

@-commerce

• CHOICE AND TRUST •

PERHAPS THE KEENEST observer of public attitudes toward privacy in the 20th century is Alan Westin. Among his credentials: professor emeritus of public law and government at Columbia University; publisher of the journal *Privacy & American Business*; author of numerous books on privacy; member of many federal and state privacy commissions; and designer of more than 40 privacy surveys.

In all, Mr. Westin has spent more than four decades studying the public's attitude toward privacy. His conclusion about data collection online? Tell people you're doing it, and they won't mind.

In his research into privacy, Mr. Westin divides society into three camps whose membership he analyzes and measures. On the extremes are the Privacy Fundamentalists (25%) on one side and the Privacy Unconcerned (20%) at the other. He calls the 55% in the middle Privacy Pragmatists. They volunteer their personal data, but only after answering four basic questions: What's the benefit to me? What are the risks? What are the safeguards? Do I trust you?

When isolating Internet users, the 25% number for Privacy Fundamentalists rises to between 30% and 35%. In addition, "Net users are more activist in their refusals."

And as a result of media attention on stories like the DoubleClick situation, there is movement from the Pragmatist camp to the Fundamentalists.

Last November, however, Mr. Westin and *Privacy & American Business* completed a survey on Internet users' attitudes toward privacy for DoubleClick. A key conclusion the survey reached: Give people a choice, and they're not so fundamentalist. "More than two-thirds of Internet users (68%) say they would provide personal information in order to receive tailored banner ads, if notice and opt out are provided," the study concluded.

Mr. Westin stresses that "notice and

choice" were critical to user agreement. In light of the survey's revelation, why did DoubleClick forge ahead independent of those conditions? Mr. Westin suggests, "They didn't understand the implications of the results."

Indeed, another poll designed by Mr. Westin confirms that consumers are more than willing to give up some personal data—as long as they have the choice to do so.

The poll, conducted by Harris Interactive and *BusinessWeek*, found an interesting schism. "Consumers think there's more data collection going on than there actually is," says Harris Interactive Senior Vice President David Krane, "but a low percentage of people feel victimized."

In another Westin-designed Harris poll, "a minority of consumers in three countries [the U.S., Germany and the U.K.] say they are interested in receiving marketing material," says Mr. Krane. "Yet, in far greater numbers, consumers view personalized marketing [for which cookies are essential] as 'a good thing.'"

As for the future, Mr. Westin says, "I don't believe pseudonymous transactions are where things are going. Trusted brands will begin to dominate the transactional landscape." But that will only result from companies engaging in "a set of activities that earn that trust."

One action he singles out as crucial is the corporate-wide hiring of high-level privacy officers. (The DoubleClick editorial also publicized their recent hiring of a privacy officer.) And though Mr. Westin doesn't see eye to eye with most of those whom he labels Fundamentalists, he feels strongly that "you need impassioned people to alert society to dangerous trends. If the privacy activist did not exist, I would want to invent him."

He defines the pro-privacy forces as bipartisan and multi-ideological, and foresees "a roar of legislation" coming up.

—John Buskin