

PRICON Conference

Extended Model of Online PRivacy CONcern - PRICON

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in 2013@EIZ

Our research curiosity when talking about privacy today, in the digital age:

- Is there any privacy when online, in our everyday life as customers, employers, students?
- What do we sense as privacy intrusion? Is the notion of privacy offline different from privacy online?
- How much is a person nowadays aware or concerned about privacy intrusion?
- Do we change our behaviour accordingly? What actions do we take when confronted with online privacy issues?
- Is privacy of a typical Internet user protected by regulations?
- Do we trust business privacy protection policy or national regulators?
- Do people in different societal groups share similar attitudes about online privacy and would they take similar actions? If not, what factors explain the variations?

These questions stand in the core of the PRICON research project.

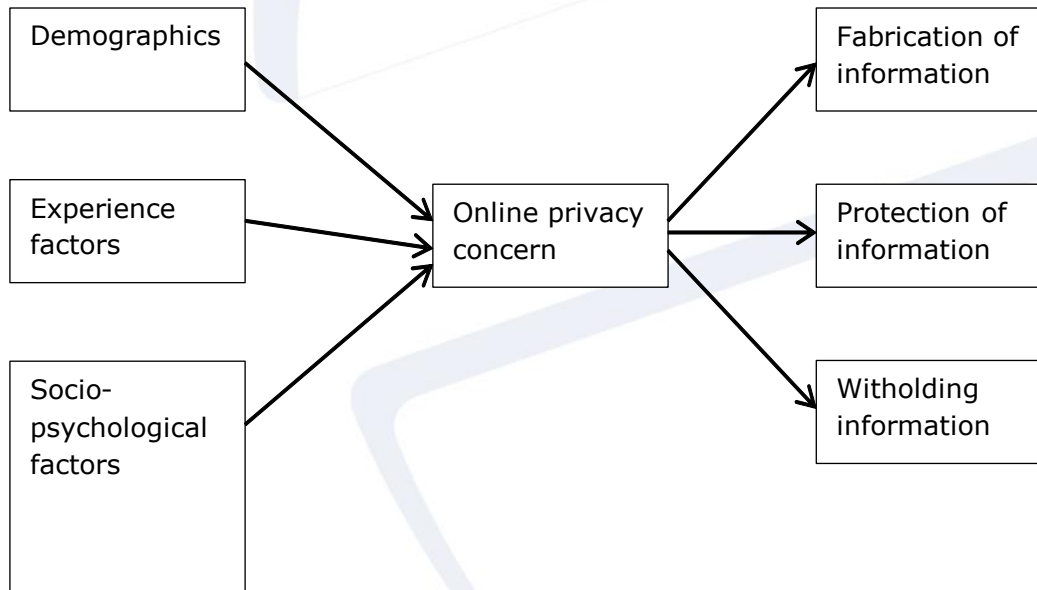
Aim of the project

- Extended model of online PRIVacy CONCern (PRICON) is a research project aimed at developing a comprehensive integrated model of privacy concern in the online environment and empirically testing it in order to provide deeper understanding of various interactions between antecedents, concerns and consequences of online privacy.
- **Online privacy** involves the rights and interests of an individual that apply to the processing of the information obtained from or about that individual (Gellman & Dickson, 2011)

