



DDMA PRIVACY MONITOR 2019

WHAT CONSUMERS THINK ABOUT DATA AND PRIVACY

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INTRODUCTION

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PREFACE

DDMA is working on building a ‘sustainable data economy’ in which responsible data use is the norm and data is used to its full potential at the same time. In this respect, striking the right balance between business interests and consumers’ wishes and expectations is crucial. However, what are these wishes exactly? What are people worried about? What do they expect from organisations when they share their data with them? The DDMA Privacy Monitor 2019, the third edition following previous research in 2016 and 2018, provides answers to such questions. It’s a useful tool for companies looking to further develop their vision concerning data.

One positive outcome of this research is that more and more Dutch citizens are aware of privacy legislation and the rights it assigns them, which allows them to make informed choices about sharing their personal data. They can also use this knowledge to better estimate the impact of data use and algorithms on their lives. Organisations can also help eliminate any concerns by being permanently transparent about the ins and outs of sharing data. They also have to be clear about how both they, and above all their customers, benefit from sharing data. Otherwise, people tend to get the idea that the system is imbalanced and companies benefit more from sharing data, a view confirmed by this Privacy Monitor.

Organisations that take people’s privacy concerns seriously and are truly transparent about the way they use data enjoy an important advantage: they build trust. As the Privacy Monitor 2019 reveals, trust in an organisation is the most important condition for a willingness to share data. It’s important to remember that as Dutch citizens become more aware of privacy issues, the importance of trust in our data-driven society will only grow. We hope you enjoy reading this report and that it gives you some fresh new insights.

Diana Janssen
DDMA Director

00 MANAGEMENT SUMMARY

The DDMA Privacy Monitor 2019 is a survey conducted by GFK among 1,008 respondents (representative of Dutch internet users). It shows that awareness of privacy issues is growing among Dutch citizens. The number of people who are aware of the General Data Protection Regulation (GDPR) has increased enormously compared to a year ago (from 28% in 2018 to 69% in 2019). The Dutch also more aware of their rights under the GDPR (64% in 2019 compared to 39% in 2018).

Een meerderheid van de Nederlanders maakt zich zorgen over zijn of haar privacy. Although a majority of Dutch citizens are concerned about their online privacy, this percentage has fallen from 65% to 58%. At the same time, more than three-quarters of people (76%) understand that companies need data. They realise that organisations want to know things about them (74%), analyse their online behaviour to improve services (76%), and use social networks to collect data to increase the relevance of their marketing (73%). 61% of respondents also said that they're satisfied with the amount of data they currently share with organisations.

Despite this understanding, few consumers are able to see the benefits of sharing personal data. Only 29% believe they'll get better services if an organisation knows more about them, even though a majority expect this. In addition, no less than 90% believe that business interests benefit more from data sharing than consumers do. A significant majority of Dutch citizens (88%) also want more control over the data they provide to companies. More than 50% of people, for example, believe they cannot prevent companies from collecting data about them or sharing their data with third parties.

The GDPR requires organisations to be transparent about how data is used, and provide information about what they do in plain language. Almost all Dutch citizens (94% and 93% respectively) think that it's very important that companies respect this. In fact, almost everyone even expects organisations to go beyond these statutory obligations. They believe that the benefits of data provision should be made clearer (93%), and want more flexibility in being able to decide what data they do or don't share (92%).

The most important factor for Dutch citizens in deciding whether to share data is trust in the organisation. 37% cite this as the most important motive, and 52% place it in the top three motives. People trust doctors the most with their personal data (89%), although most also trust banks (54%) and government bodies (53%).

Besides trust, a number of basic conditions are important for the vast majority of Dutch citizens in deciding whether to share data, such as security, the type of data requested and the purpose of the data request. A direct incentive or reward are less important factors in making this decision. If a reward does have an effect on the decision of whether to share data, it's important that it's a financial one, such as a discount or a free product. Instead of sharing their data, a large majority of Dutch citizens is actually prepared to pay for services. About 50% of respondents even said they would rather pay for services that are often free at the moment, such as e-mail and social media, with their money than with their data (50% and 54% respectively).

AWARENESS AND UNDERSTANDING OF PRIVACY AND DATA-SHARING

The number of Dutch citizens aware of the
GDPR has increased enormously



THE FUNDAMENTALIST



	18-34	35-54	55+
2019	22%	28%	50%
2018	14%	34%	53%



THE PRAGMATIST



	18-34	35-54	55+
2019	27%	38%	36%
2018	27%	35%	38%



THE UNCONCERNED



	18-34	35-54	55+
2019	31%	32%	37%
2018	37%	33%	30%

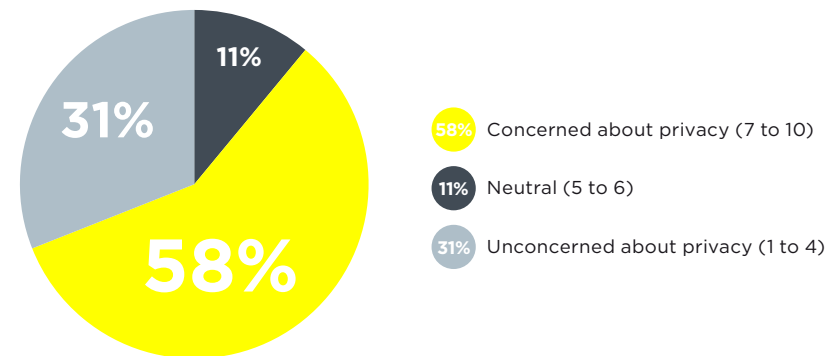
Dutch people are less concerned about privacy

Dutch citizens don't share any single perspective when it comes to privacy and data sharing. People's opinions on this topic aren't black and white, and in any case their attitude depends on the context in which information is requested. Classification of consumer groups allows us to interpret the results of this research better, and put these results in perspective. This classification is also a useful tool for companies to use when communicating with their customers about using personal data.

