



CUSTOMER DATA SHARING IN THE SPOTLIGHT:

CHALLENGES AND OPPORTUNITIES
FOR BRANDS LOOKING TO
BETTER UNDERSTAND PEOPLE

MAY 2022

ACX IOM



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INTRODUCTION

Great marketing campaigns and customer experiences increasingly rely on first-party customer data to ensure communications are relevant. Without customer data, it's simply impossible for brands to deliver the kind of personalized communications people value and, increasingly, expect as standard. In a recent McKinsey study, 71% of consumers said they expect personalization, and most get frustrated when they don't find it.¹

At the same time, well-intentioned governments and regulators are bringing reforms to data collection and usage, and public interest groups are using human rights as a 'stick' when it comes to data ownership and use. In addition, the marketing and advertising industry itself is in the middle of a monumental shift with the deprecation of third-party cookies and identifiers, making access to first-party data more important.

Finding themselves in the middle of this complicated ecosystem, brands know change is necessary but it's difficult to know exactly how to move forward. For instance, the recent IAB *State of Data paper*² found that although 60% of industry leaders expect ad campaign measurement to be affected by the loss of third-party cookies and identifiers, they're not taking sufficient action to mitigate the effects moving forward.

Meanwhile, the public is becoming more comfortable with sharing their data online. Research done in partnership by the Global Data and Marketing Alliance (GDMA) and Acxiom³ found that 77% of people across ten global markets are either unconcerned about sharing their data online or open to sharing data when there is a clear benefit to doing so. The same report found that more than 50% of people in the US and the UK also believe that sharing their personal information helps organizations develop a better understanding of different types of people in society. While this is positive news for brands and the wider advertising industry, 71% overall still state a degree of concern with the issue of online privacy – which suggests there is still work to do.

In this context, brands need to ensure that they offer a clear value exchange for customers if they want to continue to collect and use customer data, which is key to ensuring great customer experiences. This paper shares our proprietary research with a look at how brands are approaching this today. The research digs into peoples' attitudes toward data collection and usage specifically in marketing and advertising. We explore what brands can do to offer a better experience and value exchange, and we offer some guidelines to help shape brands' responses for the future.

¹ Next in Personalization 2021, McKinsey ([Link](#))

² IAB State of Data Initiative 2022, IAB, ([Link](#))

³ Global Data Privacy – What the consumer really thinks, GDMA and Acxiom, 2022



1.0

BRANDS KNOW THEY NEED TO ADAPT THEIR APPROACH TO DATA

Changing data privacy regulation and industry standards, as well as increased consumer awareness and demands around data, are forcing brands to adapt their approach.

Governments and regulators have been paying increasing attention to data privacy. In the US, individual states continue to introduce new regulations such as the California Consumer Privacy Act (CCPA) and the Virginia Consumer Data Protection Act. In Europe, General Data Protection Regulation (GDPR) is now relatively well established.

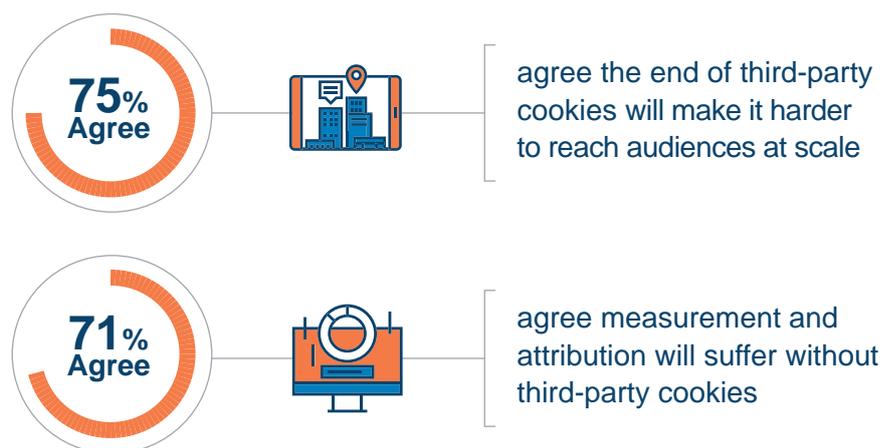
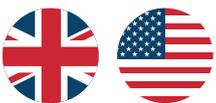
Furthermore, recent changes by major tech providers have forced brands to re-assess their approach. For example, Apple have introduced multiple initiatives in the name of consumer privacy since the introduction of their IPT (Intelligent Tracking Prevention) in 2017, including blocking third-party cookies on Safari and recently blocking in-app tracking by default with their ATT initiative. Mozilla did the same on its Firefox browser, and Google is lining up to do the same across Android and Chrome.

In “A connected approach to the disconnected identity ecosystem” research from our sister IPG company Kinesso, we find that brands are being challenged by these changes, and expect an impact on their advertising effectiveness:

Exhibit 1:

“Percentage of brands agreeing on the impacts of third-party cookie deprecation”⁴

Sample covers:



⁴ Question: To what extent do you agree or disagree with the following statements? 1) The end of third-party cookies will make it harder to reach quality audiences at scale, 2) Measurement and attribution will suffer without third party cookies | Notes: Agree or strongly agree | Base: All advertiser respondents across UK and US (100)

The brands we surveyed see change as a priority, and they expect to go further than simply complying with the minimum legal standards.

MORE THAN
90%
OF BRANDS
IDENTIFY

complying with changing data privacy regulations and avoiding unfair collection and/or use of personal data as a priority.⁵

IN ADDITION
85%
OF BRANDS
AGREE

that the advertising industry needs to do more than the bare minimum to embrace a privacy-first age.⁶

Brands see themselves as responsible for privacy standards, but they also see a role for a wide range of other organizations in the advertising ecosystem.

“First and foremost, it falls on the advertiser that collects the data ... They have the data, they get the rewards and penalties ... [as advertisers] we need to be out there asking the right questions of ourselves and our suppliers, checking whether we are compliant and whether we have the proper controls in place.”

– US Fashion Brand

“Pointing the finger to someone else isn’t really fixing the issue.”

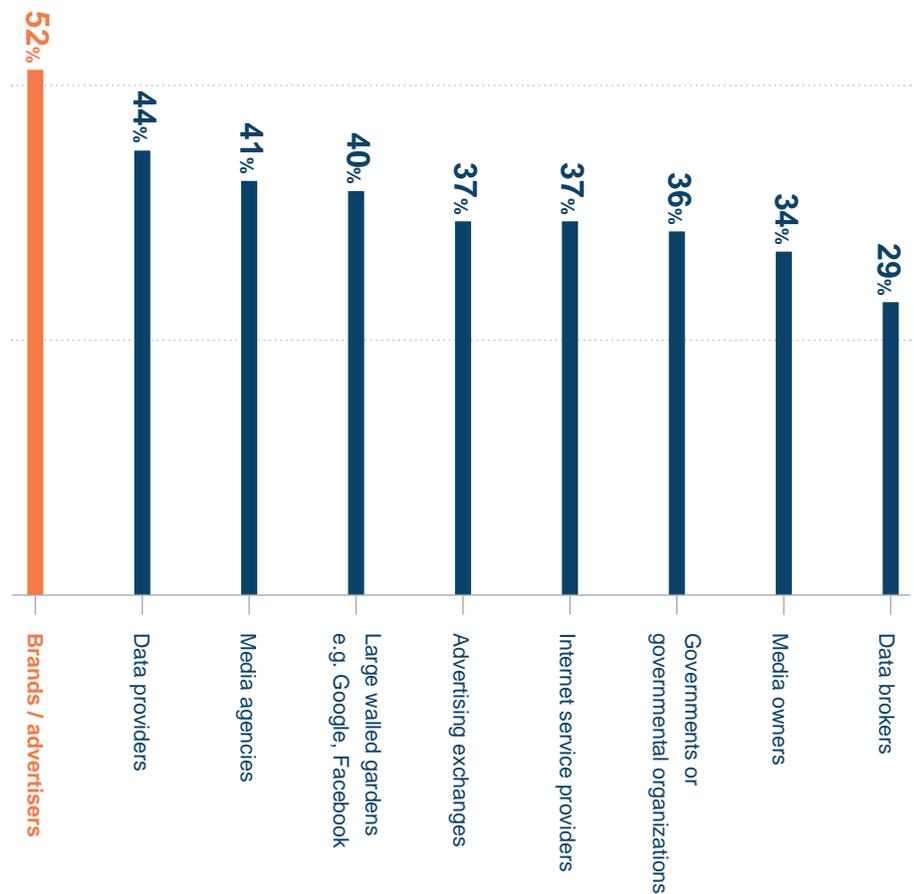
– UK Utilities Company

⁵ Question: To what extent has your organization focused on 1) Complying with data privacy laws and regulations, 2) Avoiding unfair collection and/or use of personal data in marketing and advertising?| Base: All advertiser respondents across UK and US (100)

⁶ Question: To what extent do you agree or disagree with the following statements? 7) The advertising industry needs to do more than the bare minimum to embrace a privacy-first age than simply complying with minimum regulatory standards| Notes: Agree or strongly agree | Base: All advertiser respondents across UK and US (100)

Exhibit 2:

Who do brands see as responsible for meeting standards around privacy? ⁷



Most brands are already adapting their data policies and practices, and this is set to continue.

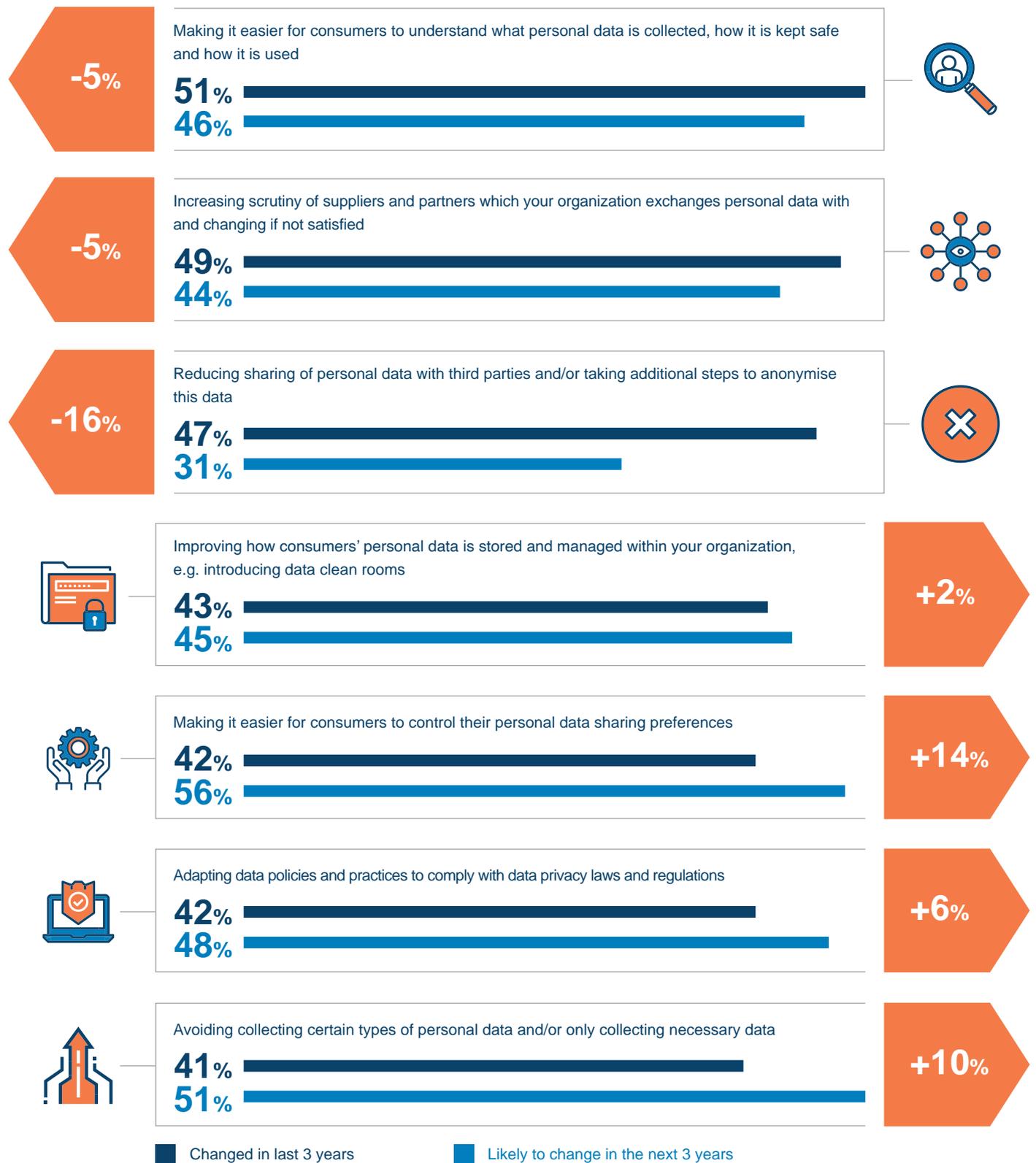
Brands have started working to provide a better, more transparent customer experience and address key concerns. Their efforts include helping customers understand data sharing, making it easier to control their data sharing preferences, and adapting policies on what data is collected and how it is used.

