



# CivicScience Insight Report

## Consumer Sentiment Toward Data Privacy

### Part 1 of 2: Internet-Based Data Sharing and Collection

Our lives as consumers in a modern society have become characterized by digitized transactions and interactions. Think about what a day in the life of a typical consumer might look like:

- *Paying for gas at the pump with a credit or debit card.*
- *Composing and responding to emails and voice mails.*
- *Paying for coffee, meals, groceries with a credit or debit card.*
- *Interacting with social media sites: Clicking “like” or “favorite” to items in feeds; adding your own updates; posting comments to others’ updates; uploading, and tagging photos; sharing or “re-Tweeting” posts. Joining groups or becoming fans of pages.*
- *Making purchases online, including data on delivery options, gift status, and recurring orders.*
- *Creating online accounts for various purposes.*
- *Conducting online banking or financial account transactions.*
- *Visiting the doctor, where most medical records are electronic: test records, medical history, visit history, appointments, prescriptions, etc.*
- *Consuming media online, such as streaming of content, videos, music, books, etc.*

September 3, 2014: This 2-part Insight Report series from CivicScience will examine consumer sentiment among U.S. adults toward the following data privacy topics:

- Internet-based data sharing and collection
- Data practices of corporations

And the list can go on, spanning nearly every area of our life. For all the conveniences offered by a digital world, the risks are headline grabbing. Data security breaches are now understood to be a real threat, and identity theft has given rise to an industry of companies specializing in protective services and insurance. Many companies still legally gather and sell all sorts of consumer data with little to no explicit permission, let alone provide transparency about their practices. As a result, the U.S. government is under increasing pressure to do more to regulate commercial entities involved in consumer data handling.

This Insight Report kicks off a two-part series in which CivicScience analyzes consumer sentiment related to privacy concerns, risks, and corporate practices. We will reveal how consumers are feeling across these primary areas of data privacy:



# CivicScience Insight Report (continued)

1. Internet-based data sharing and collection
2. The data practices of corporations

Each report will feature several questions that fall into those two categories and provide analysis of the respondents. This report series' privacy-related questions were launched on the CivicScience InsightStore™ intelligent polling and consumer research platform on March 26, 2014 and continued to run through August 18, 2014, when the data was pulled for this report. (The questions will remain active so we can identify trending over time.) Due to CivicScience's methodology, described more at the end of this report, each question had a different number of respondents, with each having at least 12,000 respondents. The data were weighted for U.S. census representativeness for gender and age, 18 years and older.

## Sentiment Toward General Online Data Privacy

This first report seeks to capture broader consumer sentiment toward Internet-related privacy. Most consumers are familiar with these examples: You upload a new group photo of you and your friends to Facebook, and the application immediately suggests "tagging" the photos based on facial recognition. You see headlines about "catfish" (online financial predators) who steal the image of someone from a web page, such as a social media page or dating site profile, to create a new identity in order to fraudulently bilk vulnerable individuals out of money. A humorous home video uploaded to YouTube goes "viral." Celebrities who synch their personal devices to cloud-based storage applications see their private images hacked and posted online. These are just a few examples of how Internet-based data can quickly move from personal to public domains.

Given this environment, what do adult consumers generally think about their privacy when using the Internet?





## CivicScience Insight Report (continued)

- Nearly half (49%) of U.S. adults say they are “very concerned” about their privacy when using the Internet.
- Only 6% say they are not concerned at all, with another 13% saying they are only slightly concerned.
- **Gender:** Of the 16,830 respondents, there was no substantial difference along gender lines, though men more than women were slightly more likely to be “very concerned” vs. slightly or not concerned.
- **Income:** Those making over \$150,000 in annual household income were slightly more likely to say “not concerned at all” and incomes below \$75,000 per year slightly more likely to be “very concerned.” **Education** levels see a near-identical pattern, with those having lower educations more likely to show higher concern.
- **Age:** The data does find sentiment differences along age lines: younger adults are less likely to say they are “very concerned” than older adults, and more likely to say “not concerned at all.”