As in the previous editions of the Privacy Monitor in 2016 and 2018, we distinguish between three privacy archetypes in this research:

- **The fundamentalist:** Fundamentalists are very concerned about their online privacy, and unwilling to share their data.
- **The pragmatist:** Pragmatists are somewhat concerned, but reasonably willing to share their data if, for example, they get better service in return.
- **The unconcerned:** The unconcerned are not worried about sharing their data.

In general, we can conclude that the number of Dutch citizens concerned about their online privacy has fallen (from 65% to 58%). This is evident from the increase in the number of unconcerned individuals compared to 2018 (from 35% to 41.5%) at the expense of the number of pragmatists, who fell from 39% to 33%. The group of fundamentalists has remained stable at 25.5%, a figure which has remained consistent over the years. What is striking is that 50% of fundamentalists are older than 55, meaning older people in particular are more concerned and less willing to share data.



Citizens are more aware of their privacy rights

The fact that fewer Dutch citizens are concerned about privacy doesn't mean that they're ignorant. On the contrary, they are actually more aware of this topic and their rights in this area compared to a year ago. No less than 69% of Dutch citizens are aware of the General Data Protection Regulation (GDPR). This is a huge increase compared to 2018 when this European privacy law came into effect and only 28% of people were familiar with it.

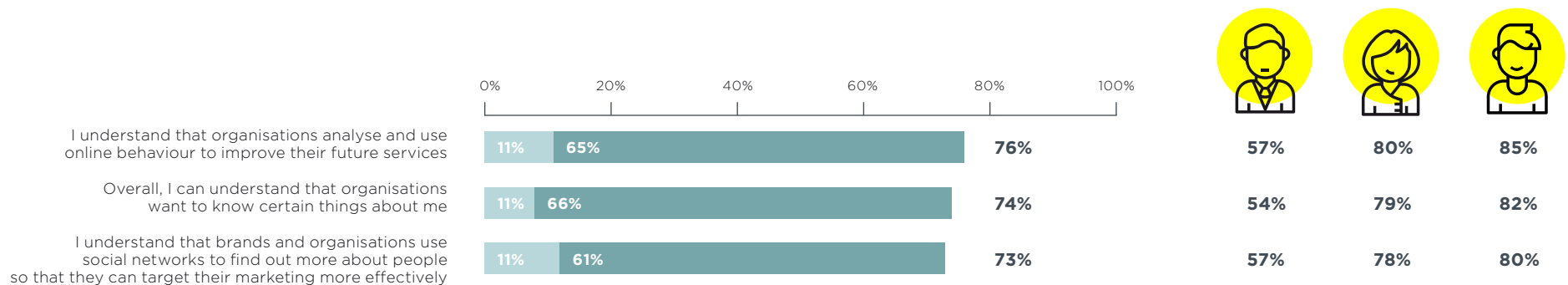
69% are aware of the new European privacy law (GDPR)

64% know that they can request access to their personal details from any organisation

In addition, Dutch citizens are both aware of the existence of the AVG, and are more aware of the rights it assigns them. Whereas 39% of respondents were aware that they could ask organisations for access to their personal data in 2018, this percentage is now 64%, a very positive development. It's crucial that consumers know their rights in a world that is increasingly data-driven. This increased awareness may also explain the lower levels of concern.

People understand that companies need data

A large proportion of Dutch citizens understand that companies need to collect personal data and know certain things about consumers (74%). More specifically, 76% say they understand that organisations analyse online behaviour to improve their services. In addition, 73% said they understood that brands and organisations use social networks to find out more about people and target their marketing more effectively. In line with expectations, fundamentalists give these statements lower scores, but more than half of them still understand the data needs of companies. Most respondents (61%) are in any case satisfied with the amount of data they currently share with organisations. Only fundamentalists give this statement a much lower score.



CONSUMERS' EXPECTATIONS AND NEEDS IN TERMS OF DATA SHARING

Consumers want more control over their data,
and expect organisations to go beyond
their legal statutory obligations

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Imbalance between business interests and consumer wishes

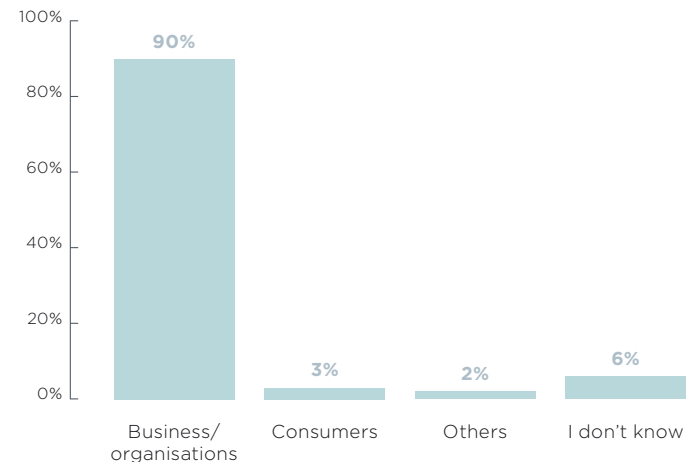
Consumers understand that companies need their personal data, but that doesn't mean consumers feel they're reaping any real benefits from the situation. Although organisations aim to use data to provide better and more relevant services, they often fall short when it comes to customers' expectations. More than half (55%) of respondents expect to receive something in exchange for their personal data, but only 29% feel that they will actually receive better services if organisations know more about them.