Brands are also generally confident that they are meeting consumer expectations on how personal data is collected and managed, with 84% saying they do this effectively.⁸

Whilst the industry has no doubt made progress, the fact that consumers still express some level of concern with the issue of online privacy suggests some brands are being overly optimistic here. There are also gaps in their activity – as the exhibit below shows, brands are engaging in a wide range of activities, but there is a lack of consistency across all relevant issues.

⁷ Question: Who do you see as responsible for meeting appropriate standards on how consumer's personal data is collected, managed, and used? | Base: All advertiser respondents across UK and US (100)

Exhibit 3: Where brands have made or plan to make changes in how personal data is collected, managed, and used ⁹



⁸ Question: How well do you think your organization is currently meeting consumer expectations on how their personal data is collected and used? | Base: All advertiser respondents across UK and US (100)

⁹ Question: What changes if any has your organization made to how personal data is collected managed and used in the last three years and what is it likely to change in the next three years? | Base: All advertiser respondents across UK and US (100)

Brands are facing a range of challenges as they adapt their approach

Evolving regulation:



Keeping up with new regulatory requirements takes time and bandwidth, taking brands' attention away from other privacy-related initiatives.

Perceived consumer apathy:



Many users are clicking through data privacy notices without really engaging – they just want their content. It can be tempting for marketing teams and senior leadership to use this as an excuse to stay with the status quo, even if it's not a good user experience.

Knowledge and expertise:



There is a lack of expertise to help tackle regulations and other initiatives, both in-house and externally.

Business impact:

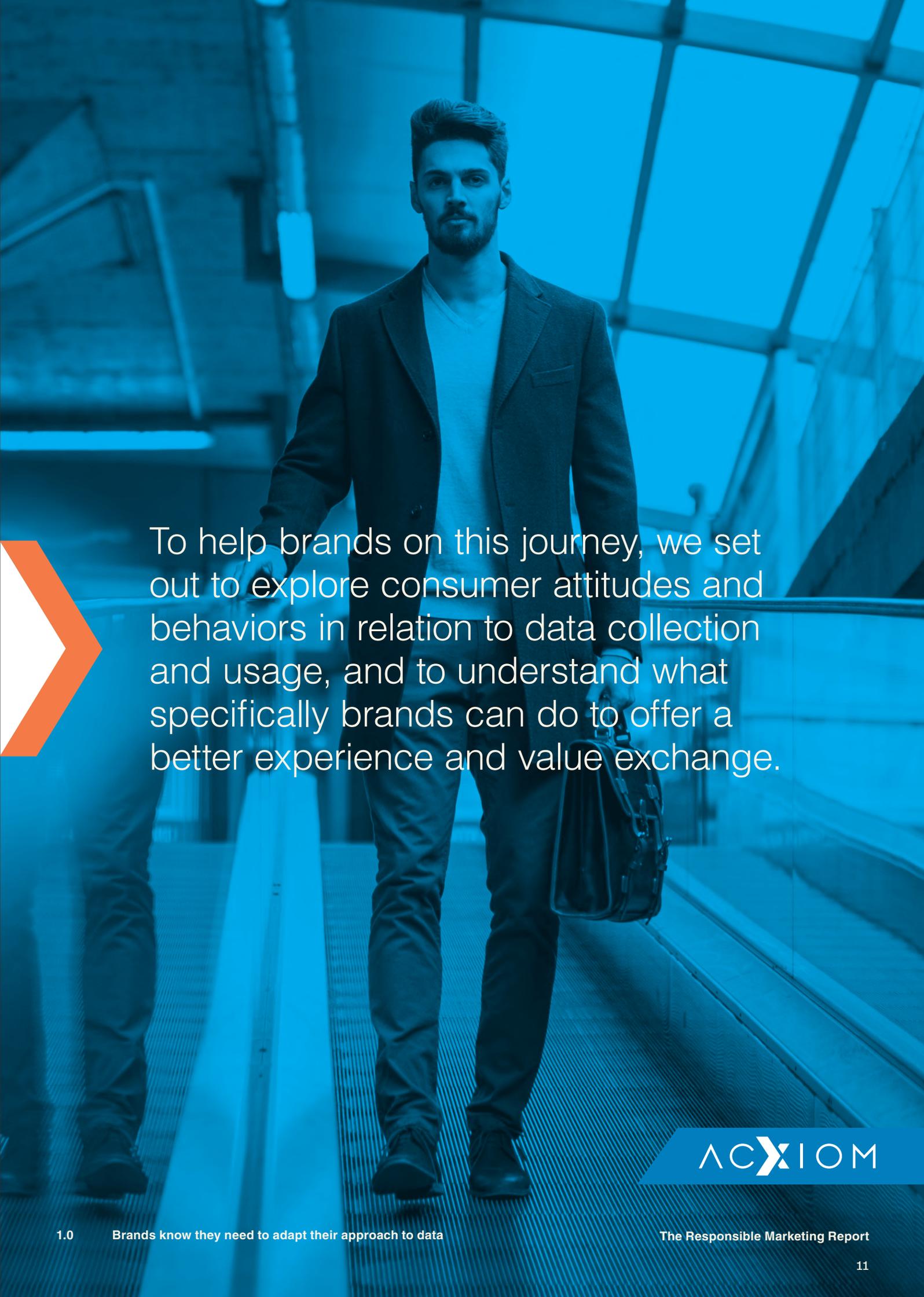


While brands want to provide a good user experience, first-party data is also critical to many businesses so it can be hard to find the right balance.

Technology change:



Shifting to a privacy-first approach may involve new solutions which require investment and, potentially, new suppliers.



To help brands on this journey, we set out to explore consumer attitudes and behaviors in relation to data collection and usage, and to understand what specifically brands can do to offer a better experience and value exchange.

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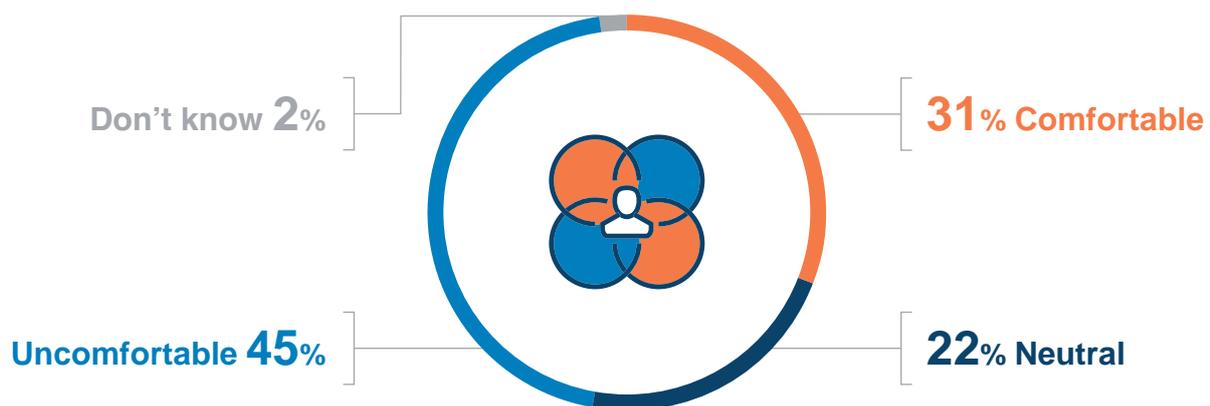
COMFORT LEVELS ARE CLOSELY LINKED TO KNOWLEDGE ABOUT DATA SHARING

We started by asking people how comfortable they are with the idea of their data being collected and used for online marketing specifically.

A majority of people are either comfortable or neutral, with the remainder uncomfortable. Later we'll look at this at a sector level (Chapter 5) and see that when people have a more specific type of application or activity business in mind, i.e. if it is more tangible to them, they tend to be more comfortable with their data being collected and used.

Exhibit 4: Comfort with sharing data for marketing and advertising purposes ¹⁰

Sample covers:



One of the main ways that people are differentiated is in their level of knowledge and understanding of data collection, usage, and regulation. A key finding from our research was that the more someone understands about data use, the more likely they are to feel comfortable sharing data with brands.

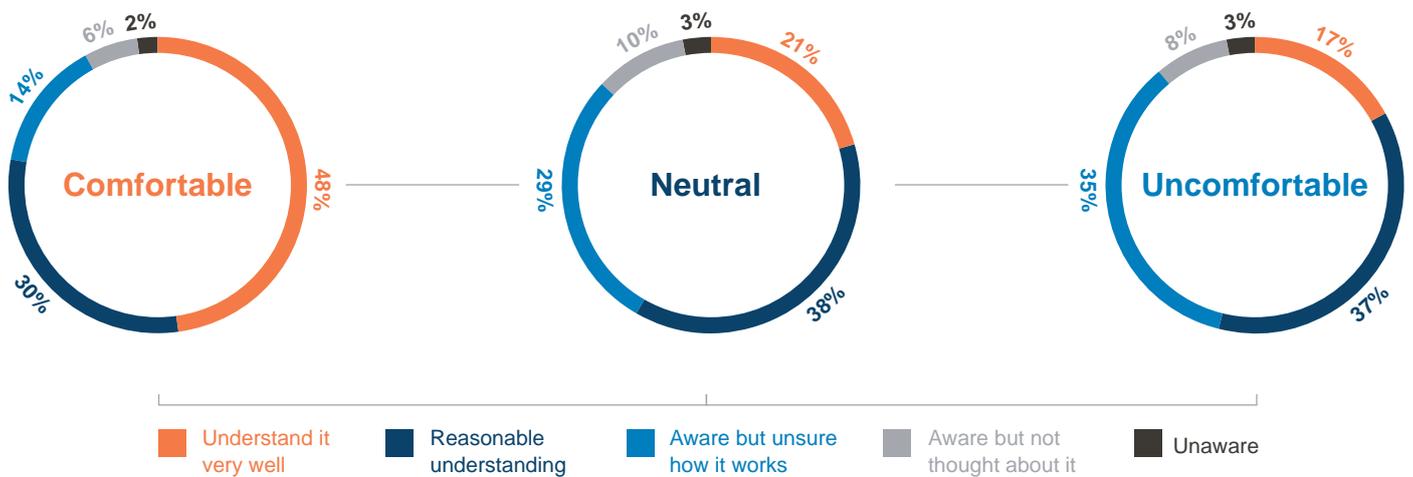
The majority of those who are comfortable with sharing data for marketing purposes say they understand data collection “very well” (48%) or have a “reasonable understanding” (30%), but only 21% of people who are neutral about sharing and 17% of those who are uncomfortable say they understand data collection “very well.”

