

ATTITUDES OF THE CONSUMERS REGARDING THE PROCESSING AND EMPLOYMENT OF THEIR PERSONAL DATA

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The concept of privacy, seen in connection with the consumer's private space, and defined in terms of the specific personal data has gained an increasing importance, as a result of the organizations' extended attempts, within their marketing efforts, to capture, process and use the consumers' personal data.

Paper explores the attitudes of the consumers regarding their personal data in terms of their disclosure, previous agreement consumers should grant to the companies or public institutions (authorities) processing them, employment, registration and processing by the companies, and buying products and/or services as a result of a direct approach.

Keywords: privacy, consumer private space, personal data

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Introduction

The end of the 19th century has brought the first formal attempts to conceptualize privacy. In 1887, the Pacific Railway Commission has found that “of all the rights of the citizen, few are of greater importance or more essential to his peace and happiness than the right of personal security, and that involves, not merely protection of his person from assault, but exemption of his private affairs, books, and papers, from the inspection and scrutiny of others” (Langenderfer and Cook, 2007). Three years later, Louis Brandies, in the article “The Right to Privacy”, has approached and explained the individual’s “right to be left alone” as a response to the loss of privacy experienced during that times (Wirtz, Lwin, and Williams, 2007).

In spite of their historical roots, privacy laws could being traced as far back as 1361 – when the Justices of the Peace Act in England provided protection from peeping Toms and eavesdroppers (Henderson and Snyder, 1999), the attempts to define *privacy* were rather difficult due to the wide number of related interests such as the personal information control, reproductive autonomy, access to places and bodies, secrecy, and personal development (Kemp and Moore, 2007). Many definitions given have tried to explain the content of privacy considering the right to be let alone, limited access to the self, secrecy, control of personal information, personhood and intimacy (Solove, 2002). Misspecification, cultural and historical biases, and their value-driven appearance altered more or less the content of all these definitions (Kasper, 2005).

Considering the information perspective, privacy is an ambiguous term and consumers may have different privacy thresholds depending on internal or external factors associated mainly to the context of the data collection process (Long, Hogg, Hartley and Angold, 1999). In the information age, due to the many invading ways, mainly through the internet, the consumer privacy has become a luxury to maintain (Pan and Zinkhan, 2006). Frauds, identity thefts and deceptive consumer surveys made consumers more discrete and sensitive to the need of protecting their privacy (Pitta, Franzak, and Laric,

2003). That is why the answer, provided more than a decade ago, by Scott McNealy, Sun Microsystems CEO, when questioned about the potential privacy breaches of new networking technology, will remain extremely accurate and actual: “You have zero privacy anyway, get over it” (Kasper, 2005).

From a *marketing perspective*, definition of privacy should focus on the personal data and information regarding the consumers. In this respect, privacy has been defined as the claim of individuals, groups or institutions to determine for themselves when, how, and to what extent information about them is communicated to others (Westin, 1968). Definition proposed by Schoeman adapted the content of privacy at individual level presenting it as a claim, entitlement or right of an individual to determine what information about himself (or herself) may be communicated to others; the measure of control an individual has over information about himself, intimacies of personal identity, or who has sensory access to him; and a state or condition of limited access to a person, information about him, intimacies of personal identity (Jóri, 2007).

Privacy must be seen in connection with the particular area where its content is applied. The above definitions imply the existence of a *consumer’s private space* defined through and including an amount of information referring to the demographic, psychographic and behavioral characteristics of the individuals (*personal data*), and the rights the consumer should have to disclose or not, respectively to have this information protected through the appropriate laws and means (Veghes, 2009).

Analyzing the evolution of the definitions given to the personal data in the 1998-2008 decade, Grant (2009) has concluded that the content of the personal data, representing the central issue in the data protection, is still under debate. Still, there is a strong need for identification and definition of this data as consumers are more and more approached through direct marketing campaigns by the different organizations. Although most of the consumers have realized that participating in direct marketing is a necessary part of being in a consumer society, they are concerned about the unauthorized use or the misuse of their personal data and information, mainly in the forms of sale of their data without permission, unsolicited contact by businesses, the feeling that businesses know too much about their personal information, and the accuracy of data retained in databases (Pope and Lowen, 2009).

Methodological Notes

Data expressing the attitude of the consumers regarding their personal data have been obtained within a research approach with a larger overall scope, of assessing the exposure, attitude, current and future behavior of the consumers in connection with the direct marketing efforts of the organizations.

