this. One you use for that." (Consumer, aged 18-34)

The majority of consumers (88%) use a personal mobile device for both personal and work purposes. Since "it's my phone," 62% of respondents have a higher expectation of privacy, versus only 47% for those who use a business mobile device for both personal and work purposes.

7. Don't overstep the privacy boundary

Overall, consumers claim to have a fairly low privacy boundary. When presented with various scenarios related to the use of personal information, consumers thought being solicited by an unknown company was the most significant example of overstepping the privacy boundary - still, only 19% identified that as a problem. In comparison, 16% of consumers thought nothing crossed the privacy boundary. This shows that consumers have a high level of comfort with companies using their information.

Table 1: Overstepping boundaries with personal information sharing

What, if anything, might lead you to believe that sharing your personal information has overstepped a privacy boundary?

	Total	18 - 29	30 - 44	45 - 59
Unsolicited / Unwanted Contact. Contact by unknown company / entity; Spam / junk mail; ads.	19%	19%	18%	21%
General Privacy / Access Concerns. Companies selling my info; Privacy violation / breach.	13%	17%	11%	12%
Type of Information to Share. Being asked for my social security number; Financial records.	11%	12%	11%	11%
Situational / Event-related (Identity theft)	8%	6%	10%	7%
Do not want my info shared without my consent	7%	9%	6%	5%
Do not / will not share info	9%	9%	9%	8%
Nothing / None	16%	17%	16%	16%
No Answer	10%	10%	11%	7%

When asked about the proposed Consumer Privacy Bill of Rights, which gives consumers clear guidance on what they should expect from those who handle their personal information, and sets expectations for companies that use personal data, 72% of respondents said they found the idea appealing but added that there would be very little impact on their likelihood to share personal information.

Chart 9: Consumer Privacy Bill of Rights

Please indicate the level to which you find the idea Consumer Privacy Bill of Rights appealing.

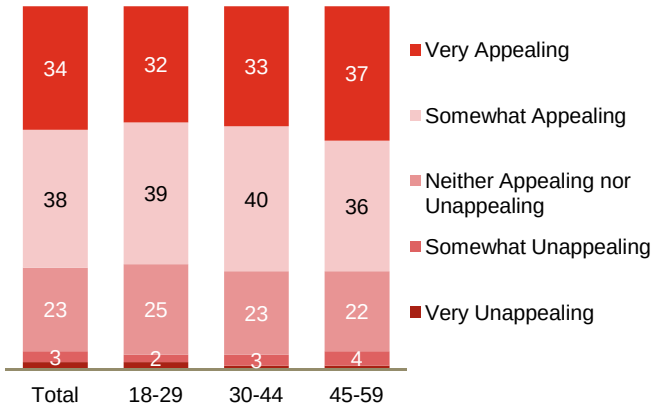
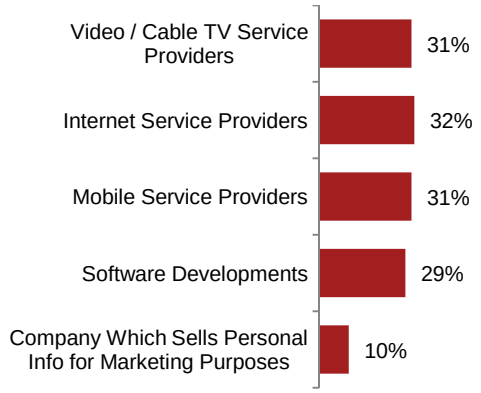


Chart 10: Consumer Privacy Bill of Rights' affect on likelihood to share with various providers

Assuming the proposed Consumer Privacy Bill of Rights becomes mandatory, how more or less likely are you to share more personal information with…

"Much more likely"/ "More likely than now" out of total number of respondents:



The majority of survey respondents (58%) said there is no specific app or service that makes them feel more or less comfortable in sharing information. During the focus group sessions, participants noted that they have a higher level of trust with big businesses, including utilities and financial institutions.

Table 2: Applications/services more or less comfortable for sharing personal information

Are there certain apps or services on which you are more willing to share personal information?

	Total	18 - 29	30 - 44	45 - 59
Types of Services / Apps / Sites (NET) (Trusted / reputable sites; Location / navigation site; Financial / Transactional sites)	14%	32%	14%	9%
Depends (NET) (If giving out my personal info would have to be some benefit to me; Depends non-specific)	10%	9%	12%	8%
Type of Information to Share (NET) (Wiling to share basic info; TV preferences)	2%	1%	3%	4%
None	**58%**	**56%**	**55%**	**63%**
Don't know / Not Sure	6%	3%	7%	7%
No Answer	9%	9%	10%	8%

d. "Big companies …. They could take your money, but I feel like they're big enough … Fortune 500 companies have a substantial something-something to bank them. They're going to try and make your information private. They don't want anything happening to their name. A [big] company has good internal controls." (Consumer, aged 18-34)

e. “Especially utilities… It’s a company that you know and you have to pay your bill.” (Consumer, aged 35-54)

f. “The government has some accountability, I would think, that a mom and pop doesn’t have.” (Consumer, aged 35-54)Security breaches are deal breakers

While consumers don't believe there is a lot that companies can do to overstep the privacy boundary, security breaches are a different story. The majority of respondents (61%) said they not willing to continue to use a company's services or products after it experiences a security reach.

III. Implications to your business

1. **It's all about making the consumer feel in control.** Businesses need to be explicit, clear and direct in stating what personal information will be used, how it will be collected and what the consumer will get in return. When consumers perceive transparency and have the option to control what and how information will be shared (such as through privacy settings), they are more willing to share information.

2. **Companies should remind consumers about the stability and trust that comes with big companies**, as consumers have a greater willingness to share information with well-known and 'big-name' companies. This could include educating consumers about how their information is protected and how they prevent security breaches.

3. **As talk of pending privacy regulations continues, companies should consider the benefits of a collective opt-in/opt-out** process driven by the industry. The vast majority of consumers want to be able to manage their personal preferences for all mobile and Internet services in one location.

4. **Because consumers are focused on the benefits they receive from sharing information, it's critical that a company is willing to give back** to the consumer. While consumers love "free" services and products, they are also willing to share information in return for non-monetary benefits. Companies can entice consumers to share more information by promoting the non-monetary benefits consumers receive in return.

5. **Companies should consider targeted marketing and communications for younger versus older consumer segments.** There are distinct and consistent differences related to sharing attitudes and behaviours between these segments. Younger consumers have grown up in the digital age and are used to sharing information, while older consumers are generally more cautious and need to ensure that the perceived benefit outweighs any potential risks.

6. **In order for companies to use mobile marketing strategies, they will need to offer greater incentives** to consumers, such as free services. Consumers believe that their mobile is their lifeline, thus making it extremely personal and private. SMS messages they receive are supposed to be from friends and family, not for business promotional purposes.

7. **Companies should use email as the best means to communicate with consumers**. Consumers are extremely comfortable sharing their email address(es) and, while overwhelmed in quantity of communications, they specifically look for emails from companies when they are ready to make a purchase.

For more information on this research, the PwC Consumer Intelligence Series, or how digital transformation is shaping the entertainment and media industries, please contact one of our specialists:

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