¹⁰ Question: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: All respondents across UK and US (4,401)

¹¹ Question 1: How well do you feel you understand the way in which information about you is collected and used to tailor online marketing and advertising? | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

Exhibit 5: Understanding of data collection and usage in online marketing and advertising, by comfort with data sharing ¹¹

Sample covers:



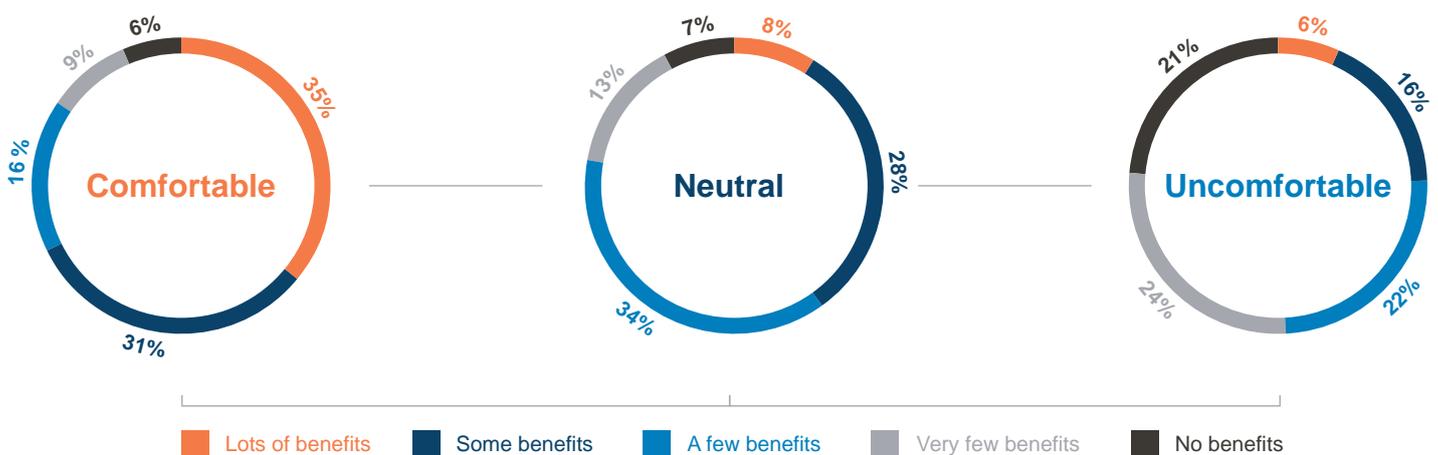
Knowledgeable people recognize data-sharing benefits.

The research uncovered a relationship between perception of data-sharing benefits and people’s level of data-sharing knowledge and comfort. In short, the more knowledgeable and comfortable people feel with sharing data, the more likely they are to perceive the benefits of doing so.

The majority of those comfortable with sharing their data online say that they experience benefits from doing so. People who are neutral have mixed views and those who are uncomfortable with data sharing are less likely to think that they benefit.

Exhibit 6: Perception of the benefits of sharing data online, by comfort with data sharing ¹²

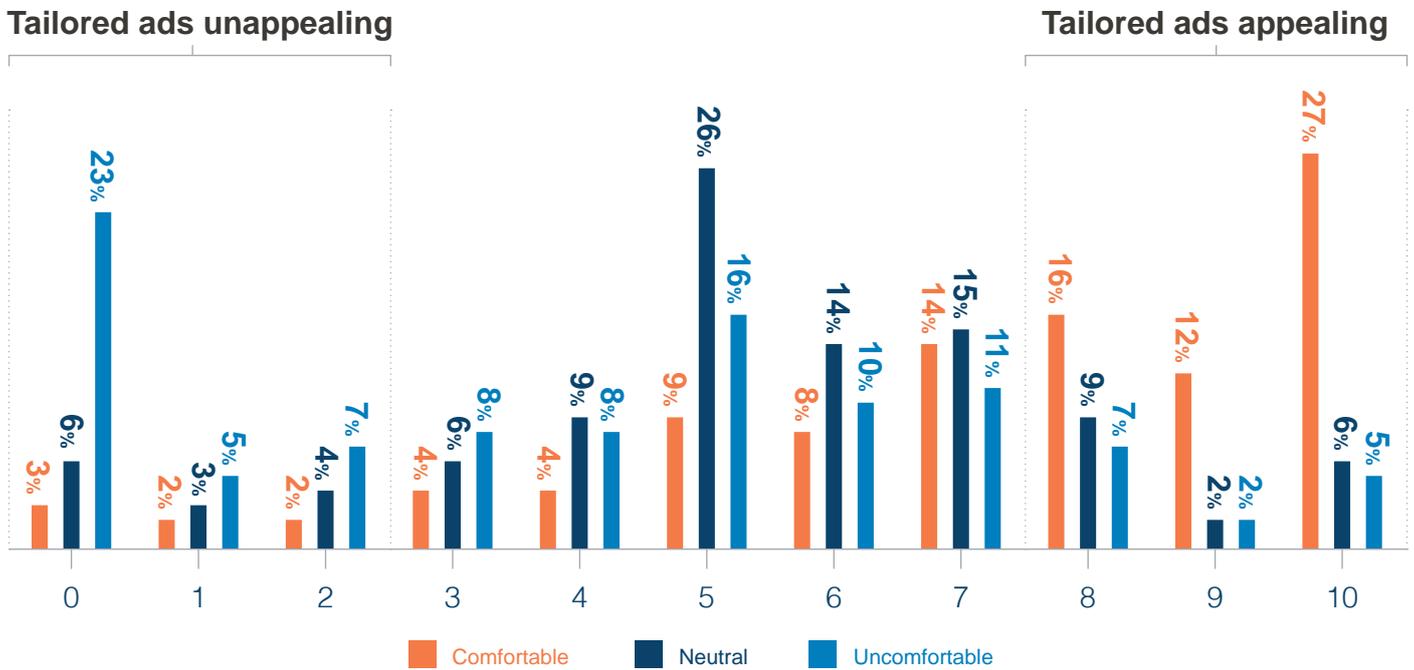
Sample covers:



¹² Question 1: Now that you have seen some examples of how your data could be used in practice, to what extent do you think it can benefit you directly, to share your data with organizations online? | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

Similarly, when we look at tailored advertising, which relies on data sharing, most of those who are comfortable with data sharing are more likely to see it as appealing.

Exhibit 7: Appeal of tailored advertising, by comfort with data sharing ¹³



“The ability to get reminded of purchases, get offers and discounts, not have to login as often. It is the convenience I get when I buy things, finding things that are more relevant to myself, as well as new interesting things that I didn't know about”

- Female, 16-24, Neutral, US

“Showing me products that are relevant to what I'm looking for is helpful, it makes me more interested in the company itself and I might be more inclined to buy from them.”

- 25-34, Neutral, UK

It isn't clear whether knowledge and comfort drive perceived benefits, or the other way round – either way, brands should work both to improve knowledge and to offer tangible benefits.

How can brands respond to this?

- Building on the points made above help improve people's understanding of data collection and usage through clearer communications and highlight the associated benefits
- Personalize experiences using customer-collected data to help reinforce the benefits of sharing data online

¹³ Question 1: On the scale below, how appealing would you find adverts or offers that are tailored to you? | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)



“I am generally comfortable with sharing data; nothing bad has ever happened to me from sharing my data, but I do get a lot of benefits. The main positives for me are remembering your password, giving you discounts, telling you about promotions. It also means personalized ads based on your personal browsing history.”

– Male, 16-25, Comfortable, UK

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THE MARKETING INDUSTRY CAN DO MORE TO EDUCATE CUSTOMERS AND ADDRESS CONCERNS

How people feel about the way their data is used, the benefits they see from this, along with their concerns, are all factors that influence how they ultimately behave.

Understanding consumers' attitudes and beliefs in detail can help brands provide positive experiences around data sharing and, at the same time, maximize the amount and quality of data that is available for marketing.

A.

KNOWLEDGE ABOUT DATA SHARING IS GENERALLY LOW

There is a general lack of knowledge about what types of data marketers collect – and awareness of how that data is used is even lower. ¹⁴

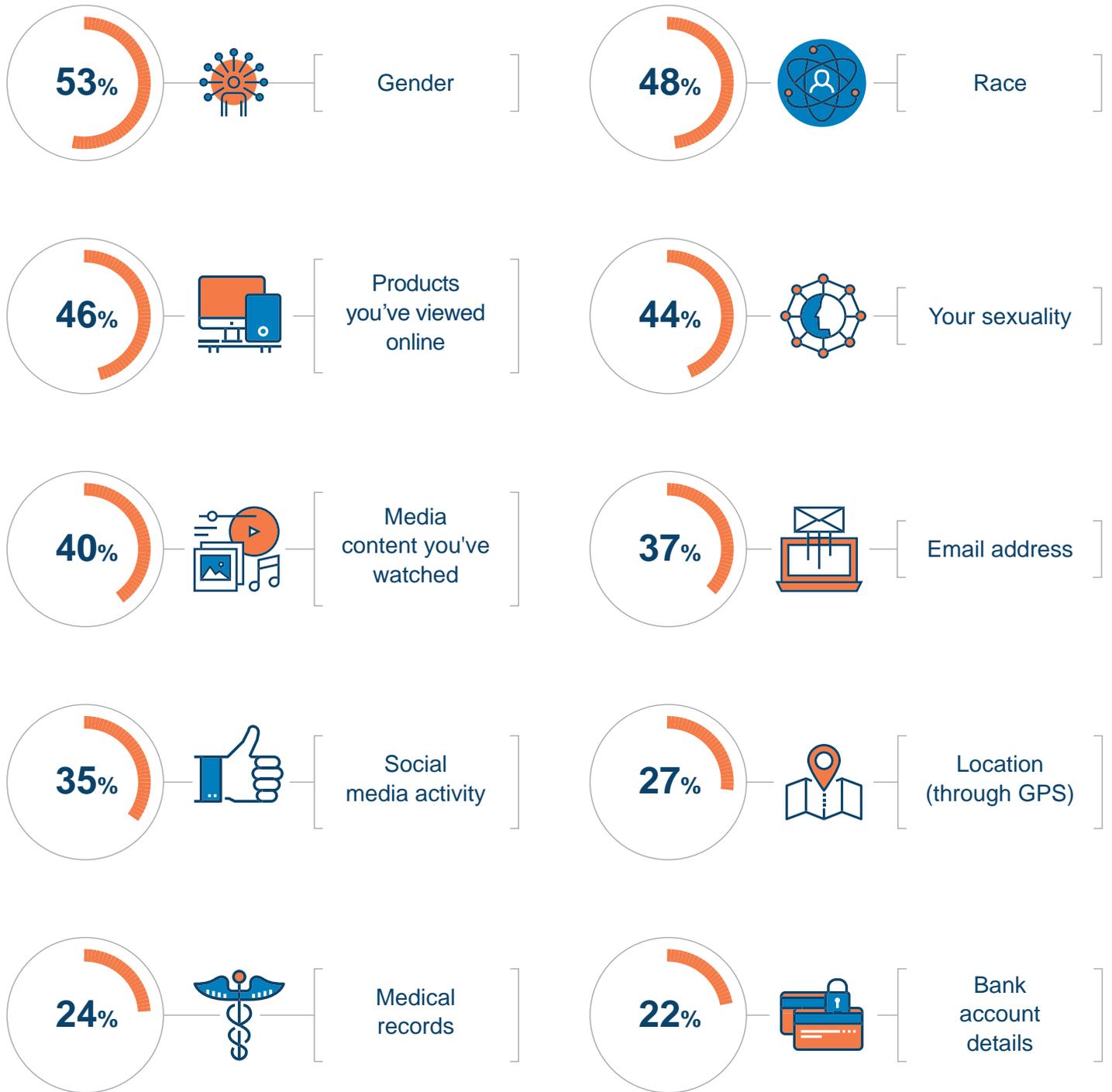
More people are aware that marketers collect general demographics such as age and gender than are aware that marketers collect online behavior such as products viewed online and media content watched. However, there are many other types of information that marketers collect, that people are not aware of or don't actively think about.

The type of data that people felt comfortable sharing follows a similar pattern. People are more likely to be comfortable sharing basic demographic data, details on products and services they have browsed, and media content they have engaged with. They start to get uncomfortable with sharing any data that is more sensitive or personal, such as medical records, or data that could possibly identify them, like location data.