How concerned are you about privacy when using Internet? (by age)	Ages 18-29	Ages 30-44	Ages 45-64	Ages 65+
Very concerned	41%	44%	55%	57%
Not concerned at all	14%	6%	5%	5%

### Social media engagement seems to correlate with lower concerns about Internet privacy:

- **Facebook:** Half (50%) of the respondents who said “Yes” to the question “Do you believe Facebook does enough to protect your privacy?” said they were only slightly or not at all concerned about their Internet privacy.
- **Twitter:** Those with a Twitter account are 2X as likely to say they are “not concerned at all” about Internet privacy vs. those who do not have a Twitter account (10% vs. 5%).
- **Pinterest:** Fans of this social site are also more likely to say they are “not concerned at all” vs. those who are not fans or have never used the site (10% vs. 2-6%), but they are also more likely to say they are “somewhat concerned” (36%).

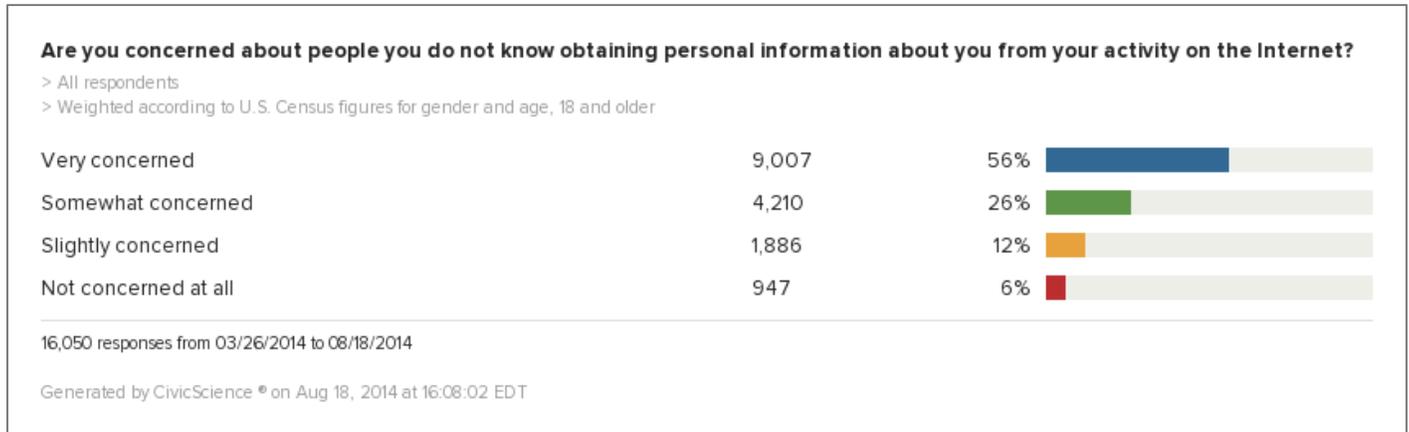
### Those who say they are “very concerned” about their Internet privacy are also more likely to have the following other attributes when compared to those less concerned:

- They tend to compare prices more often as discriminating shoppers (48% vs. 38%)
- They buy more locally grown food (68% vs. 58%)
- They write negative product reviews (36% vs. 30%)
- Uses coupons when shopping for both grocery (24% vs. 20%) and non-grocery items (31% vs. 24%).



