



Privacy by design: the benefits of putting people in control

GERMANY EDITION



CONTENTS

INTRODUCTION

.....03

CHAPTER ONE

The benefits of getting privacy right08

CHAPTER TWO

The consequences of getting privacy wrong18

CHAPTER THREE

Discounts are not a shortcut to privacy success23

CHAPTER FOUR

Increasing marketing effectiveness26

CHAPTER FIVE

Culture shapes perspectives on control40

CONCLUSION

.....49

INTRODUCTION



This is a critical moment for the internet as we know it. People are managing more of their lives online than ever before. They want more online privacy. They want to feel in control of the data they share. And they expect the services they use to earn, and be worthy of, their trust, by taking care of that data.

Building that trust is essential for brands that use online advertising to find new customers and drive growth. So as the internet becomes increasingly “privacy-first”, advertising must go beyond the basics and what’s legally required to exceed people’s expectations around data privacy.

The findings of this report come from the Germany element of a study we carried out across five EMEA markets. They show that there are clear commercial benefits to getting privacy right. At the same time, the risks when marketers get privacy wrong — both commercially and in terms of non-compliance — are substantial.

1. Providing a positive privacy experience increased share of brand preference by 43%.¹
2. The negative impact of a poor privacy experience was almost as severe as that of a data breach.²
3. For brands with good privacy practices already in place, the addition of a monetary incentive for sharing data may not always have a positive effect.³
4. There are clear actions advertisers can take to increase customers’ feelings of control, and combining these actions can have a cumulative positive impact.⁴

¹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Which brand would be your first choice the next time you are looking to buy [CATEGORY]? Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

² Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022.

³ Ibid.

⁴ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

This report builds on the key findings from our 2021 study, [Privacy by design: exceeding customer expectations](#), which surveyed over 7,000 people in Europe. That study showed how marketing is more effective when people feel that their privacy is respected — those who felt in control of their data were two times more likely to find advertising from that company relevant; and three times more likely to react positively to its advertising.⁵

Our 2022 research further demonstrates that when businesses provide people in Germany⁶ with an increased feeling of control over their data, it helps drive greater marketing effectiveness and significant increases in brand preference and trust.⁷ However, when people don't feel in control, they are more likely to be sceptical about the way a brand is handling their data — even a brand they like.⁸

It's clear: to increase trust and share of brand preference, marketers need to get privacy right. A key way to do that is to help people feel in control.

Feeling in control is more than just being in control

The goal of this report is to connect the need for a feeling of control among people in Germany with marketing effectiveness. We interviewed a range of experts not only from Germany, but from around the world — including professors, psychiatrists, and behavioural scientists.⁹ What became clear is that the feeling of control is about more than just being in control. Privacy tools, such as changing cookie preferences or unsubscribing from email marketing lists, can help keep people in control of their data. But those tools aren't enough to make them feel in control — which is ultimately what builds trust in a brand and its data practices.

What's more, our 2021 research also shows that people in Germany feel less in control of their data than they would like to when interacting with brands.¹⁰ In our new study, 64% of participants said they want control over the data they share with companies (broadly in keeping with the EMEA average).¹¹ However, the previous research showed that only 3% feel they have complete control over the disclosure and removal of their data online.¹²

⁵ Google/Ipsos, France, Germany, Netherlands, U.K., Privacy by design: exceeding customer expectations, n=7,200 online participants aged 18-70, Sept. 2021.

⁶ Defined, for the purposes of this report, as end consumers aged 18-70.

⁷ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022.

⁸ Google/Ipsos, France, Germany, Netherlands, U.K., Privacy by design: exceeding customer expectations, n=7,200 online participants aged 18-70, Sept. 2021.

⁹ Google/Ipsos, U.K., U.S., Australia, France, Germany, Turkey, Japan, Nordics, Brazil, India, How feeling in control is relevant in people's lives, 2022.

¹⁰ Google/Ipsos, France, Germany, Netherlands, U.K., Privacy by design: exceeding customer expectations, n=7,200 online participants aged 18-70, Sept. 2021.

¹¹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Think about your usual behaviour on the internet, and the data you share with the companies whose websites you visit. How much control do you want to have over this data you share?

¹² Google/Ipsos, Germany, Privacy by design: exceeding customer expectations — Part 1, n=1,500 online participants aged 18-70, Sept. 2021.