55% believe that the more personal data they give to a company, the more they can expect in return

29% believe that they will receive better services if organisations know more about them

In line with these figures, it's therefore unsurprising that 90% of Dutch citizens think that organisations benefit in particular from the sharing of personal data. These figures are almost identical to the results of the 2016 and 2018 surveys. Up to now, organisations have been unable to clearly explain to their customers how customers potentially or actually benefit from the use of their data. This is a missed opportunity, because 93% of consumers say it's important to them to know the benefits of providing their data in advance. This shows that the right balance still hasn't been struck here between business interests and the wishes of the consumer.

Who do you think currently benefits the most in the Netherlands from the sharing of personal data?



Dutch citizens feel they exercise limited control over their data

Beside the fact that consumers feel they benefit little from sharing data, they also feel that they exercise limited control over it. A significant majority of 88% say they want more control over the personal data they provide to companies. Just as in 2018, more than half of respondents believe they cannot prevent data from being shared with third parties (58%) or information about them being collected (55%). The latter is particularly striking, because under the GDPR consumers have the right to object. However, even this statutory obligation isn't enough for people to feel that they have control over their data.

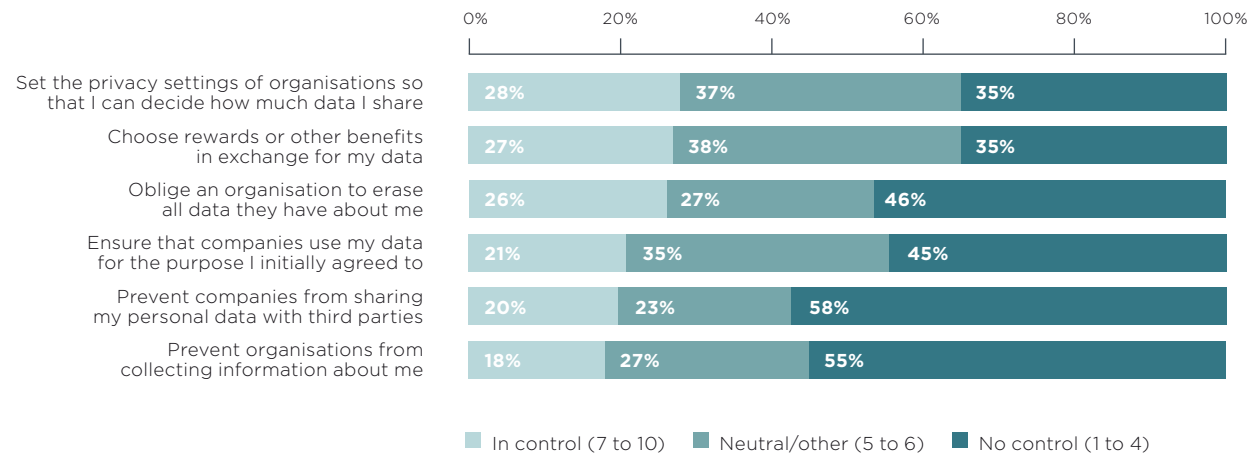
On the other hand, the number of people who feel they have control over their privacy settings has doubled since 2018. 28% say they can decide how much data they share by adjusting the privacy settings of organisations (14% in 2018). This is a positive development that better balances the interests of business and consumers.

88% want more control over the personal data they provide to companies

39% want more control over recognition based on previous website visits

Another interesting point is that the percentage of people who want more control (88%) drops considerably if the question is specifically about storing data related to website visits. 39% say they want more control on being recognised by websites based on previous visits or purchases. Unconcerned people have much less need for control over websites (29%) than pragmatics (41%) and fundamentalists (53%). About half of the unconcerned people (49%) say that this is 'simply how the internet works'.

Can you indicate how much control you think you have over the following matters on a scale of 1 to 10?

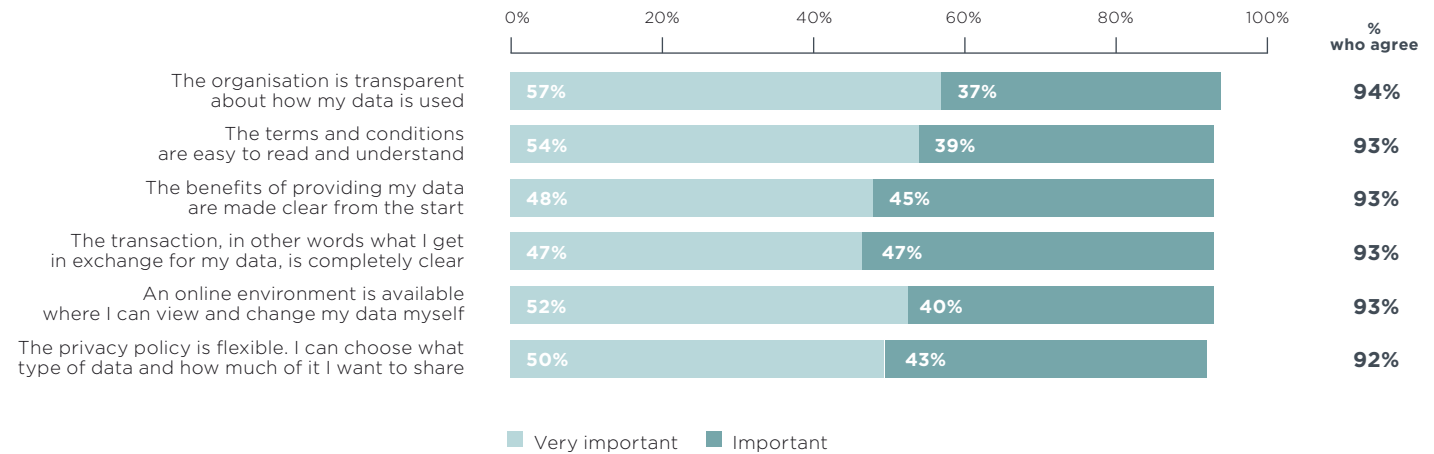


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Consumers need transparency (and more!)