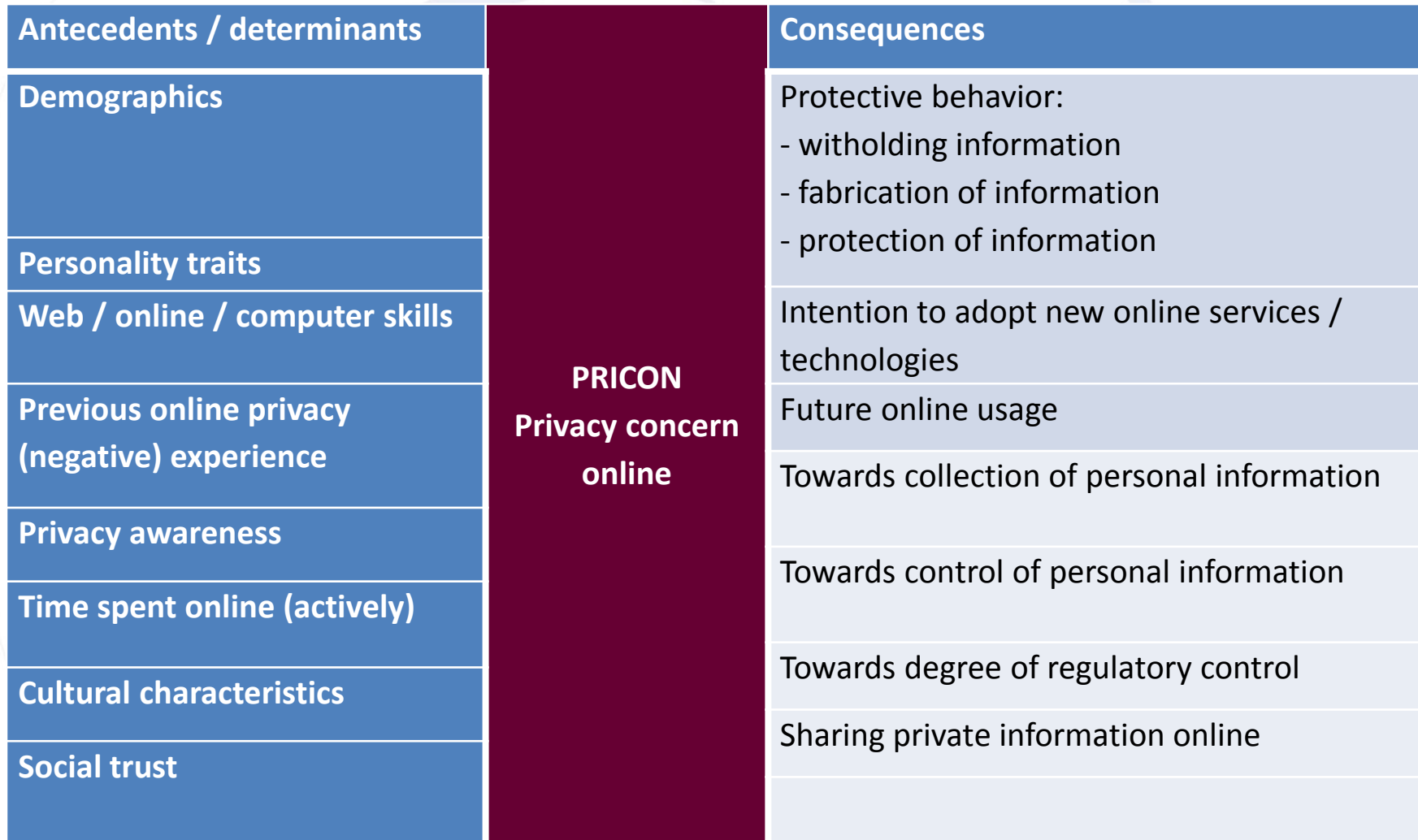
Baseline model

There was an abundant literature - both theoretical and empirical studies tackling privacy from diverse point of views.

However, the big exhaustive model for studying privacy as an indeed complex phenomenon was missing.