Data have been collected in January 2010 using a sample including 78 Romanian consumers from the Capital and other cities, aged 18 to 30, with higher education, which have been asked about:

- the attitude toward communicating their personal data to the companies or public institutions (authorities) the consumers are getting in touch with;
- the previous agreement the companies or public institutions (authorities) should obtain from the consumers before they will disclose their personal data;
- the consumers’ attitudes regarding employment, registration and processing of their personal data by the companies providing different products and services;
- buying products and/or services from the companies approaching the consumers by mail, mobile phone, telephone or Internet.

Main Findings

All the direct marketing approaches employed by the organizations present in the market to provide various products and/or services aim to capture data about the consumers to be processed and later used in the future campaigns. That is why the investigated consumers have been asked to express their attitude regarding the potential reserves they may have to communicate (disclose) their personal data to the companies and public institutions (authorities) when getting in touch with them. Results obtained (see Tables 1 and 2) indicate that, overall, consumers are rather reserved in disclosing their personal data to the organizations attempting to approach them in a direct and interactive manner. This reserved

attitude tends to be more consistent in the case of the companies than in that of the public institutions (authorities): 60.2 % of the respondents would not, or rather not, communicate their personal data to the companies, while 46.2 % of them would not, or rather not, communicate this data to the public institutions (authorities).

Table 1. Attitude of the consumers toward communicating their personal data to companies

Data_firms					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	7	9.0	9.0	9.0
	rather yes	24	30.8	30.8	39.7
	rather no	31	39.7	39.7	79.5
	no	16	20.5	20.5	100.0
	Total	78	100.0	100.0	

Table 2. Attitude of the consumers toward communicating their personal data to public institutions (authorities)

Data_public					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	7	9.0	9.0	9.0
	rather yes	34	43.6	43.6	52.6
	rather no	28	35.9	35.9	88.5
	no	8	10.3	10.3	98.7
	don't know	1	1.3	1.3	100.0
Total		78	100.0	100.0	

A part of this attitude can be explained through the risks the consumers perceive and associate with the communication and, mostly, the consequent inappropriate employment of their personal data. The most important threats in this respect are the exposure to the potential abuses of the private companies, respectively the frauds respondents may suffer as consumers of the different products and services. By comparison, potential abuses of the public institutions (authorities) were mentioned by slightly more than a half of the respondents and the gap between the percentages associated to the abuses potentially committed by the companies, respectively public institutions (authorities), reveal that consumers tend to trust more the public entities and to fear more the private ones.

Having the right to agree or disagree in disclosing the personal data to the organizations (companies and/or public institutions or authorities) aiming to capture, process, and employ them is one of the most important mechanisms the consumers may use to defend their privacy and private space. That is why the investigated consumers have been asked to express their attitude regarding the agreement the companies and the public institutions (authorities) should ask before capturing their personal data. Results obtained (see Tables 3 and 4) indicate that, overall, consumers consider this agreement they could grant as mandatory before any attempt from the part of the companies and public institutions (authorities) to obtain their personal data.

Table 3. Attitudes of the consumers toward having the right to agree to disclose their personal data to companies

Agree_firms					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	64	82.1	82.1	82.1
	rather yes	14	17.9	17.9	100.0
	Total	78	100.0	100.0	

Table 4. Attitudes of the consumers toward having the right to agree to disclose their personal data to public institutions (authorities)

Agree_public

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	53	67.9	67.9	67.9
	rather yes	21	26.9	26.9	94.9
	rather no	3	3.8	3.8	98.7
	don't know	1	1.3	1.3	100.0
	Total	78	100.0	100.0	

The attitude of the respondents in terms of the agreement they should grant the companies and public institutions (authorities) confirm the higher confidence the consumers tend to have in the public entities: while there are respondents not demanding to be asked about disclosing their personal data to the public entities, all of them agreed (or rather agreed), that private entities should ask for an agreement in order to process the consumers' personal data.

The investigated consumers' attitude regarding what happens with their personal data after being captured by the companies represented a third objective of this research approach. More than a half of the respondents agreed, or rather agreed, that companies should not register their personal data when they buy products and/or services from them (see Table 5). Still, the fact that a part of the respondents appear less or not-at-all affected in this respect may suggest that a proper processing environment would make them more confident and open toward disclosing their personal data to the companies.