The GDPR requires organisations to be transparent about how data is used, and provide information about what they do in plain language. Dutch citizens also think it's very important that companies comply with this. Transparency is considered important by 94%, while 93% think terms and conditions must be written in plain language. However, consumers expect companies to do more than just meet their statutory privacy obligations. They also think it's important that the benefits of providing their data are made clear from the outset (93%), and want complete transparency about what they get in return for sharing their data (93%). Flexibility is also appreciated: people want an online environment where they can view and change their data themselves (93%), and personally decide what kind of data and how much of it they want to share (92%).

How important are these things to you?



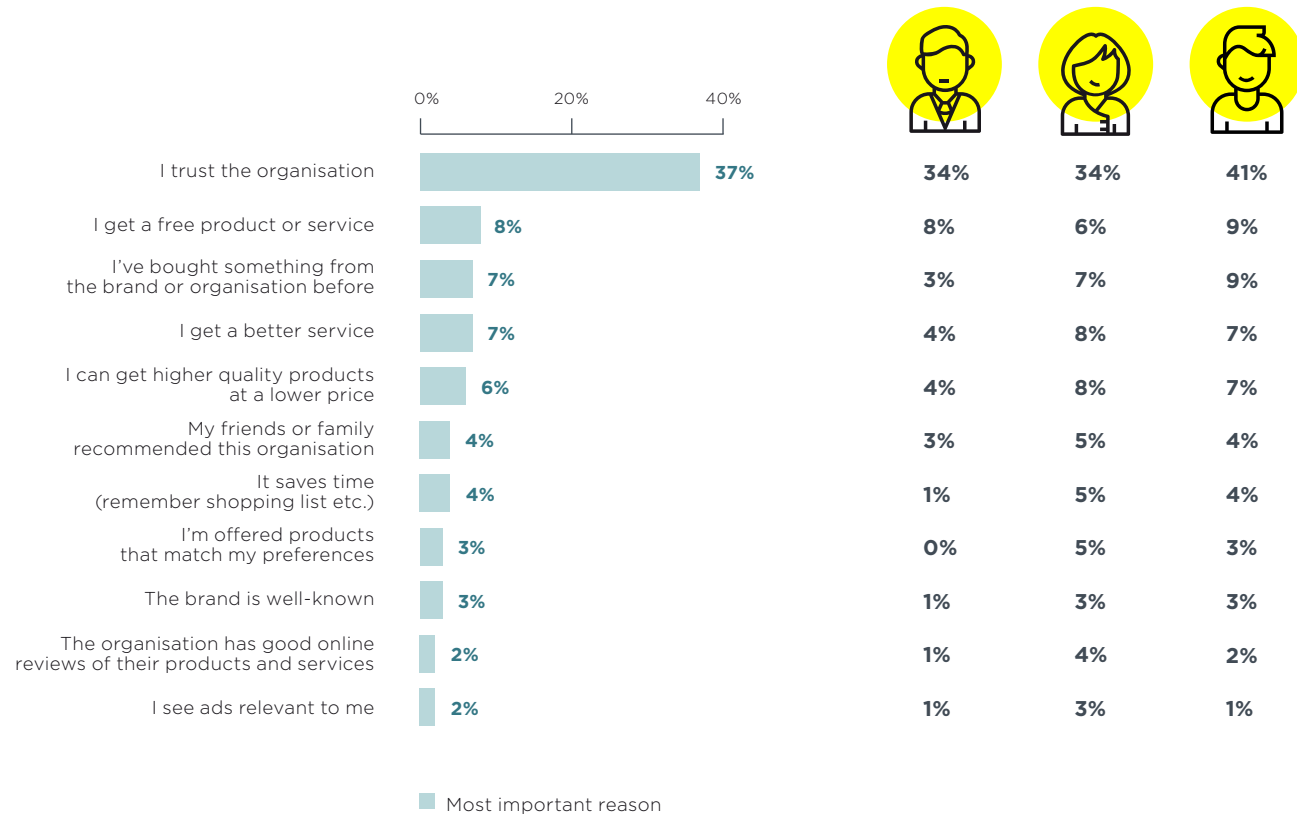
WILLINGNESS TO SHARE DATA

Trust is the most important condition
for willingness to share personal data

03

Trust is crucial for data provision

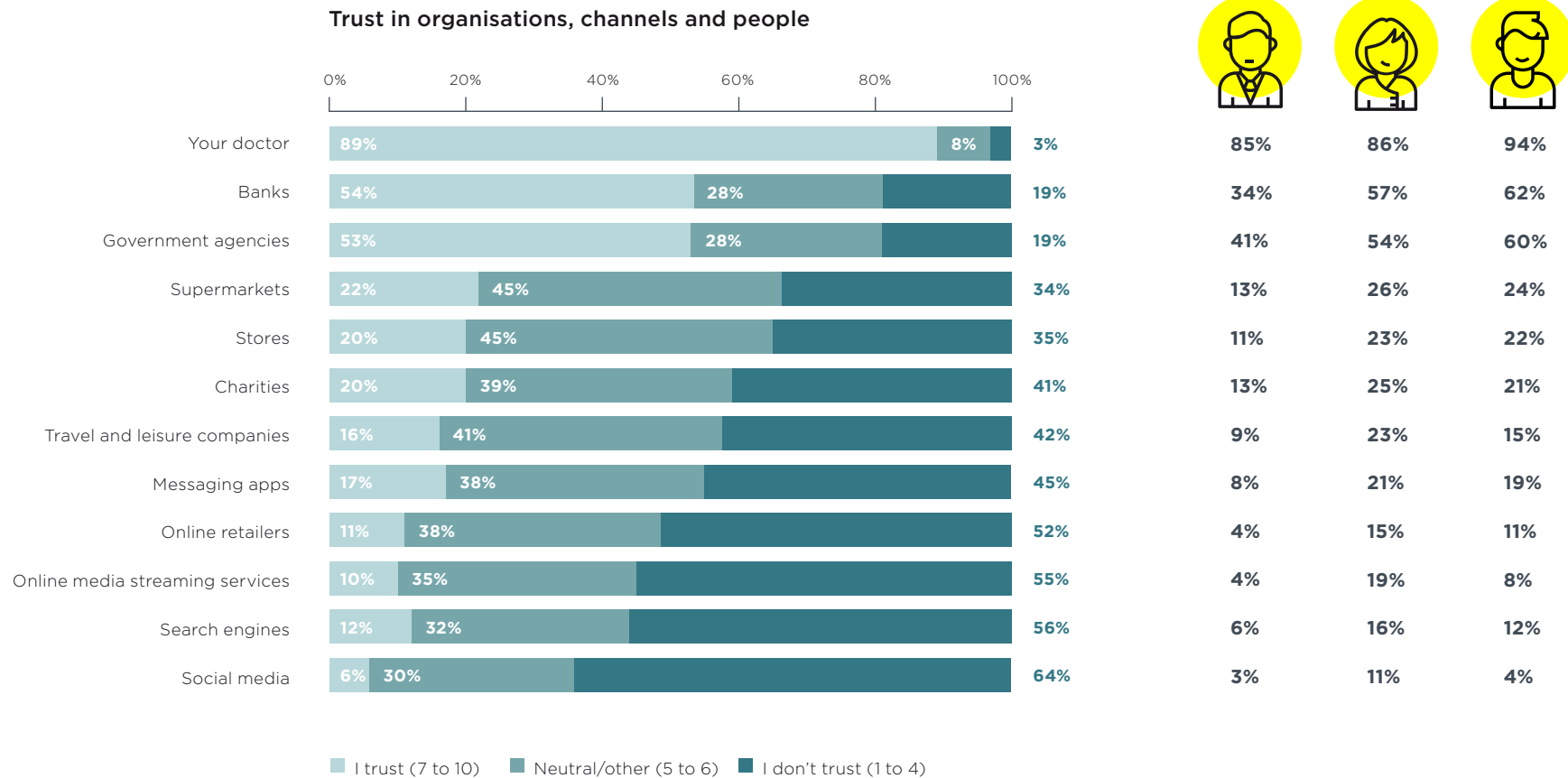