PRICON model



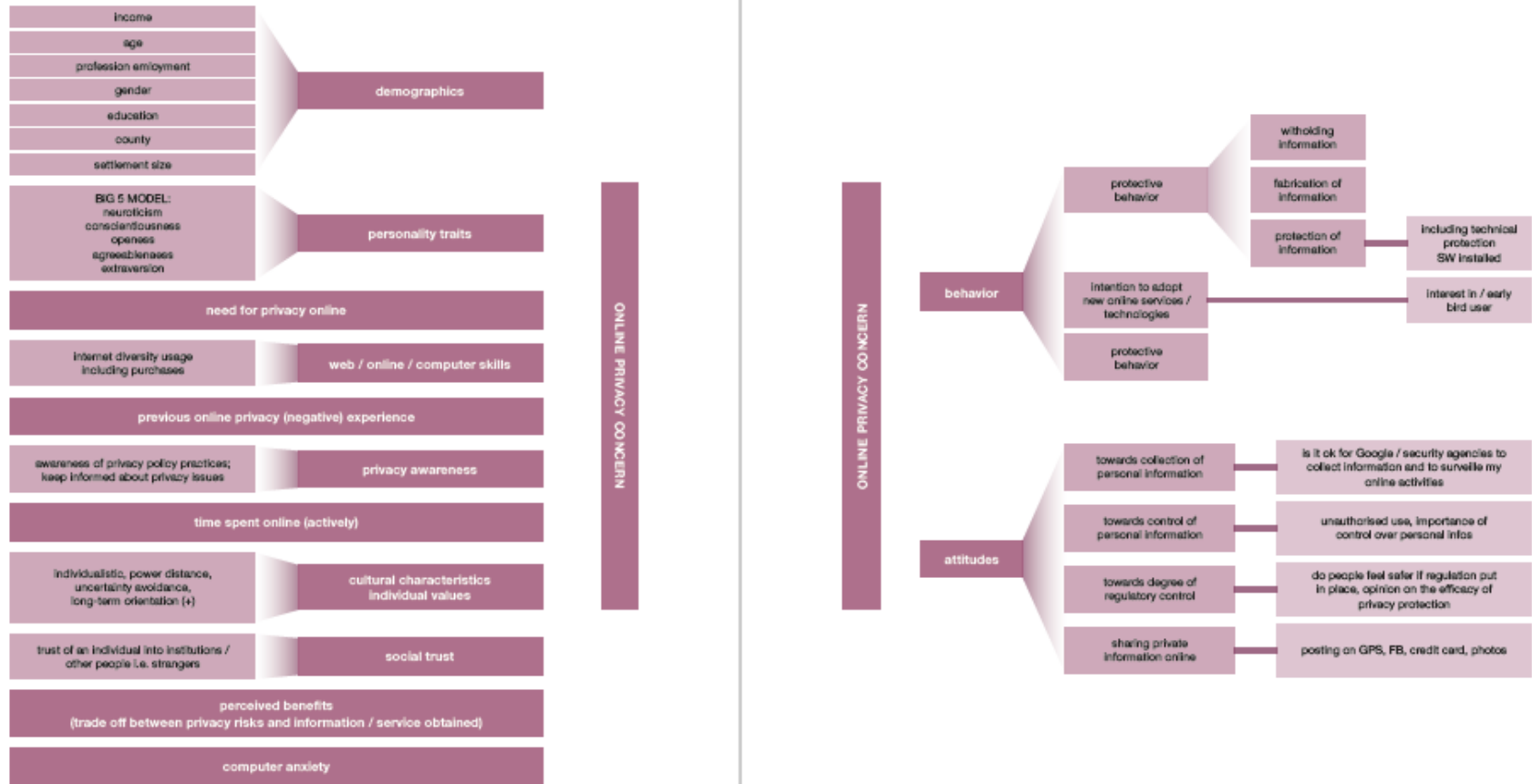
PRICON model

antecedents →

OPC →

consequences

Figure 2. PRICON model

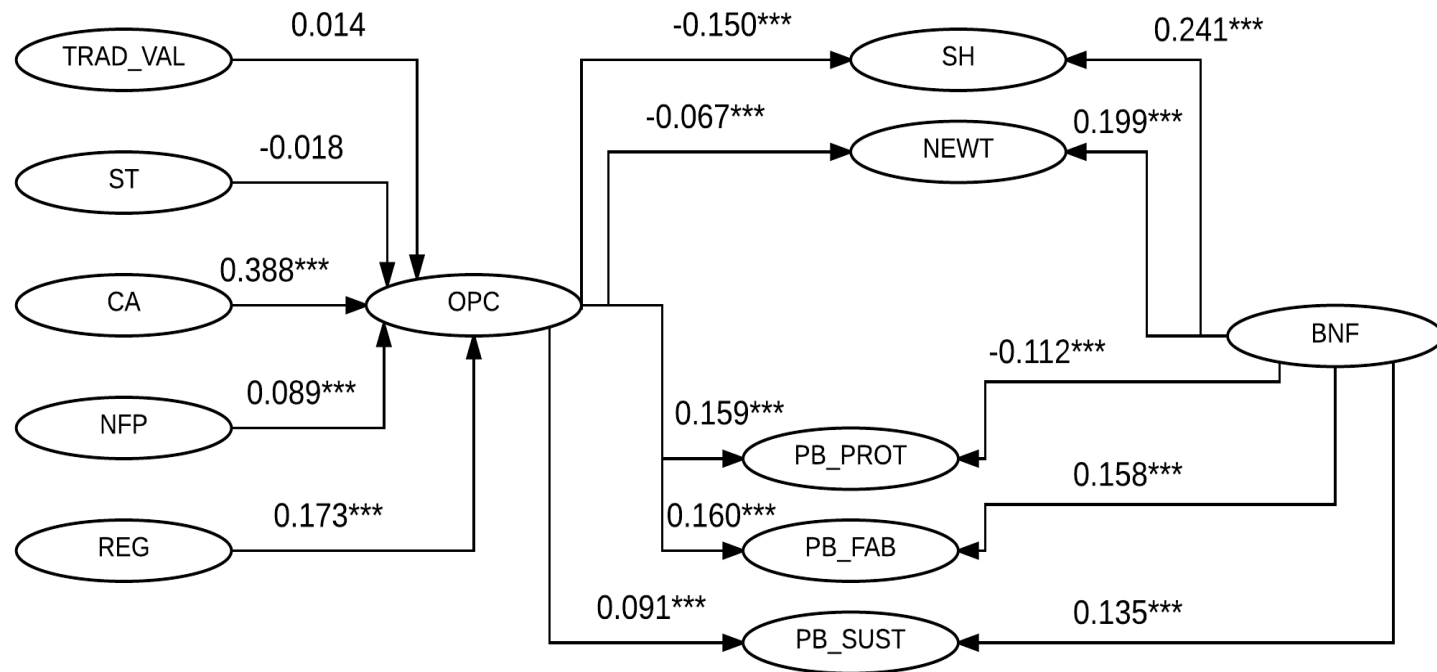


Survey

- Semi-structured interviews
- Variables and items taken and adapted from the literature
- Total of 19 variables
- Questionnaire in Croatian: 100 questions / statements
- Pilot testing, editing
- Survey conducted early 2016 at the EIZ
- CATI method, about 20 minutes interviews
- Net sample 2060 Internet users in Croatia

Empirical analysis

- First, selected parts of the model were tested separately, e.g. antecedents
- Different methods have been employed to test partial models: OLS, probit, K-means cluster analysis
- Finally the whole model has been tested with SEM-PLS: estimation results



Findings