## CivicScience Insight Report (continued)

Another question gets more specific about Internet privacy, asking about Internet activity getting into the hands of an **unknown person or persons**, and we see the concern levels change:



- Among U.S. adults, being “very concerned” increases to 56% when asked about *people you don’t know obtaining personal information about you from Internet activity*. The shift mostly comes from those “somewhat concerned” moving to the “very” category. The lower-level concern answers (slightly or not at all) remain largely unchanged in respondent distribution from the previous question.
- **Gender:** As with the previous question, we see no real difference in gender responses.
- **Income:** Here again, those making over \$150,000 per year are somewhat more likely to say they are not concerned at all, as are those making under \$25,000 per year, but each still make up under 10% of the respondents for each income group.
- **Age:** We see a similar pattern here as with the last question, with younger-aged adults slightly more likely to show less concern. However, less of them feel that way:

How concerned are you about people you don’t know obtaining personal info about you from Internet activity? (by age)	18-29	30-44	45-64	65+
Very concerned	40%	50%	65%	67%
Not concerned at all	8%	7%	4%	6%

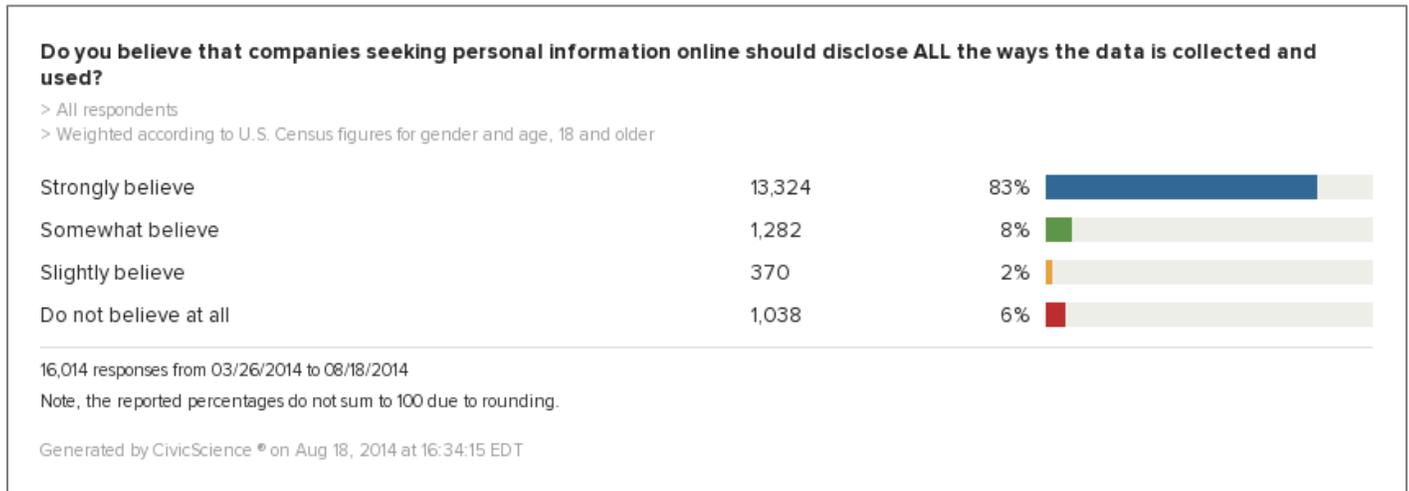
- **Identity Theft Victims:** Of the 21% of respondents who said they were victims of identity theft, they were (predictably) more likely to say they would be “very concerned” about an unknown obtaining their personal information vs. those who have not experienced identity theft (62% vs. 54%).



# CivicScience Insight Report (continued)

## Online Data Collection Practices

Because consumers on the Internet are often supplying personal information to various sites – either to register for usage or to make online purchases – CivicScience is running several questions related to consumer sentiment toward the data collection practices of these Internet-based entities.



How much detail about the collection and usage practices of consumers’ personal information should companies disclose to consumers?

- 83% of U.S. adults say they “strongly believe” that ALL of the collection and usage practices should be disclosed to users.

Because this was such a large majority, we did not probe further for demographic or psychographic statistical differences.

It should be noted that this may be a case of consumers wanting such disclosures made available, whether they will actually read them or not. Regardless, the consumer sentiment here strongly suggests that they want companies to be held accountable for their data collection and usage practices.