Trust in an organisation is by far the most important condition when Dutch citizens decide if they're willing to share personal data. 37% of the respondents mentioned trust as the most important motive, with 52% citing trust as one of the top three motives. Other factors have a much smaller impact on the willingness of people to share their data with an organisation. Besides being transparent and giving users control, organisations should therefore highlight their trustworthiness, and act accordingly.



Doctors are the most trusted

People already trust some kinds of organisations and bodies when it comes to sharing personal data. Doctors are way out in front: 89% of respondents said that they trust their doctor with their personal data. Banks (54%) and government authorities (53%) follow at some distance, but with a considerable lead over other types of organisations; in both cases, these are bodies to which people are traditionally used to providing sensitive data.

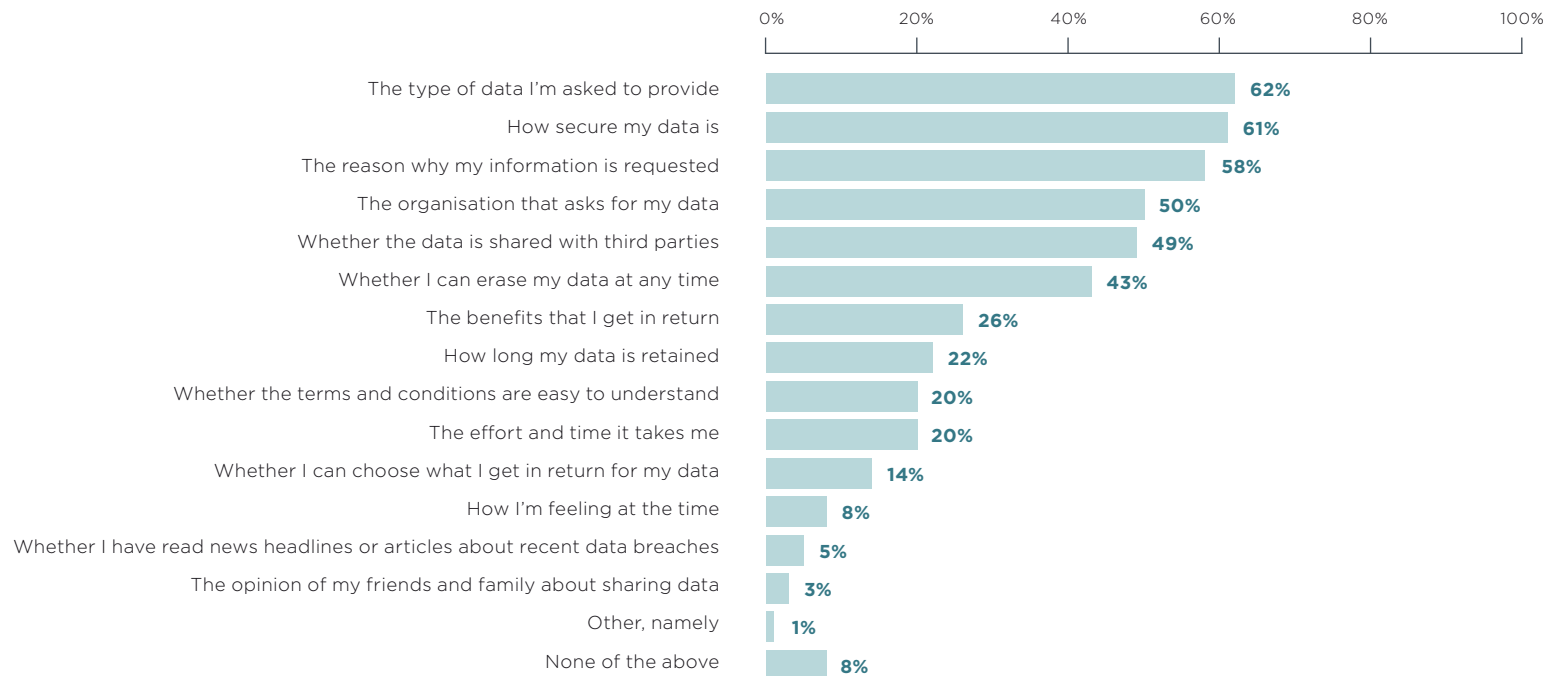
Another clear result is that there is little confidence in online players in particular, with social media (6%) the least trusted by a big margin. The privacy scandals surrounding Facebook have clearly left their scars. Finally, it is clear that fundamentalists generally trust organisations less with their data than the pragmatists and unconcerned people do.