Internet users in Croatia are privacy concerned: mean OPC=3.56 (Likert scale 1-5)

Gender or age is not significant for the level of online privacy concern; however Older Internet users are more negative about sharing private information and tend to employ protective behaviour actions to preserve their privacy online.

Among variables included in the model as **antecedents**,

- **Computer anxiety** seems to have the largest positive impact on level of online privacy concern,
- followed by **perceived low quality of the regulatory framework**,
- respondents's **belief in privacy rights** i.e. **need for privacy** increases individual's privacy concern
- traditional personal values and social trust do not have a significant impact on online privacy concern.

Findings

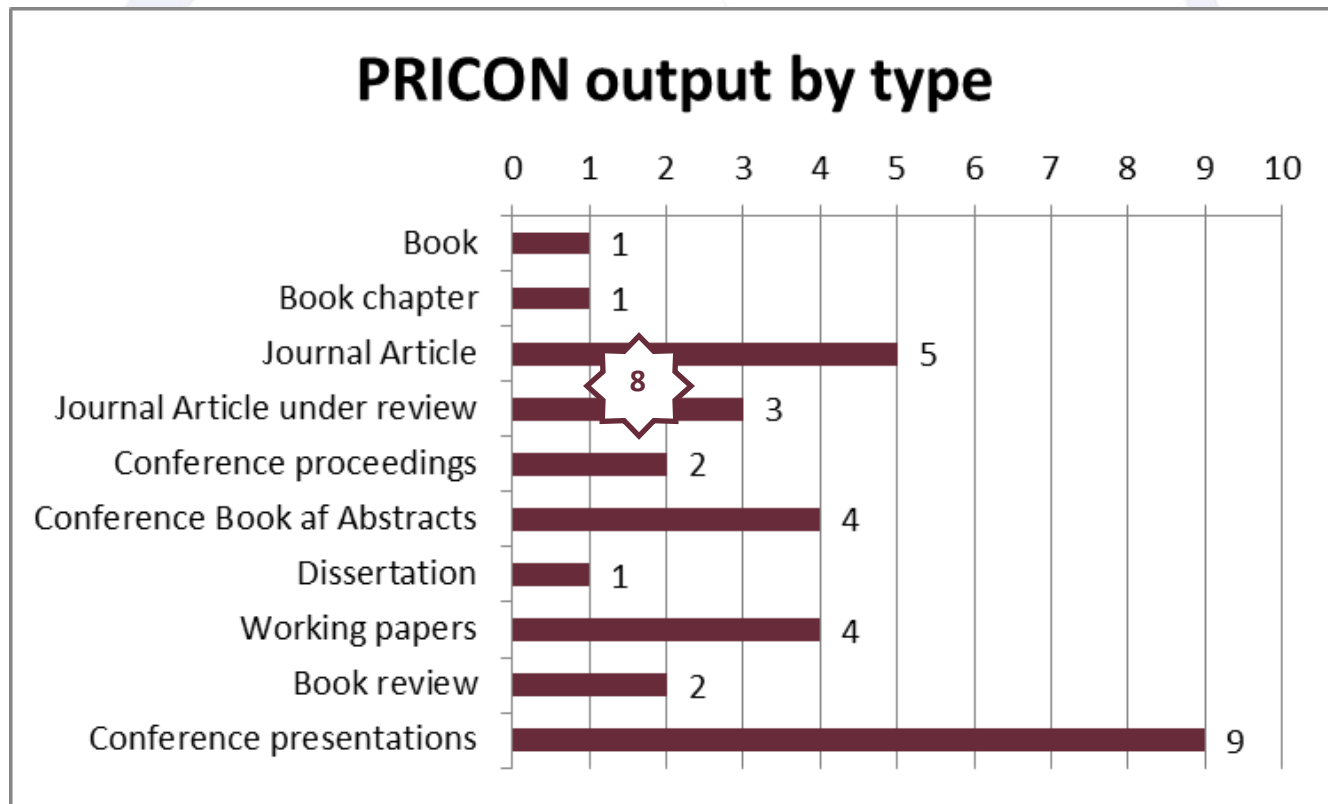
On the **consequences** side of the model

