Consumers’ privacy decision-making

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Intended reaction towards excessive data collection (first and second choices)
Privacy Policy Negotiations

- Privacy policies as individualised agreements
  - ongoing choice amongst service alternatives
  - incentivised by rewards and stimuli

- Privacy design as a competitive advantage
  - turn privacy into profits?
  - market equilibria?
Significantly better market performance

- **Privacy score** increases with
  - Alexa rank
  - user count
  - age of site
  - growing market share

- **P3P deployment** more often on large sites

Bonneau & Preibusch: “Privacy Jungle”
Laboratory experiment (TU Berlin, Dec. 2009)
At the participant’s desk
Order forms

Price: 8.95
Data: fav. colour

Price: 8.95
Data: income

Price: 7.95
Data: income
### Purchase decisions per treatment

<table>
<thead>
<tr>
<th></th>
<th>all</th>
<th>buyers</th>
<th>Col</th>
<th>Fra</th>
</tr>
</thead>
<tbody>
<tr>
<td>control</td>
<td>113</td>
<td>32</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>treatmt.</td>
<td>112</td>
<td>42</td>
<td>3</td>
<td>39</td>
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<tr>
<td>total</td>
<td>225</td>
<td>74</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Col:** equal price
- **Fra:** diff. price
- **Column:** ‘moderate’
- **Fra:** ‘sensitive’
Willingness to reveal data items

- low willingness ...
- high willingness to provide data item

Cronbach’s $\alpha = 0.91$
Willingness to reveal data items

pragmatic majority?

$N = 225$
Valid experiments reveal users’ privacy decision-making.
Thank you very much.

Questions and comments are welcome and highly appreciated.