Basic conditions are more important than benefits when it comes to willingness to share

Dutch citizens' willingness to share data primarily depends on practical aspects, not so much on the potential benefits for people. People are more likely to consider the type of data requested (62%), security (61%) and the purpose of the data request (58%). Rewards or incentives are therefore secondary to the basic conditions under which organisations ask for data.

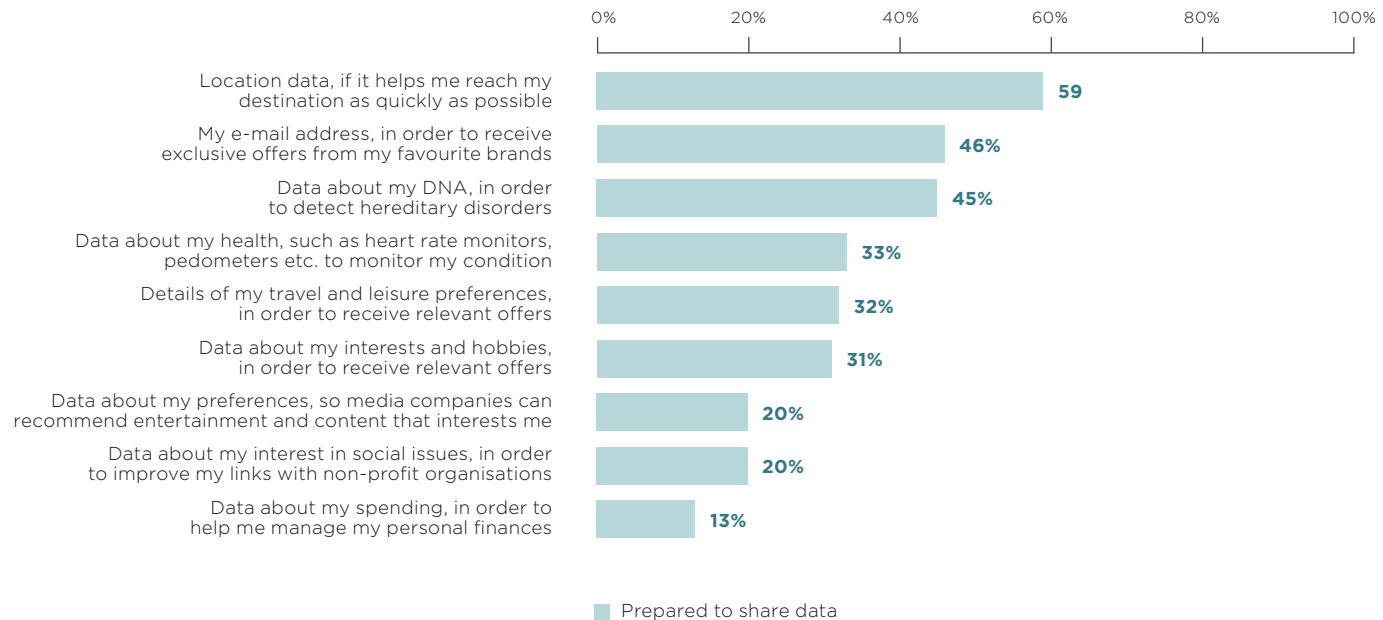
My willingness to share personal data depends on...



These benefits affect the willingness to share

Basic conditions play the biggest role, but there are still benefits that increase the willingness to share. For example, 59% of respondents are willing to share location data if it helps them get to their destination as quickly as possible. In addition, slightly less than half are willing to share their e-mail address if it means they can receive exclusive offers from favourite brands (46%) or data about their DNA to detect hereditary disorders (45%).