Table 5. Consumers' attitude toward their personal data registration by the companies

DataSave_Firms

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	21	26.9	26.9	26.9
	rather yes	24	30.8	30.8	57.7
	rather no	19	24.4	24.4	82.1
	no	10	12.8	12.8	94.9
	don't know	4	5.1	5.1	100.0
	Total	78	100.0	100.0	

Processing of the consumers' personal data is perceived in a similar manner by the respondents: more than a half of them agree or tend to agree that companies should not process their data although a situation like this would be a rather less probable: the companies have captured the personal data of the consumers specifically to know better their demographics, psychographics and behavioral characteristics, to profile them and to use this information in planning more effective direct marketing campaigns targeting them. A possible interpretation of the respondents' attitude in this respect may consist in a certain expectation that their personal data will not be processed at all or, when processed, this will be done in a way that does not affect their private space or do not expose their private lives.

Table 6. Consumers' attitude toward their personal data processing by the companies

DataProce_Firms

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	22	28.2	28.2	28.2
	rather yes	22	28.2	28.2	56.4
	rather no	19	24.4	24.4	80.8
	no	13	16.7	16.7	97.4
	don't know	2	2.6	2.6	100.0
	Total	78	100.0	100.0	

Employment of the consumers' personal data by the companies to promote their products and/or services through direct marketing campaigns is perceived in a rather unfavorable and reserved manner by the respondents: almost three quarters of them agree or tend to agree that companies should not employ their to support marketing campaigns aiming to promote products and/or services. The percentages corresponding to the consumers not (or rather not) having a problem in disclosing their personal data to allow companies to conduct later direct marketing campaigns support the rather overall reserved attitude of the respondents regarding the processing of their personal data. It is important to observe that all these reserves are determined not necessarily only by the fears the consumers may have regarding the risks associated with an inappropriate processing and employment of their personal data: the unclear definition of the personal data and the relative consumer knowledge on how this data should and could be protected contribute to this overall reserved attitude.

Table 7. Consumers' attitude toward their personal data employment by the companies

		DataUse_Firms			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	44	56.4	56.4	56.4
	rather yes	13	16.7	16.7	73.1
	rather no	11	14.1	14.1	87.2
	no	9	11.5	11.5	98.7
	don't know	1	1.3	1.3	100.0
	Total	78	100.0	100.0	

Buying products/services from the companies approaching consumers in a direct and interactive manner, based, of course, on the personal data captured and processed has represented another objective of the research approach. As the results presented in the Table 8 suggest, the most important conclusions that can be drawn state that:

- consumers are (or rather are) reserved to buy products and/or services after they have been approached directly by the supplying companies, specific weights of the consumers not having reserves in this respect varying between 14.1 and 20.5 %;
- consumers tend to consider buying of the products and/or services when the distance between them and the companies approaching them is higher and to remain so. Thus, respondents have appeared to be more open (or rather open) to buy after being approached on the Internet (57.7 %) and by mail (50.0 %), respectively less open (or not open) to buy when approached in a more personal manner, over the telephone (38.5 %) or the mobile phone (35.9 %).

Keeping the distance is one of the safest strategies the consumers seem to employ in protecting, not necessarily their personal data but their private space from the its invasions conducted by the different companies present in the market.

Table 8. Consumers' attitudes toward buying products/services after being directly approached by the companies (percentages, n=78)

I would have no reserves to buy... from the companies approaching me by...	Mail	Phone	Mobile phone	Internet
Yes	19.2	16.7	14.1	20.5
Rather yes	30.8	21.8	21.8	37.2
Rather no	37.2	29.5	35.9	23.1
No	11.5	29.5	26.9	19.2
Don't know	1.3	2.6	1.3	0.0
Total	100.0	100.0	100.0	100.0

Limits of the research

The research approach has been conducted under the context created by the existence of the limits related to the set of the variables considered to define and measure the attitude of the consumers regarding the processing of their personal data (these variables should be extended for the further research to be conducted), and the sample and the sampling procedure used (further research should be conducted using a sample covering also the rural areas and having a representative structure in terms of demographics such as education and income).

Conclusions and main implications

Findings of the research show that the attitude of the consumers toward the processing their personal data is a rather reserved one. Consumers are not so willing to disclose personal data and are concerned for the risks they should face when this data is employed in an inappropriate manner. Although seem to agree the receiving of personalized marketing information, the consumers tend to avoid engaging in interactive relationships with the organizations approaching them and prefer to defend their private space keeping the distance.

The currently unclear definition of the personal data leads to an uncertain delimitation of the private space of the consumer, which may represent a source of abuses of both the companies and public institutions (authorities) over their consumers and citizens: that is why a better legal environment regulating the capturing, processing, administration and employment of the personal data is more than necessary in order to allow consumers to take a real and effective control over the collection, processing, administration and employment of their personal data.

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