- online privacy concern has the largest impact on active **protection, fabrication and sharing personal information** on the Internet.
- there is a strong and significant positive relation between online privacy concern and **protective behavior**.
- Internet users who are more concerned about their online privacy would change their **intentions to share personal information** and intentions to **adopt new technologies**.
- The research shows that, on average, **perceived benefits of using the Internet outweighs potential associated costs with privacy concern of people**.

Conclusion

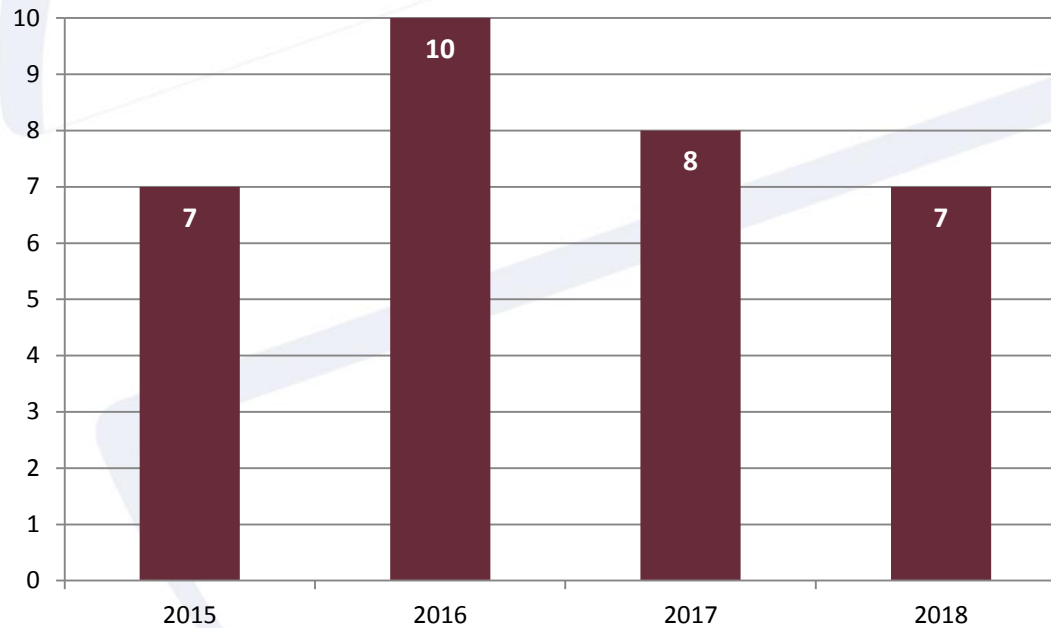
- The level of online privacy concern shapes our behavior on the Internet
- This research unveils the trade-off between privacy concern and perceived benefits of using the Internet
- The online privacy concern might influence adoption of new technologies and other innovations, future usage of online services, and other far reaching decisions
- Therefore findings may be useful for practitioners as well, notably in helping companies to develop business strategies and regulators to better frame privacy policy. GDPR opportunity?

PRICON project output



PRICON project output

PRICON output 2015-2018



PRICON book



PRICON project study published as an e-book in open access available for download via the website of the Institute of Economics, Zagreb.

The Extended Model of Online Privacy Concern

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Thank you for your attention!

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PRICON team 2015 and 2018



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