¹⁴ Question: Which of these were you aware of before today, in terms of knowing that organizations might want to collect and use them for online marketing and advertising? | Notes: Selected answers, as listed | Base: All respondents across UK and US (4,401)

¹⁵ Question: Here's the list we showed you earlier of the types of data that organizations can collect and use for online marketing and advertising. For each of them please tell us how comfortable you are with organizations collecting and using this information about you for online marketing and advertising. | Notes: Selected answers, shown | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

Exhibit 8: Those saying they are comfortable with sharing types of data ¹⁵

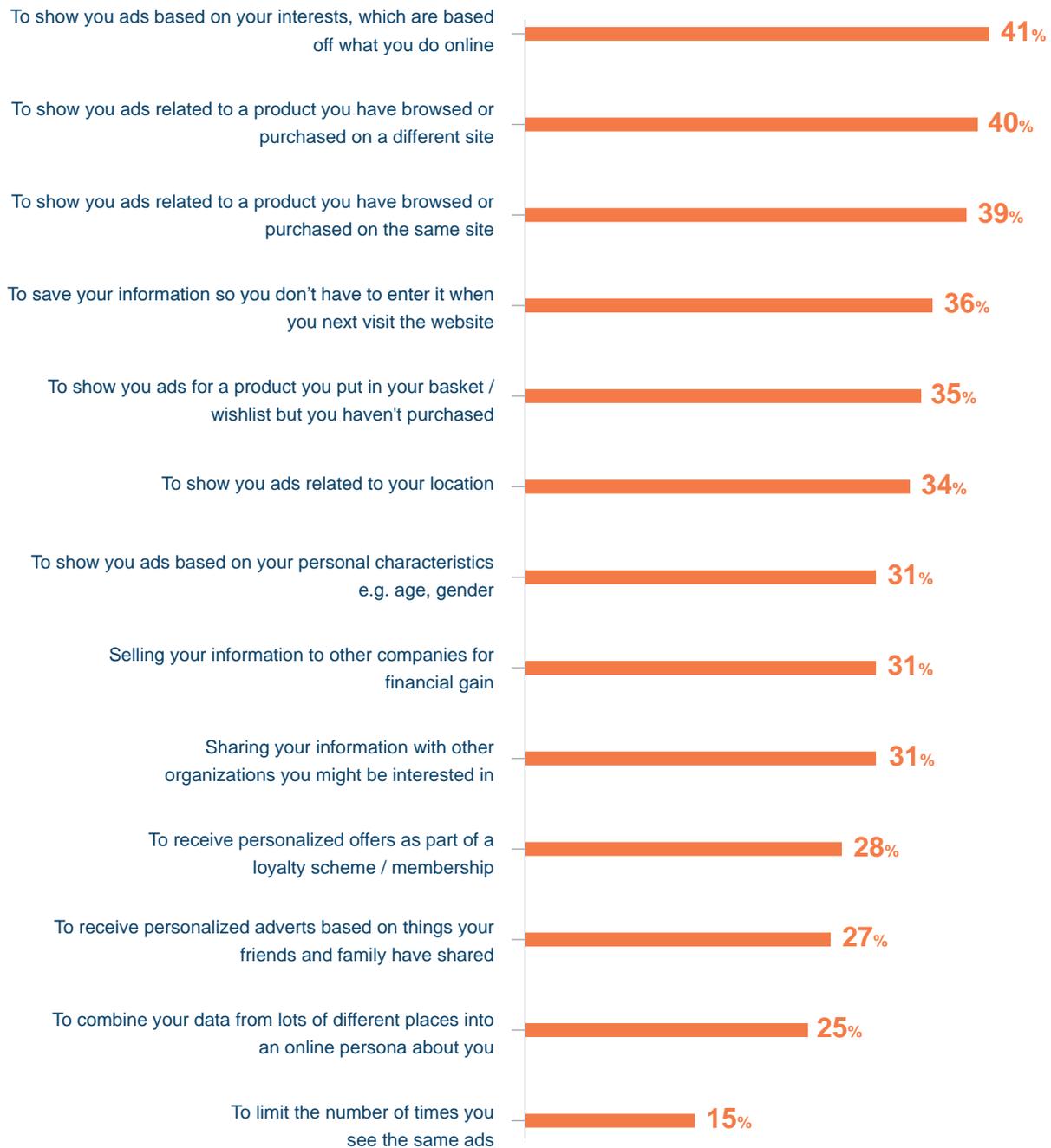


It seems reasonable to assume that not knowing what data is collected, contributes to sense of not being in control for people. Brands and those of us in the wider industry should be thinking about how we can raise consumer awareness not only on data collection and usage but also the privacy regulations that are there to protect them.

Awareness of the types of data that marketers collect is relatively low – awareness of how that data is used is even lower. For example, only 15% of people were aware that their data could be used to limit the number of times they see the same ad which, as we'll see in the next section, many would find useful.

Exhibit 9: Awareness of uses of data collected for online marketing and advertising ¹⁶

Sample covers:



How can brands respond to this?

- Help improve people's understanding of data collection and usage through clear communications
- Make clear that if you want to collect what may be seen as sensitive data (race, sexuality) from people (whether legally classed as sensitive or not), the reason you're asking for it and the benefit it will bring to the person



¹⁶ Question: It is likely that some of those types of data (from the previous question) are being collected from you when you use the internet, and most websites/apps will have asked for your permission to do so. Which, if any, of the following possible uses of this data were you aware of before today? | Base: All respondents across UK and US (4,401)

B.

PRACTICAL BENEFITS MAKE THE DATA VALUE EXCHANGE CLEARER

People find practical applications of data to be the most acceptable and useful – especially those that offer users a clear benefit, such as to serve ads based on their interests and items they have browsed, or to save time in form-filling.

Most of those who are comfortable with sharing see these “practical” use cases as acceptable and around half of those who are neutral agree, which is still relatively high. Those not comfortable are less likely to agree, but still see some use cases as useful e.g. frequency capping.

Location-based data was divisive: most of those who are comfortable with sharing see this type of application as acceptable and useful, but as those who are less comfortable make up a much bigger proportion of the total and are less likely to do so, it just made the top seven on usefulness, but fell into the bottom six for acceptability.

“My location concerns me most, I was at a diner recently and Facebook was telling me others have been there, I didn't choose to share that information with others – hitting a new level of uncomfortableness, I didn't sign up to do that.”

– 16-24, Neutral, US

Seeing ads based on products browsed or purchased is the most acceptable and useful application amongst those who are neutral. In this regard, neutral respondents were more in line with those who are comfortable than those who are uncomfortable, suggesting that people who are neutral about sharing can be less cautious where they see real benefit.

“Exposing who I am, where I live, my local area, people can pinpoint where I am – why do people need to know that? ... You hear a lot about hackers, so I want to minimise giving my information out.”

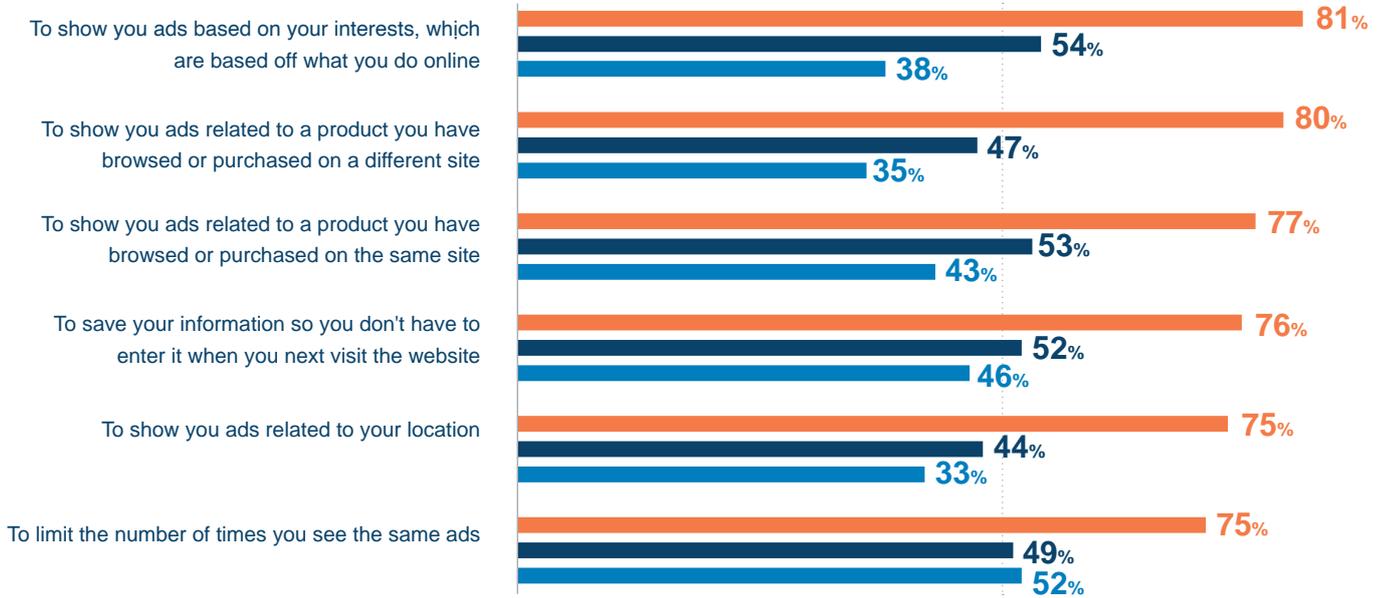
– 35-44, Uncomfortable, UK

¹⁷ Question 1: Looking again at the possible uses of your data, how acceptable do you find the different ways in which your information might be used? By acceptable we mean something you would agree with and allow? | Notes: Selected answers shown | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

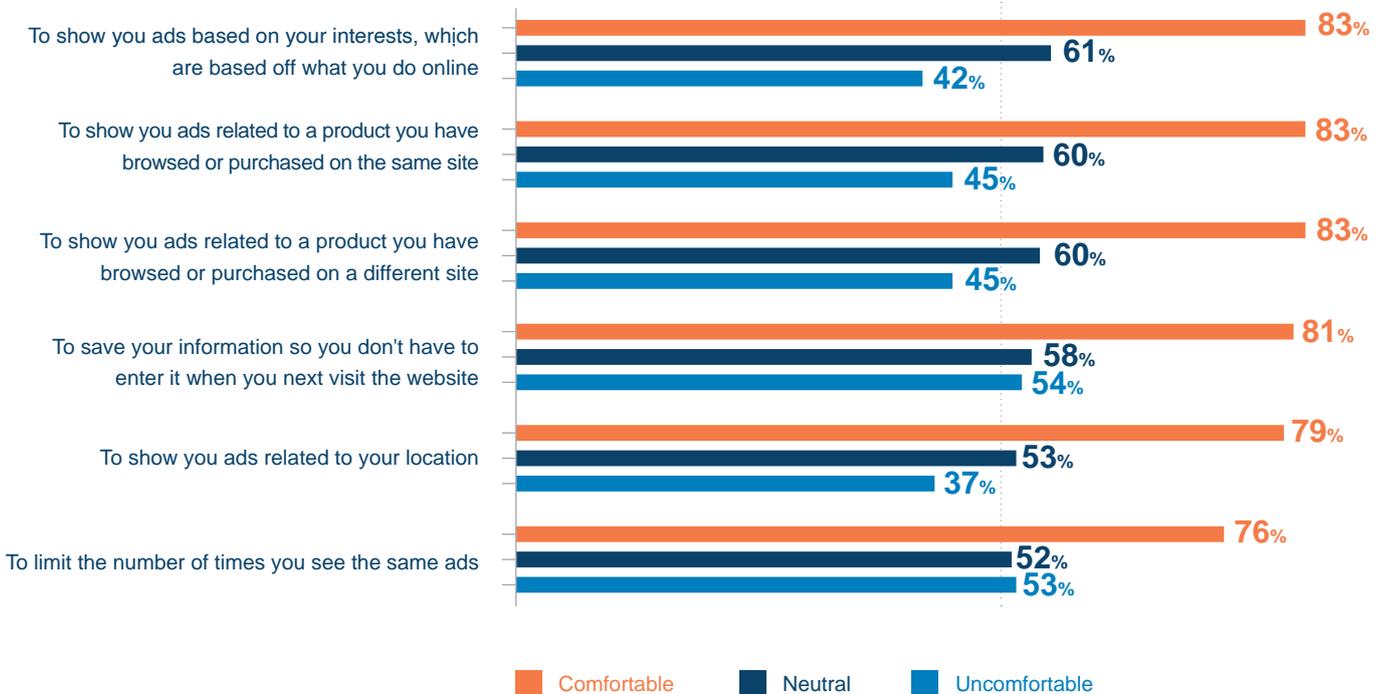
¹⁸ Question 1: Which of the following different ways in which your information might be used by organizations online do you find personally useful? | Notes: Selected answers shown | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