A related question sees an even higher-majority response from consumers:

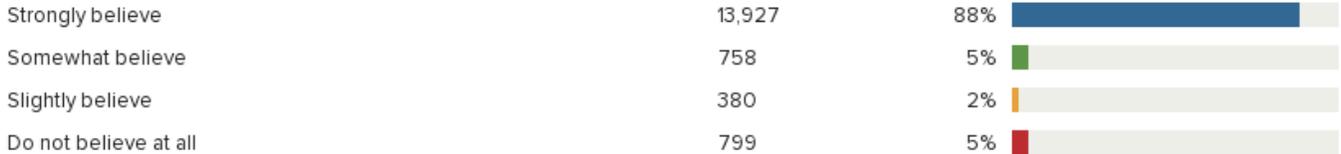


## CivicScience Insight Report (continued)

**Do you believe that when people give personal information to an online company for some reason, the company should never use the information for any other reason?**

> All respondents

> Weighted according to U.S. Census figures for gender and age, 18 and older



15,864 responses from 03/26/2014 to 08/18/2014

Generated by CivicScience® on Aug 18, 2014 at 16:44:59 EDT

- 88% of U.S. adults feel that when they submit personal information online to a company, it should not be used by that company for any other reason.

These concerns don't seem to directly be related to how much information people feel they are required to give companies when registering for something online or making purchases:

**Are you concerned that you are asked for too much personal information when you register or make online purchases?**

> All respondents

> Weighted according to U.S. Census figures for gender and age, 18 and older



16,081 responses from 03/26/2014 to 08/18/2014

Generated by CivicScience® on Aug 18, 2014 at 16:51:00 EDT

- 41% of U.S. adults say they are very concerned that they are asked for too much personal information online when conducting transactions – less than half of those who feel their personal information should be highly restricted, as reported in the previous question.
- **Gender:** We see no gender differences for this question.
- **Income:** For this question, those making over \$150,000 per year are even more likely than others to have less concern that they are submitting too much personal information online (12% compared to 8-10% for other income groups).