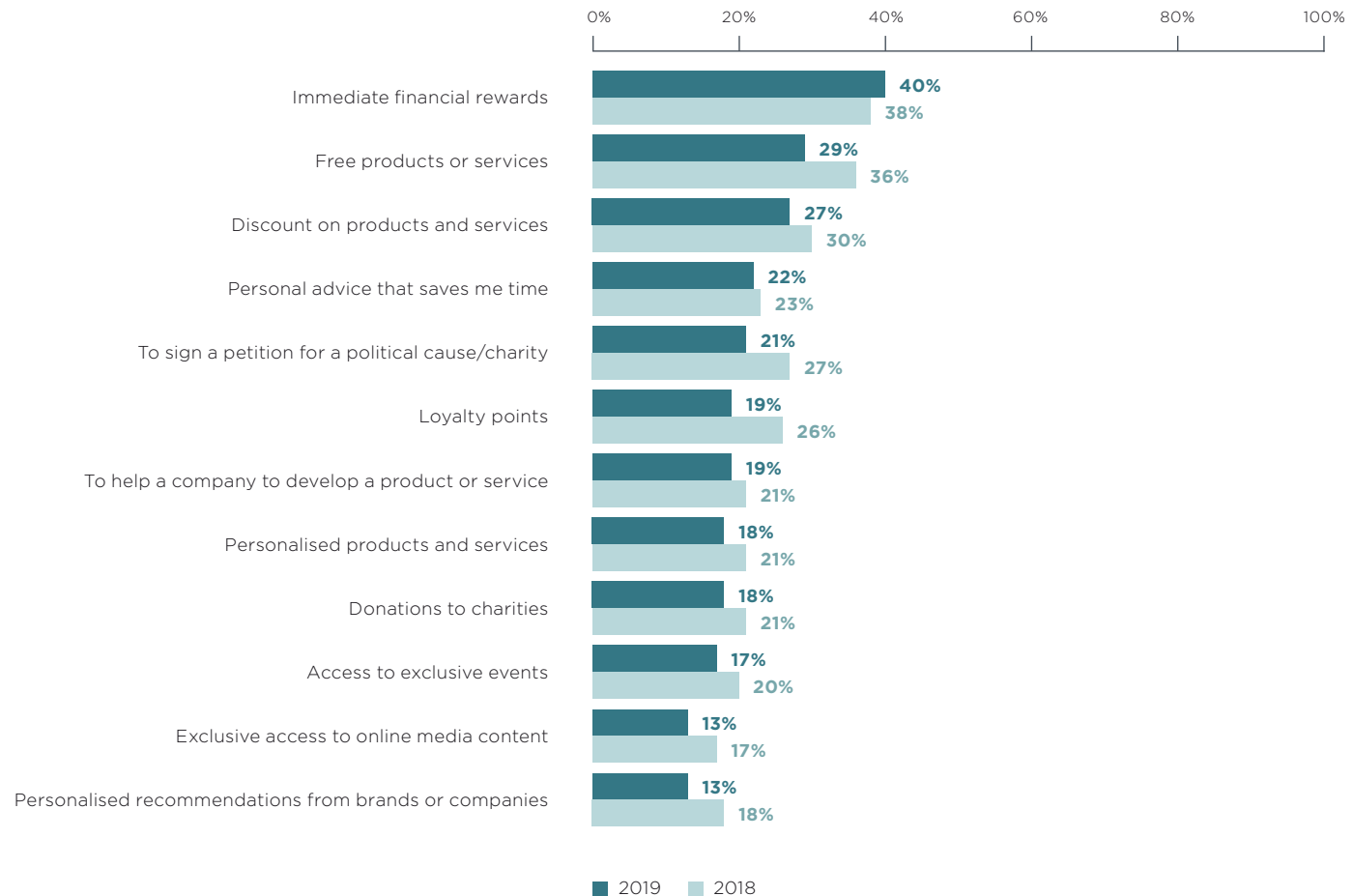
In which of the following examples would you be willing to share your data with a company or organisation?



Financial rewards in particular increase the chance of sharing

When people were asked what rewards would make them more likely to share their data, financial rewards were particularly favoured. The top 3 are direct financial rewards (40%), free products or services (29%), and discounts (27%).

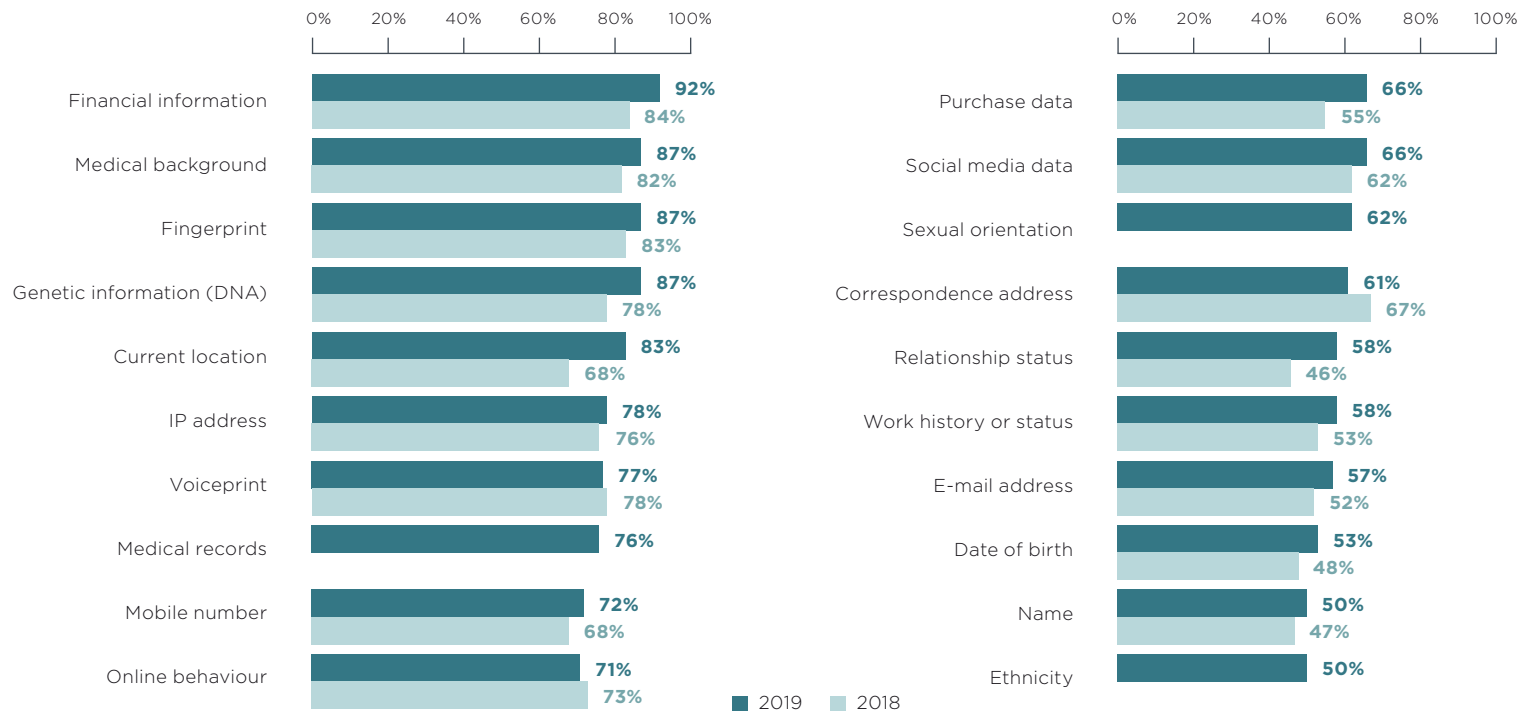
On a scale of 1 to 10, how likely are you to share some or all of your personal data in order to receive one of the following rewards? (7 to 10 = probably)