Exhibit 10: Top most acceptable¹⁷ and top most useful¹⁸ applications of data in online advertising, by comfort with data sharing

Top six: most acceptable use case



Top six: most useful use cases

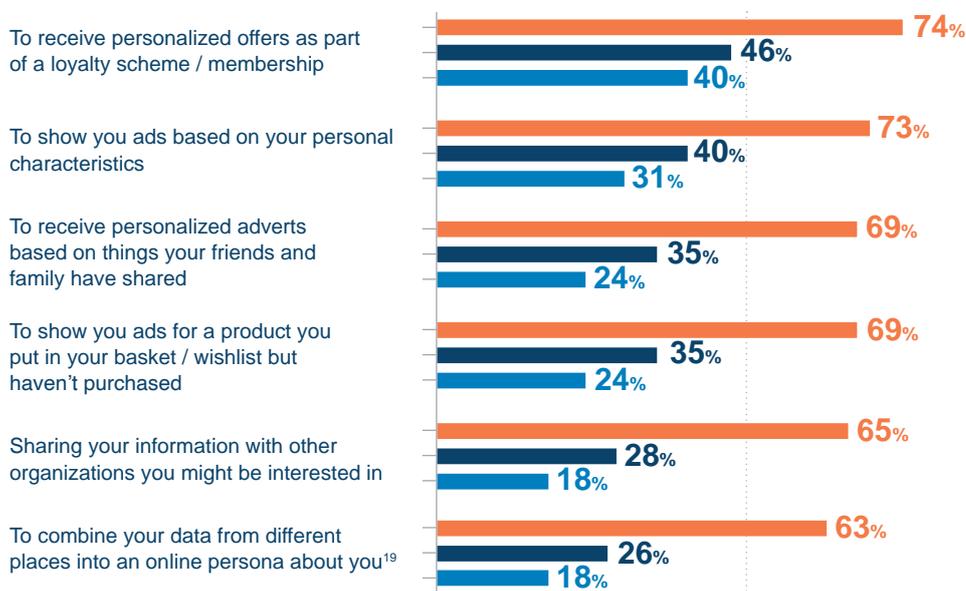


The less acceptable or useful applications of data do not have this clear link to benefits, can raise concerns about control over data, and can be seen as invasive e.g. seeing the same ad when moving around the internet when it's not clear why you are seeing the ad. The least acceptable and useful applications overall include sharing or selling data to other companies, combining data from multiple sources, receiving ads based on online activity of friends and family, and receiving ads based on personal characteristics (e.g. age or gender).

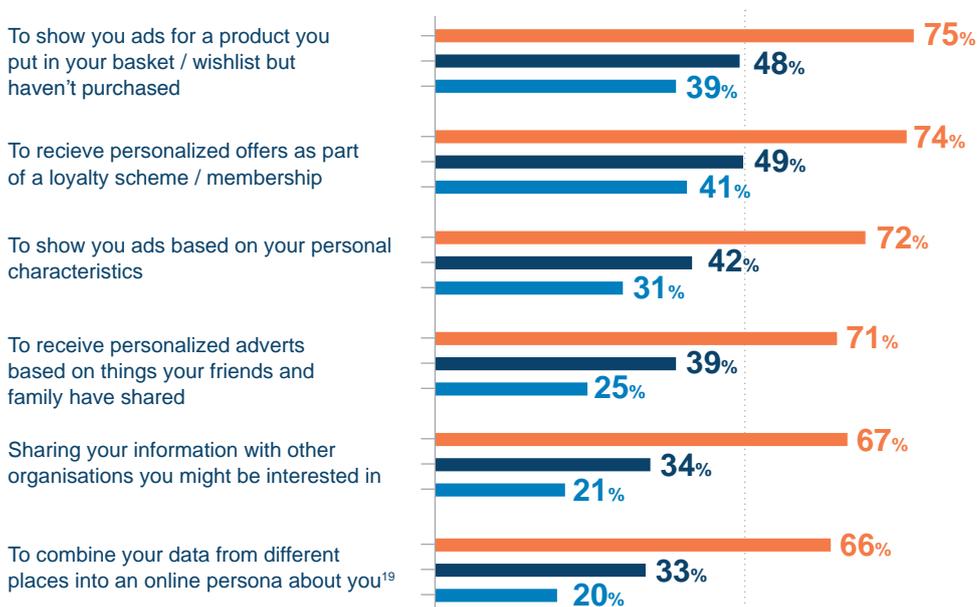
The good news for brands is that the most comfortable are still generally happy with most of these use cases, but the proportion of neutral and uncomfortable people seeing these as acceptable and useful falls off quickly.

Exhibit 11: Bottom six least acceptable¹⁷ and useful applications¹⁸ of data in online advertising

Bottom six: least acceptable use cases



Bottom six: least useful use cases

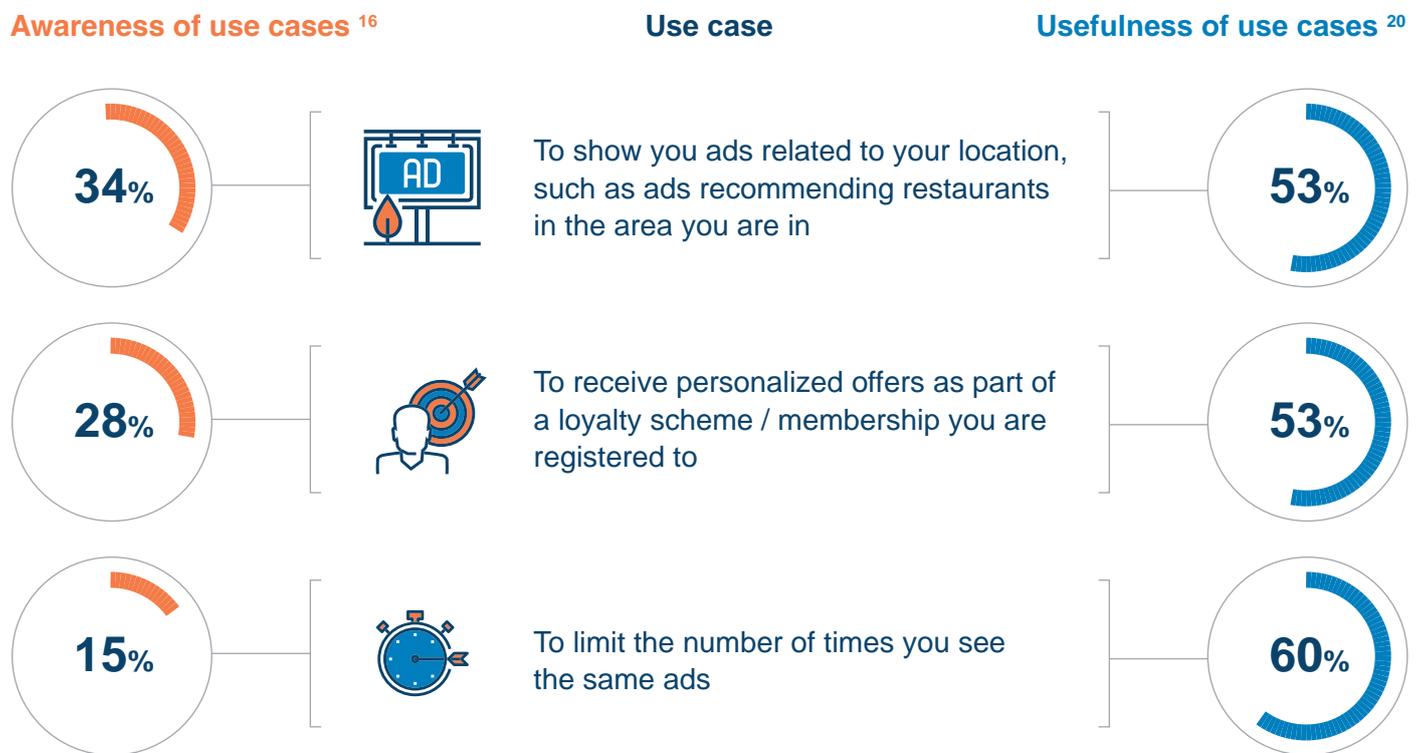


Opportunities for brands

Overall, people who are neutral about sharing data appear open to persuasion. Whilst they are “on the fence,” they do see at least some appeal in tailored advertising, and they are generally much more likely to see use cases as acceptable or useful. As we saw above, their knowledge and understanding is generally lower but if this could be raised it suggests an opportunity to help them feel more comfortable about data sharing.

There are also some use cases that many people are not aware of but would find very useful. For example, limiting the number of times people see the same ads is widely seen as useful (by 60% of survey participants) but few people (15%) were aware that data is used in this way. The same is true to a lesser degree for “Receiving personalized ads as part of a loyalty program or membership” and “Showing ads based on location.” This presents a real opportunity to highlight benefits that these customers are not already aware of.

Exhibit 12: Usefulness vs knowledge of use cases in online advertising



How can brands respond to this?

- Highlight use cases that people are more likely to see as useful, particularly where awareness is low e.g. ad frequency capping
- Either avoid use cases seen as less useful or acceptable or make sure to highlight the associated benefits for individuals

¹⁹ We note that sharing of such information can happen under different models, which can have different impact on consumer perceptions (e.g. companies selling data for financial gain vs companies sharing 0-party data with consumer consent)

²⁰ Question: Which of the following different ways in which your information might be used by organizations online do you find personally useful? | Base: All respondents across UK and US (4,401)

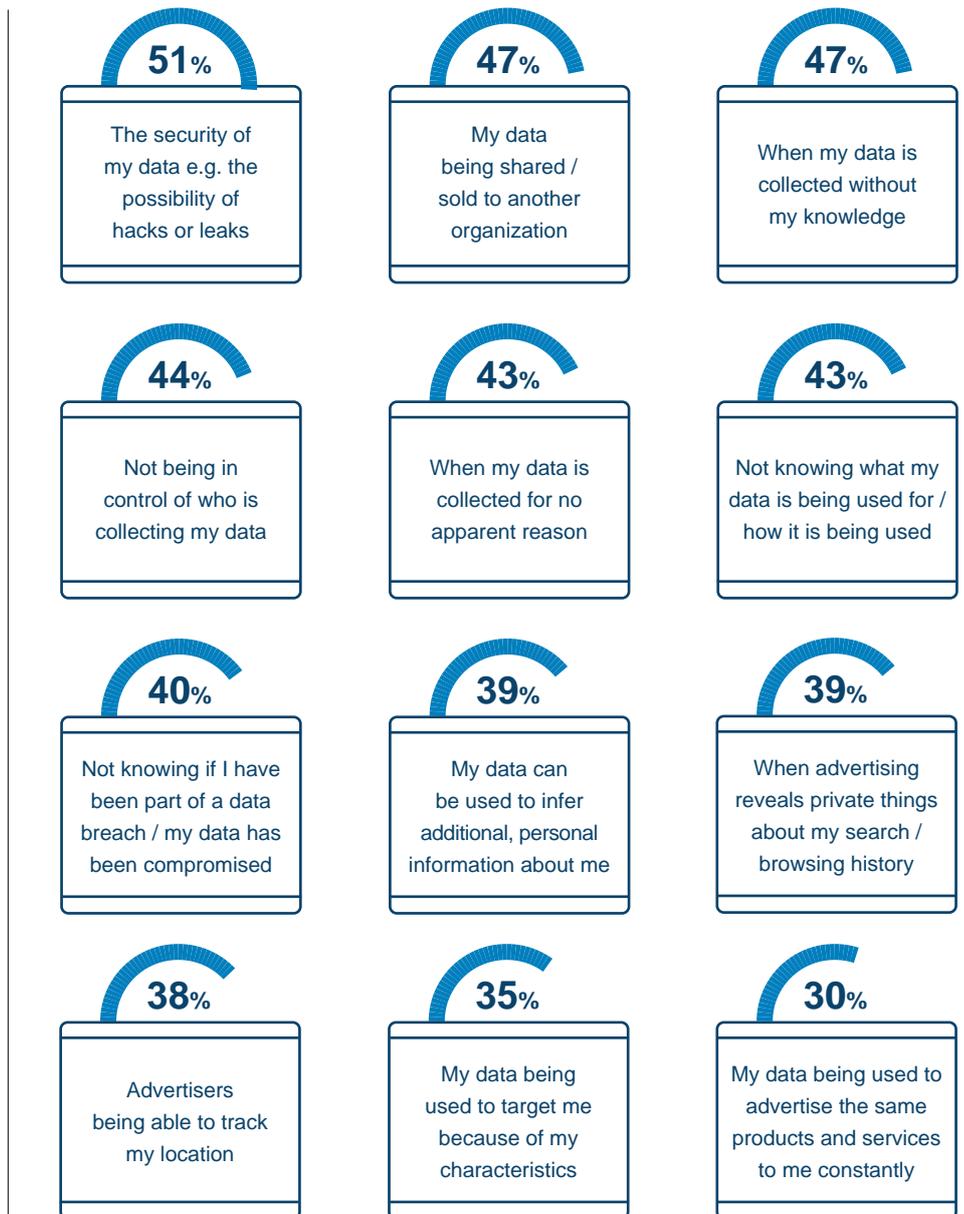
C.