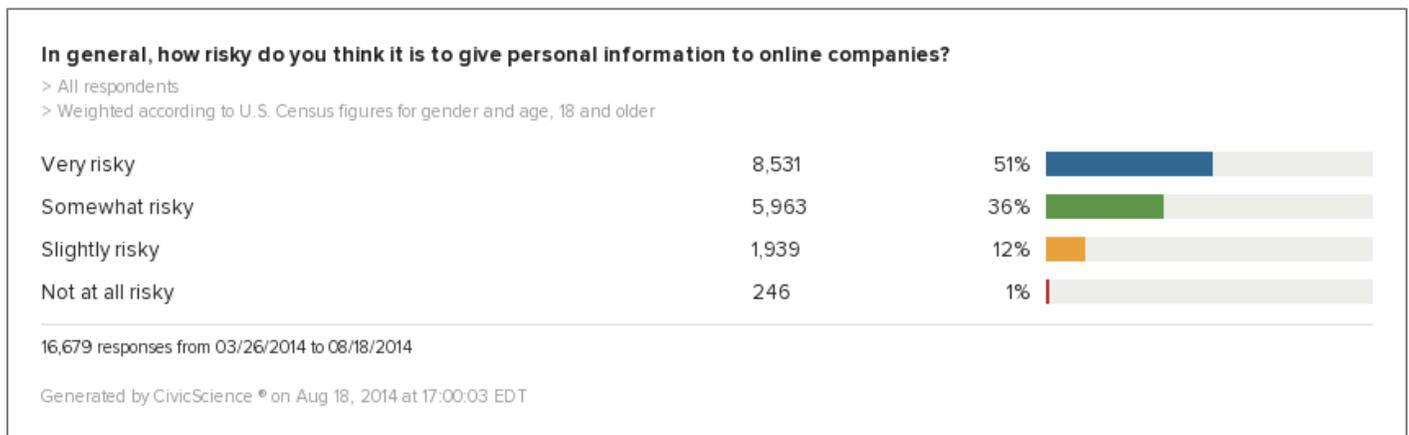


## CivicScience Insight Report (continued)

- **Age:** Adults aged 18-34 are somewhat more likely than older adults to say they are “not concerned at all” about the amount of personal information they submit when transacting.
- **Online Shoppers:** Those who say they shop on the Internet at least monthly are much more likely to say they are “not concerned at all” about submitting their information than those who say they almost never shop online (14% vs. 8%). They are also less likely to say they are “very concerned” about submitting their personal information than non-web shoppers (30% vs. 53%).

### Risk Sentiment

We also asked consumers to assess their perception of risk associated with giving online companies their personal information:



- Slightly more than half (51%) of U.S. adult consumers believe it’s “very risky” to give online companies their personal information.
- Here we see the lowest among this group of questions for the “not at all” group – only 1% say they believe there is no risk.
- **Gender:** This is the only question of those in this report where we see a slight gender difference, with those saying it’s “not at all risky” more likely to be men than women (2% of men vs. 1% of women).
- **Income:** The wealthiest income group (those making >\$150,000 per year) here also are more likely than others to say it’s “not at all risky” to provide their personal information, but only 4% of them believe this.
- **Age:** We see very little difference in the data among age groups for this particular question. Younger adults are still slightly more likely to assess no risk here, but the difference in sentiment between them and older adults is very small.



## CivicScience Insight Report (continued)

### In Summary

Below is a summary of the percentage of respondents at both the highest and lowest end of our answer scales:

Data Privacy Question	High Concern/Risk %	No Concern/Risk %
In general, how concerned are you about your privacy while you are using the Internet?	49%	6%
Are you concerned about people you do not know obtaining personal information about you from your activity on the Internet?	56%	6%
Do you believe that companies seeking personal information online should disclose ALL the ways the data is collected and used?	83%	6%
Do you believe that when people give personal information to an online company for some reason, the company should never use the information for any other reason?	88%	5%
Are you concerned that you are asked for too much personal information when you register or make online purchases?	41%	9%
In general, how risky do you think it is to give personal information to online companies?	51%	1%

- √ Consumer sentiment toward privacy concerns seems to be at higher levels when higher levels of information submission is involved (such as in online purchases) and when consumers feel companies may use information outside of its original intent without the consumer providing explicit permission to do so. Transparency (or lack thereof) is a hot issue among consumers.
- √ Demographically, younger adults are slightly *less* worried than older adults, as are higher-income earners and those with higher education levels. We see little differences in gender.
- √ We did not identify any time-based trends during these five months of collection.
- √ Psychographically, respondents more involved with social media sites and those more frequently making online purchases are more likely to show less concern or view less risk with their Internet-based transactions and data usage. However, it should be noted that they are still small in number (typically less than 10% of respondents for any question cited in this report).

Please look for our next report – **Part 2: Consumer sentiment toward the data practices of corporations** – to be issued in about three weeks.



## CivicScience Insight Report (continued)

### **About the CivicScience Methodology:**

CivicScience collects real-time consumer research data via polling applications that run on hundreds of U.S. publisher websites, cycling through thousands of active questions on any given day. Respondents answer just for fun and are kept anonymous, allowing for greatly reduced bias and higher levels of engagement. Using technology, CivicScience builds deep psychographic profiles of these anonymous respondents over time, providing valuable consumer sentiment data to the decision makers who care. Automated data science technology allows clients to rapidly gain robust consumer insight and trending reports. The CivicScience methodology has been validated by a team of academic leaders and by independent consulting firms. Responses may be weighted for U.S. census representativeness for gender and age. CivicScience currently has more than 27 million anonymous consumer profiles and 600 million responses stored, growing daily.

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