The financial information considered most private

People consider certain types of data as more personal or private than others. Financial information scores highest with 92%, followed by medical data, fingerprints and genetic data (all 87%). People have become more conscious about location data this year. The percentage of respondents who consider location data to be private has increased to 83%, a 15% rise compared to 2018. In addition, most people dislike companies knowing where they are: only 20% are unconcerned about this aspect.

On a scale of 1 to 10, how private or personal do you think the following information or data is? (7 to 10 = considered personal)

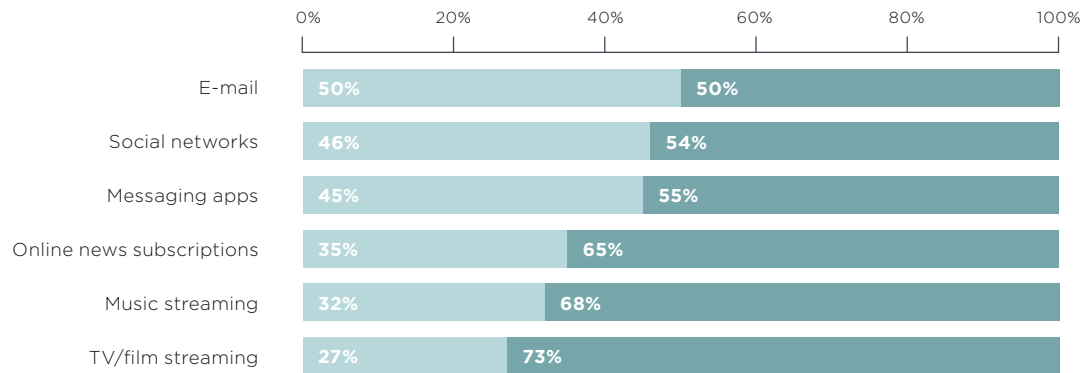


Preference to pay over sharing data

For almost all services, more than half of those surveyed would rather pay than share data in exchange for using these services. Services such as film, TV and music streaming, which people are now often used to paying for, score particularly high. Half or more of respondents are even willing to pay for services that are now often provided free of charge, such as e-mail, social media and messaging apps. However, there are still few providers of these services that offer a paywall version.

Fundamentalists in particular would prefer to pay for services instead of sharing data in exchange for using these services. A majority of pragmatists feel the same way, although the percentages are lower. Unconcerned people are more willing to share data in exchange for using a service free of charge. In general, the willingness to pay has increased enormously in recent years: in the 2016 Privacy Monitor, only 9% of consumers were willing to pay for services if their data was not used for commercial purposes.

Would you rather pay or share personal data in exchange for using the services below?



■ I'd rather share personal data with these services in order to receive them free of charge
 ■ I'd rather pay for this service so that I don't have to share personal data



31%	49%	62%
20%	46%	62%
26%	46%	57%
14%	37%	46%
16%	35%	40%
14%	26%	37%

Prefer sharing data above paying

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RESEARCH METHOD

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Method

Online research



17 questions, 9 of which questions with statements



8 minutes



Internet users in NL aged 18+, representative in terms of gender, age, education and internet use

Fieldwork

Fieldwork conducted 9 to 23 August

invitations sent: 3193,
quota full: 79, incomplete 231

1010 completes



42% response

Sample

		Unweighted Weighted	
		<i>n = 1008</i>	<i>n = 1008</i>
Gender	Male	48.1%	49.6%
	Female	51.9%	50.4%
Age	18-24	8.7%	11.0%
	25-34	16.2%	16.2%
	35-49	25.7%	25.8%
	50-64	28.1%	26.6%
	65+	21.3%	20.5%
Education	Basic	17.5%	21.6%
	Intermediate	38.3%	40.8%
	High	44.2%	37.6%
Region	3 major cities incl. surrounding municipalities	13.7%	14.7%
	West	29.7%	14.7%
	North	11.1%	9.7%
	East	19.9%	20.9%
	South	26.0%	24.4%
Internet use	0-4 hours	34.4%	31.0%
	5-13 hours	30.3%	31.7%
	14+ hours	35.3%	37.3%



ABOUT DDMA

DDMA is the association for data and marketing. Its objective is to raise the data-driven marketing industry to a higher level. The members of DDMA, who number over 300, input and share knowledge about how data and techniques can be used to communicate with their target groups in a way that is relevant to these groups. DDMA organises research projects and network and knowledge events with and for its members. Its team of lawyers advises members and the industry on changes in legislation. DDMA also gives the industry a voice in government bodies in The Hague and Brussels on the development of a sustainable data economy.