PEOPLE DON'T LIKE FEELING OUT OF CONTROL

The most common worries relate to data security, data being shared with other organizations, data control, and general understanding of data use.

Exhibit 13:
Worries around data sharing ²¹

Sample covers:



²¹ Question 1: When thinking about how online advertisers collect and use information about you, which of the following, if any, would concern you? | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Base: All respondents across UK and US (4,401)



Brands can address these worries by, for example, providing more information and offering reassurances that will make people feel more secure and in control.

“When they share with third parties, you’re no longer in control of who you’re sharing your data with – it’s unsettling to know other people have access and you don’t know how they are going to use it.”

– 16-24, Neutral, US

“When they say they won’t share with third parties, I feel good about that and like the honesty, but I would like more information on what data they collect, how long they store it for and what they’re going to do with it later down the line.”

– 35-44, Uncomfortable, UK

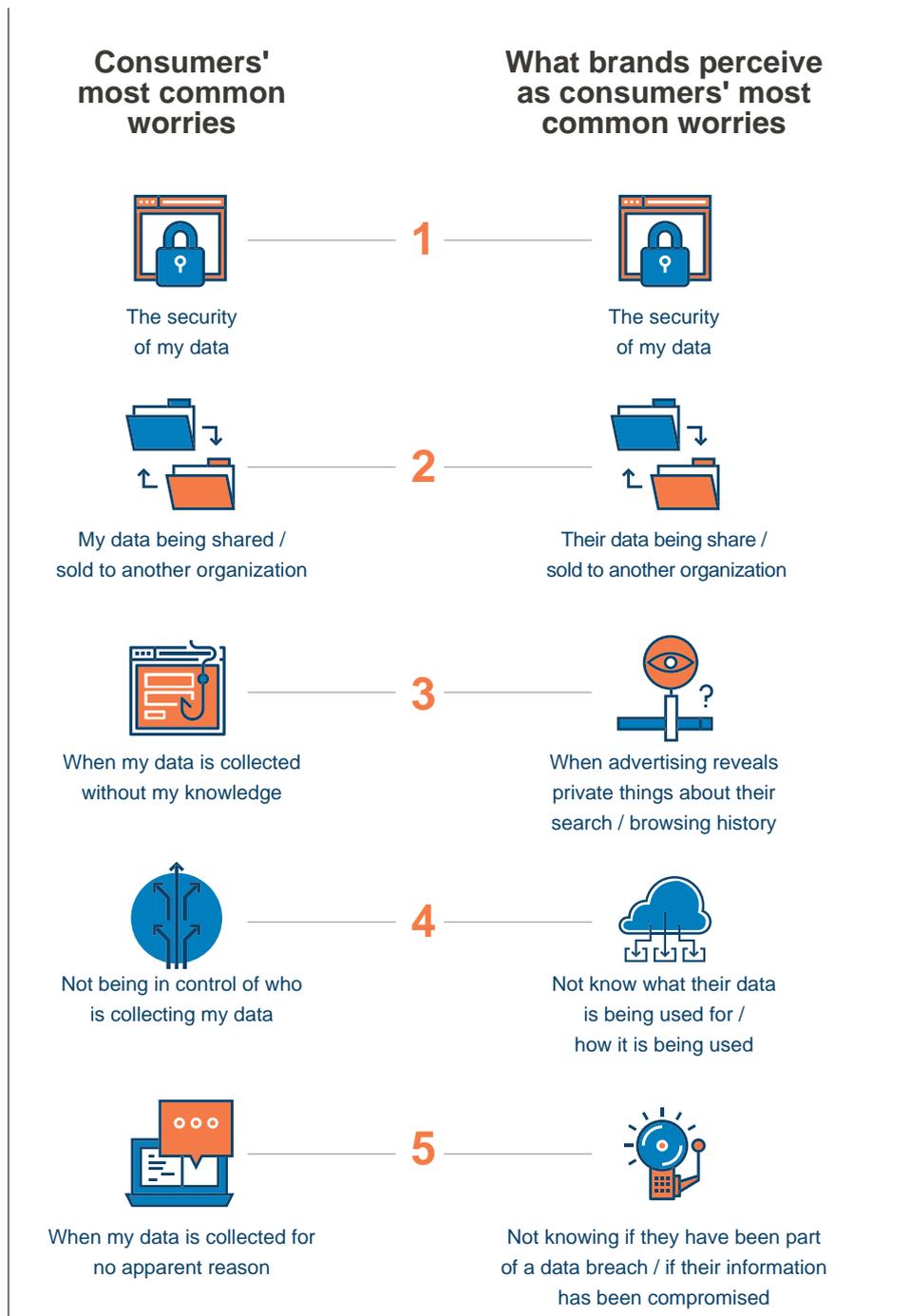
Just over half of people still have concerns about data security in particular. It’s critical for brands to protect peoples’ data, as breaches can destroy trust.

“I think the positives are remembering your password, giving you discounts, telling you about promotions. It also gives you personalized ads based on your personal browsing history. The drawbacks could be getting your data hacked, but nothing bad has happened to me so far, so I’m not too concerned. At the moment I’m comfortable with data sharing, and I don’t mind that they are making money from it...the data that I’m consenting to, anyway. It’s a completely fine thing at the moment.”

– Male, 23, Comfortable, UK

It’s encouraging that the brands we surveyed also appear to recognize consumers’ concerns. When we asked brands to list the worries they perceive their customers to have, their responses were pretty much on the mark. This puts brands in a strong position to address these concerns.

Exhibit 14:
What brands perceive
as consumers' most
common worries
versus consumer
responses ²²



How can brands respond to this?

- Be up front and transparent with how you intend to use data
- Be clear on how you will keep customers' data secure
- Give easy-to-understand consent options, so they feel in control of data sharing

²² Question: Which of the below do you think consumers most commonly identify as concerning?| Base: All advertiser respondents across UK and US (100)



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GREATER COMFORT AND KNOWLEDGE MAKES PEOPLE MORE OPEN TO DATA SHARING

So why does all this matter to brands? Because when people are comfortable with sharing data and are aware of the potential benefits, they are more likely to share data when asked. It's that simple.

The more brands can make people feel comfortable, the more first-party data they'll unlock for marketing, so this is a fundamental need for brands to address.

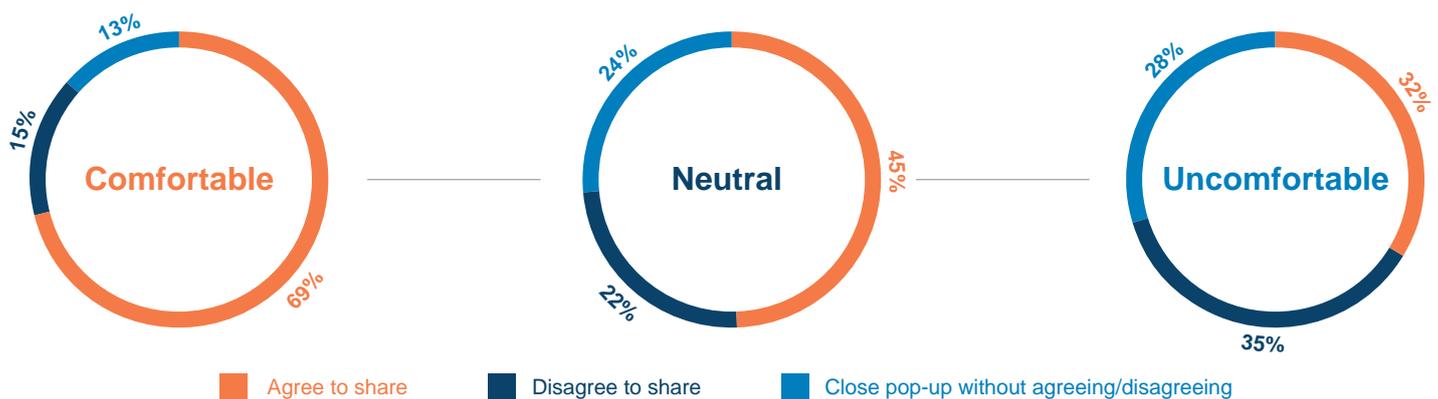
A.

PEOPLE WHO ARE COMFORTABLE ARE MORE LIKELY TO AGREE TO SHARE DATA

There's a significant difference between how the most and least comfortable people behave when asked to share data. And the reason appears to be that the most comfortable people have more trust in brands and the wider system.

Exhibit 15: Actions taken when asked to share data, by comfort with data sharing ²³

Sample covers:



“I’m quite wary about sharing my data, if I do have to share my data, I would prefer it to be my personal choice rather than compulsory taking my data.”

– 45-64, Uncomfortable, UK

People who are more comfortable are also more likely to read the details when asked to share data – nearly half of people who are comfortable (44%), claim to read all of the detail as compared to only 13% of those who are uncomfortable. You might expect that the least comfortable people would be more likely to read these details to inform themselves but instead it suggests that they are less engaged or perhaps even overwhelmed with the process. It’s a vicious cycle that can contribute to their lack of knowledge.

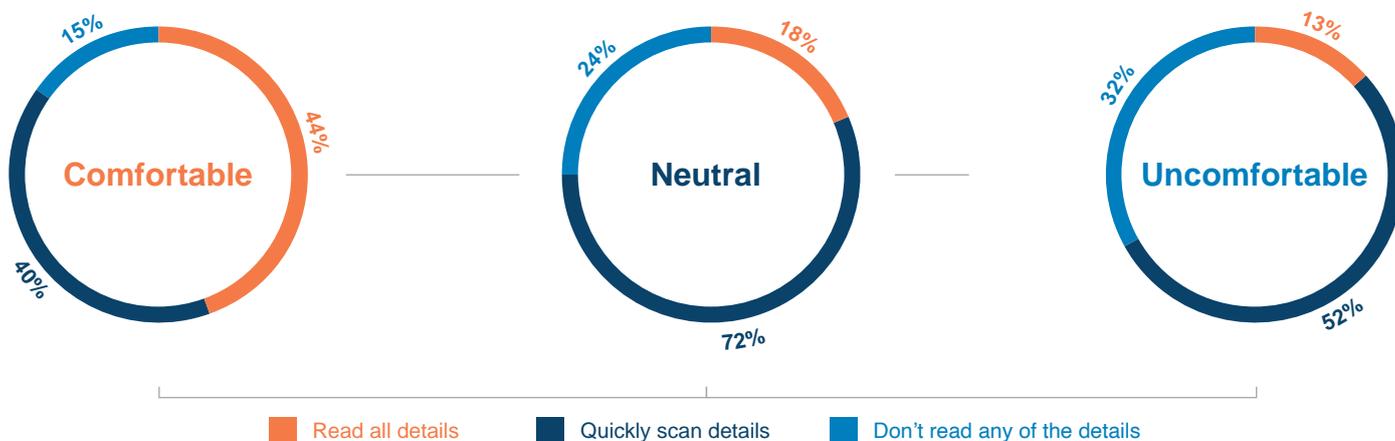
“It often doesn’t feel like I have a proper choice, I want to be informed – of what data they want, where it will be used, then I can make an informed decision whether to agree or not.”

– 25-34, neutral, UK

²³ Question 1: When you’re asked to share your data online which of the below best describes how you usually respond? | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

Exhibit 16: Level of reading when asked to share data, by comfort with data sharing ²⁴

Sample covers:



The majority of people overall (78%) agree to the 'recommended settings' when asked to share data²⁵. We asked why and we found that those who are comfortable are more likely to frame this positively, while less comfortable people are more likely to frame this negatively. For example, those who are most comfortable are more likely to have trust in brands and the wider system, and be confident in their own knowledge, agreeing with 'I know companies have to respect data privacy laws so I know they can't be doing anything too bad with my data' and 'The small print...tends to be the same on all websites, so once you've read it once you don't need to read it again'.

Less comfortable people, by comparison, are more likely to agree that 'It's frustrating having to read the small print' and 'I'm usually in a rush and it's quicker to just click 'Accept' without reading the small print' – a more negative take and consistent with feeling out of control, as discussed earlier.

"I feel like I should be more conscious, but when I'm in a hurry looking for something, I just accept it, I don't think twice about accepting cookies."

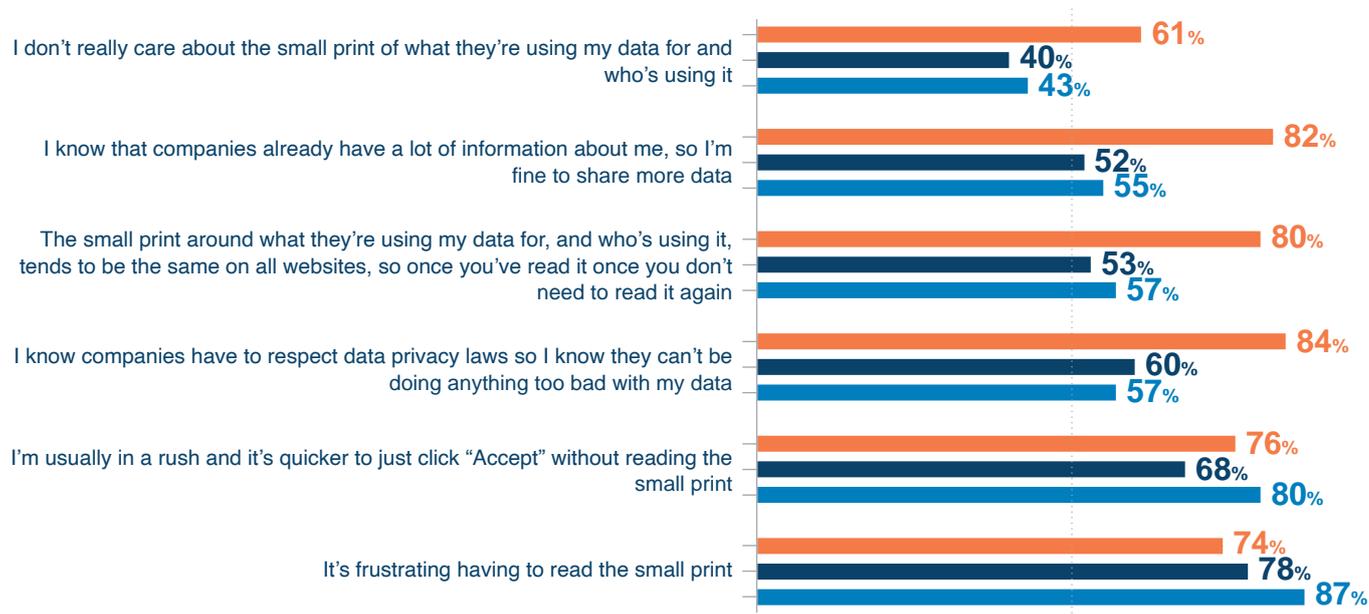
– 16-24, Neutral, US

²⁴ Question 1: Organizations can ask you to agree to their Terms & Conditions, cookie policy or privacy policy. How much of that detail do you usually read before deciding whether to share your data? | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (1059) and UK (297), Neutral = US (649) and UK (309), Uncomfortable = US (1407) and UK (573)

²⁵ Question 1: Which of the following best describes how you usually agree to share your data? | Notes: To all that tend to agree to share their data when prompted | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (758) and UK (184), Neutral = US (286) and UK (148), Uncomfortable = US (457) and UK (183)

Exhibit 17: Reasons for agreeing to recommended settings, by comfort with sharing ²⁶

Sample covers:



"I want transparency, I'd like the information to be available in an accessible format, I don't have the time to go through all the T's and C's."

– 25-34, Neutral, UK

There's a gap here – and an opportunity for brands who can grab it. Our analysis shows that people have different preferences for how their data is used, and yet very few are taking action to tailor their data-sharing settings.

This suggests that privacy notices are hard to engage with – too long or too confusing – and that this is affecting people's perceptions of data sharing in general. If you know enough, you're happy to skip through them. If you don't, they're frustrating. It is true that to explain everything requires a lot of information, potentially leading to complexity, but brands should be continuously thinking about how they can improve privacy notices and experiences to address these issues.

How can brands respond to this?

- Design better privacy notices and experiences that are easier for people to understand and interact with, so they can accept (or decline) data sharing, and select their preferences.

²⁶ Question 1: You told us that you usually agree with the recommended settings when sharing your data. To what extent do you agree or disagree with the following statements about why you do this? | Notes: To all that tend to agree to the recommended settings when prompted | Question 2: On the scale below, how comfortable or uncomfortable do you feel about the fact that your data can be collected and used for online marketing and advertising? | Notes: Comfortable = Very or slightly comfortable, Neutral = Neither comfortable nor uncomfortable, Uncomfortable = Very or slightly uncomfortable | Base: Comfortable = US (641) and UK (146), Neutral = US (209) and UK (122), Uncomfortable = US (310) and UK (134)

B.

DATA SHARING IS NOT ONE SIZE FITS ALL

Data sharing is a very personal thing. Our analysis reveals that people display a range of different attitudes and behaviors when it comes to their data. We believe brands need to adopt some different approaches to ensure all customers have a positive experience and to encourage data sharing.

Brands' current approaches seem to work well for people who are comfortable with sharing, and beyond potentially addressing some of the specific worries and concerns they raise, there does not appear to be a need for a major change.

Instead, we believe brands and the broader industry should focus on addressing the concerns of consumers who are less comfortable and less knowledgeable about data sharing. This would mean ensuring that they feel sufficiently well informed about data sharing and that they perceive there's a fair value exchange between the data they share and the benefits they receive. In other words, what's in it for them?

To do this, brands should raise knowledge and understanding of data collection and usage, highlight the benefits, and address key worries and concerns, through a combination of improving communications (e.g. in privacy notices), supporting broader education, and adapting data-privacy policies.

So, knowledge leads to trust, and trust earns data. But it's important to recognize that some consumers may still feel uncomfortable with data sharing even when better informed. To take good care of these people, brands must also make it easier for users to select privacy settings that fit their preferences, or opt-out, to avoid the current situation where people do not engage and feel frustrated. Even if people will not be persuaded to share more data, at least they can be given a better customer experience.



5.0

DATA PRIVACY IS AN IMPORTANT CONSIDERATION ACROSS SECTORS

"I don't mind it for consumer goods brands. Ultimately, they are the things I'm buying more and open to seeing advertising around. I wouldn't be looking for online ads around buying a car or insurance - they are much more considered items."

– 25-34, Neutral, US

Different industry sectors gather different types of consumer data, so it follows that people's level of comfort will vary by sector.

We found that when we asked about data sharing in a specific sector rather than in general, people felt more comfortable about their data being used for online advertising and marketing. This may be because naming the sector enables them to envision the value exchange and to think about brands they trust or use cases they are familiar with. There is still a significant minority who are uncomfortable with how their data is collected and used across sectors. All in all, there's still work to be done across sectors.

People are most comfortable sharing data with healthcare,²⁷ insurance and automotive companies. As we explore with an example on insurance below, we believe the difference between sectors is the degree to which the value exchange – how sharing benefits the customer – is clear and well established.

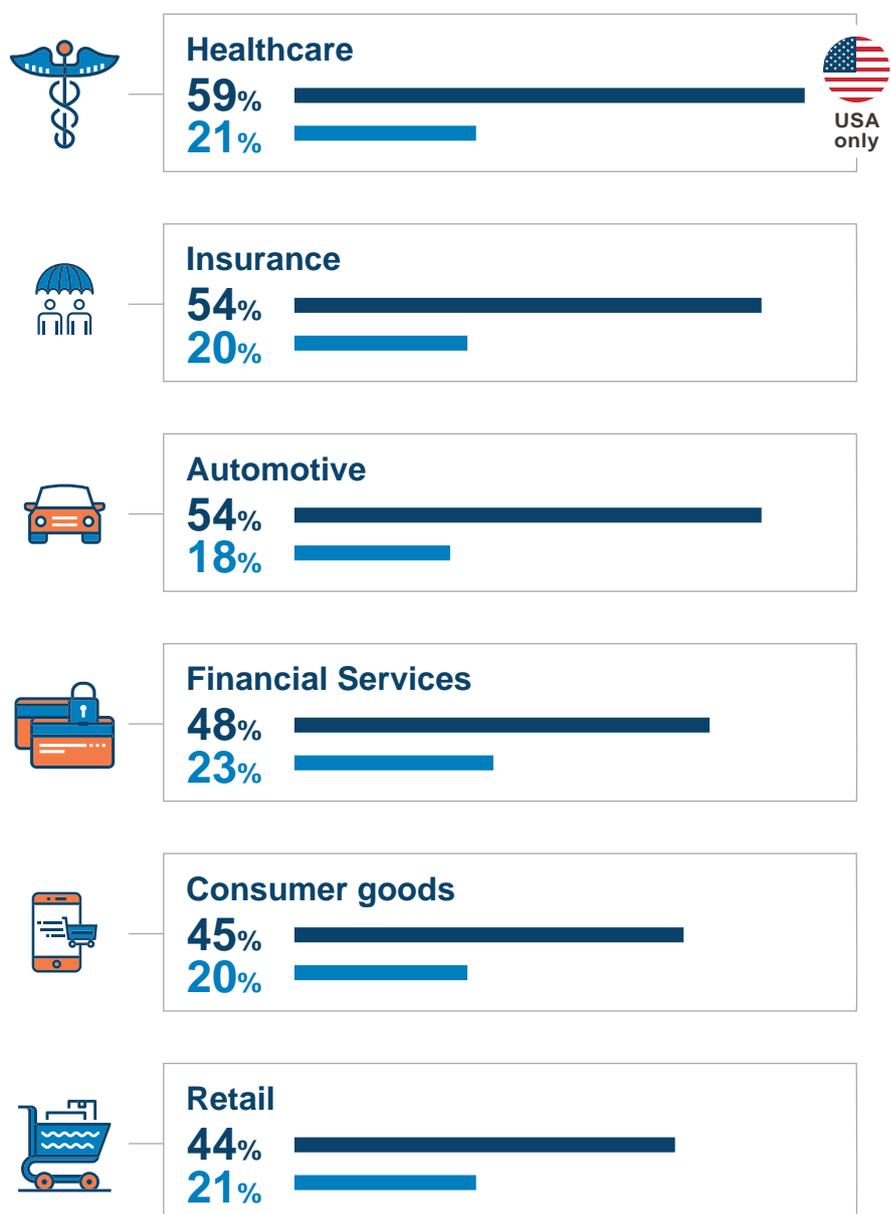
For example, in healthcare, people see data sharing as a necessary part of the service they're getting. In retail, those who are more comfortable are aware that there can be financial benefits when sharing data to get points or discounts, but it's likely that the least comfortable don't value the savings sufficiently to overcome their discomfort. Insurance, like healthcare, is a sector that requires considerable amounts of personal data in order to provide a service. It's also a sector that is highly regulated, which may help people get over their data-sharing worries.

²⁷ Question: which of the following types of organization, if any, have you spent time looking at online in the past six months while you have been thinking about what to buy? By 'spent time looking at' we mean going on websites and online apps to browse or research whilst planning a purchase | Note – those who answered "a healthcare provider (e.g. medical professionals, hospitals/clinics, health insurance providers etc)" | Base: All respondents in the US (only) (597)

Exhibit 18:
How comfortable people are with their data being collected and used for online marketing and advertising by specific sectors ²⁸

“I’m more comfortable with companies I use regularly - my big stores, Next, Marks and Spencer’s, Superdrug, Boots, Body Shop, Morrisons, Sainsburys, Tesco... I have apps for them all really and reap the benefits... Clubcard points for Tesco it saves me a fortune - so I’m pretty happy to share data on that basis.”

– 45-64, Comfortable, UK



²⁸ Question: Thinking about when you’re interacting online with each type of organization: How comfortable are you with this type of organization collecting and using information about you for online advertising and marketing? | Notes: Comfortable = Very or quite comfortable; Uncomfortable = Very or quite uncomfortable | Base: All respondents across UK and US, by sector: Healthcare (US only – 597), Insurance (648), Automotive (594), Financial Services (694), Consumer goods (607), Retailers (708)

Case Study: Insurance sector

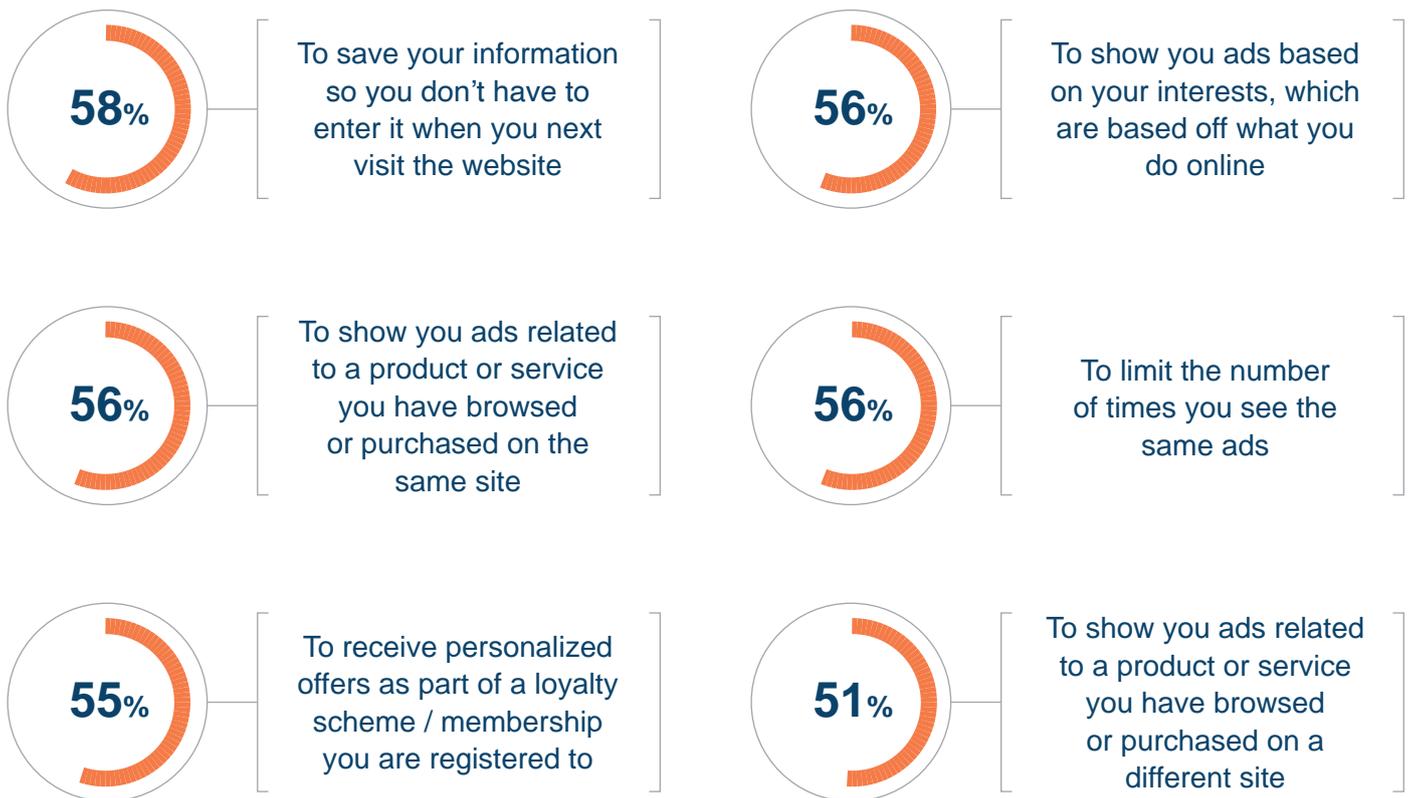
More than half the people we surveyed (54%) said they were comfortable sharing data with insurance companies.²⁹ The use cases they found most acceptable were showing ads based on interest or related to products they have browsed for and saving time in form-filling. As with our more general analysis, these are “practical” use cases, with a clear benefit for consumers. This feels particularly relevant in insurance where there is a long-established link between sharing data and accessing insurance coverage and qualifying for lower rates.

“I don’t mind sharing my data with those who are relevant like the NHS. You expect them to for medical reasons. I feel more comfortable when it feels necessary. If not it triggers a bit more concern.”

– 35-44, Uncomfortable, UK

Exhibit 19: Most acceptable use cases of data in online advertising, within Insurance sector³⁰

Sample covers:



²⁹ More detail on other sectors is available; Please contact Acxiom for the bigger picture around the sector differences

³⁰ Question 1: Below is a list of different ways in which information about you can be used by Insurance companies for online advertising and marketing. How acceptable to you are each of the following different ways in which your information might be used by Insurance companies?| Notes: Acceptable = Very or quite acceptable; Top 6 answers shown Base: All respondents who have interacted or considered insurance company services in the last 6 months, from the UK and US (648)



FIVE STEPS BRANDS CAN TAKE NOW

We've seen how brands are already acting to address consumer concerns and provide a good experience when it comes to data sharing, but there's still more they can do.

At the same time, they're facing challenges meeting technological demands, regulatory expectations, and addressing concerns around how privacy changes will affect their business.

To overcome these challenges and address people's needs, brands should consider a new approach for how they engage with people, how they operate internally, and how they engage with external partners and the wider industry.

"Advertisers and partners need to come together and decide about how to communicate privacy standards to the masses."

– Ad Tech Industry Expert, US

By being proactive and making a conscious effort to put privacy first, we believe brands and the wider industry can help make people feel more comfortable about data sharing, provide better experiences that build stronger relationships, and increase trust in marketing and advertising.

**Here are five steps
brands can start
taking now:**

- 1. Build internal understanding of data privacy issues:**
Continue to develop your understanding of what consumers want when it comes to data privacy, and in particular the experiences they want and expect in your industry and from your brand. Naturally, this must be in parallel with keeping up with the latest regulatory requirements and industry thinking on privacy issues.
- 2. Adopt a customer-first and privacy-first mindset:**
Lead change in your organization toward taking a privacy-first approach to all marketing practices and policies on how data is collected and used. This will involve adopting new capabilities and solutions, such as data clean rooms, and making the most of the data you do collect, for example, by personalizing experiences.
- 3. Improve the consumer experience through your own practices:**
Help people understand how their data is collected and used, and address their concerns early. Highlight the benefits and make privacy policies easier to engage with, so they feel more in control and can assess the value exchange. Wherever possible, personalize the experiences to reinforce the benefits.
- 4. Extend the approach to suppliers – and prioritize suppliers that live the same values:**
A privacy-first mindset should extend beyond the boundaries of your organization to the advertising ecosystem and the suppliers and partners that you work with. Make assessing suppliers' data-privacy policies a key part of your selection process and challenge existing suppliers to do better.
- 5. Engage with the wider industry to drive change:**
Work with the industry to develop standards such as common privacy policies within sectors, embrace self-regulation, and support consumer education, including on the data regulations that are in place to protect them.

METHODOLOGY

In this study we conducted two separate consumer and business research programs, structured as follows:

Consumer Research

Survey

N = 1,000 UK and 3,000 US consumers

All respondents aged 16-65, and representative of age, gender, region, smart device penetration, SEG (UK only) and household income (US only)

Survey sample included an additional boost of 401 consumers (N=200 UK and =201 US) to ensure representation of different ethnicities, LGBTQIA+ audiences and disabled people.v

Used a number of quality control methods to ensure sample quality:

Removing 'flatliners' (those who choose the same answer across all statements at a grid question) and 'speeders' (those who complete the survey in a very short time)

Removing respondents who answer incorrectly at a dedicated quality control question (E.g. "please choose 'Strongly agree' in the list below")

Interviews

N = 20 consumers across UK, US

All personally own and use a desktop / laptop/ tablet

All have made a purchase in AND have spent time researching online (past 6 months) on at least one of the focus sectors: Financial services, Insurance, Healthcare (US only), Automotive, Retail, CPG

All respondents aged 16-64, and broadly representative across age, gender, region, SEG (UK only) and household income (US only)

50% urban, 50% suburban/ rural

50% sceptical and 50% open-minded consumers about online data sharing

Minimum 20% of high knowledge and 20% low knowledge consumers, around how information about them is collected and used to tailor online marketing and advertising

Minimum 20% representation of different ethnicities, LGBTQIA+ audiences and disabled people

Survey

N = 100 advertisers and 100 agencies across US, UK

Target audience:

>80% Director level and above

>60% from large organizations (>250 employees);
Minimum company size = 51 employees

People involved with core digital advertising channels
(e.g. mobile, app, display, social, digital video, email)

Advertisers: Involved in/responsible for marketing strategy, brand management, media planning, media buying, marketing research and insights, marketing data and analytics, marketing and advertising technology, and/or data privacy compliance

Agencies: Involved/responsible in client account management, marketing / media strategy, research and insights, media planning, media buying and/or data / technology related to advertising in media agency

Focus sectors: ~50% from Financial services, Insurance, Healthcare, Automotive, Retail, CPG; ~50% rest

Interviews

N = 10 experts and 11 brand leads across UK, US

Experts:

Industry body representatives, AdTech/ MarTech providers, agencies, academics

Ideally with industry presence e.g. publishers articles on relevant topics, speakers at industry events; influential (relevant) social media presence

Brand leads:

Executives and directors in large advertisers

Involved in/responsible for marketing strategy, brand management, media planning, media buying, marketing research and insights, marketing data and analytics, marketing and advertising technology, and/or data privacy compliance

Focus sectors: Financial services, Insurance, Healthcare (US only), Automotive, Retail, CPG

The fieldwork took place between October and December 2021.

¹ Sources used: UK: BARB Establishment Survey Q4 2019 And ONS June 2020, Datareportal Digital 2021 report UK
US: UNECE - UN Economic Commission for Europe, 2019 & Statista 2021, Datareportal Digital 2021 report USA

² UK: Age: 5 x 16-34, 5 x 35-64| Gender: 5 x female, 5 x male (inclusive of non-binary)| Location: 5 x North; 5 x South| SEG: 5 x ABC1, 5 x C2DE US: Age: 5 x 16-34, 5 x 35-64| Gender: 5 x female, 5 x male (inclusive of non-binary)| Location: 5 x NY / NJ; 5 x TX | Household income: 3 x <\$35k; 4 x \$35k - \$99k; and 3 x \$100k+

ABOUT ACXIOM

Acxiom provides data-driven solutions that enable the world's best marketers to better understand their customers to create better experiences and business growth. A leader in customer data management, identity, and the ethical use of data for more than 50 years, Acxiom now helps thousands of clients and partners around the globe work together to create millions of better customer experiences, every day.

Acxiom also offers a full suite of strategy consulting, predictive and marketing analytics, and marketing measurement offerings to support all facets of the data-driven prospect and customer journey. We help brands evolve their data strategy, understand marketing impact, and better know their prospects and customers and predict behaviors.

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