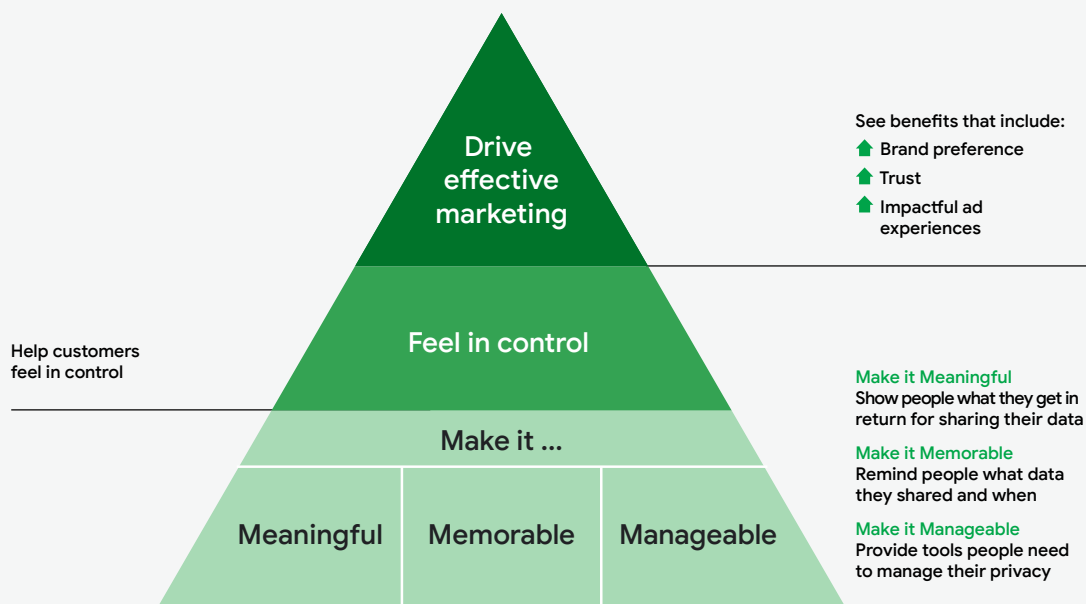
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes).

All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

Put people in control by creating privacy practices that work

The first Privacy by design report introduced a framework for creating positive privacy experiences called the Three Ms — making each privacy interaction Meaningful, Memorable, and Manageable. **This report goes a step further and offers tangible actions that marketers can take** to bring the Three Ms to life and help increase people's feeling of control over their data and privacy — which, in turn, improves marketing effectiveness.

Use the Three Ms to help customers feel in control and drive more effective marketing



We found that the more of these actions a brand takes, the greater the cumulative positive effect, thereby making each experience Meaningful, Memorable, and Manageable. The most successful combination we tested in Germany helped to not only maximise feelings of control, but also improve brand trust and preference.

In the subsequent chapters, we examine the brand benefits of providing people with a feeling of control over their data, before exploring the consequences of getting privacy wrong. We then turn to the concrete steps brands can take to build feelings of control and trust. The majority of these findings are from a series of carefully designed research tasks and experiments that tested people's responses to hypothetical privacy scenarios and modelled results to examine the impact they had (see the Technical appendix for more detail).

In the final chapters, we outline best practices that brands can adopt to increase people's feelings of control, before going on to highlight the cultural nuances across countries — and in Germany in particular — that can help brands tailor their privacy approaches even further.

The internet is changing. But the findings of this report give reason for optimism about its privacy-first future. People will benefit from feeling more in control of the information they choose to either share or not share online. And for marketers, it's a chance to be proactive about privacy — and forge stronger, longer-lasting relationships with their customers.



1 THE BENEFITS OF GETTING PRIVACY RIGHT



KEY INSIGHT

Providing a positive privacy experience can increase share of brand preference by 43%.¹³

So what does a “positive” privacy experience actually mean for both brands and people in Germany? And what are the tangible benefits of offering them?

One way to answer these questions is with the Broaden-and-Build theory. First put forward in 1998,¹⁴ it argues that while both positive and negative emotions must coexist, positive emotions can outweigh negative ones and encourage beneficial outcomes.¹⁵

To validate this theory as it applies to privacy, we created both positive and negative privacy scenarios and examined what impact they had on research participants’ feelings of control — and therefore on brand preference, trust, and marketing effectiveness. The impact of both the positive and negative privacy scenarios was clear to see.

¹³ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Which brand would be your first choice the next time you are looking to buy [CATEGORY]? Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

¹⁴ Review of General Psychology, Barbara L. Fredrickson, What Good Are Positive Emotions?, Sept. 1998.

¹⁵ Ibid.

All references to percent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

“Personally, it’s important to me to decide who receives and shares my data, when, and where. For society, it is of enormous value if our data is handled transparently and seriously.”

CUSTOMER, GERMANY, 36

Testing the impact of a positive privacy scenario

We defined a positive scenario as one that actively gave participants control and choice over their data, and created hypothetical situations to bring it to life. For example, in the hypothetical scenario that was presented to the participants, we enabled people to manage cookie preferences or choose which elements of their personal data were stored by a brand and for how long. In the positive test, it was made clear to participants how their data was being used, with reassurances that it would be protected and not shared with third parties.

We also set up a positive scenario where participants were told they would receive a personalised discount in return for sharing their data, alongside the measures set out above (see Chapter Three for the results of this additional scenario).

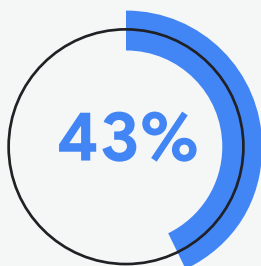
People are more likely to choose brands that make them feel in control

We found that the feeling of control bears significant influence on brand preference; 69% of people in Germany said they preferred to buy from brands that are honest about what data they collect and why, rising to 80% among those who describe themselves as sceptical about the data brands collect and the ways in which they use it (broadly in keeping with the EMEA average).¹⁶

One of the most striking outcomes of the test was that, in response to a positive privacy experience with a second-choice brand, 43% of participants said they would choose to switch from their preferred brand to their second-choice brand (almost exactly mirroring the EMEA average).¹⁷ This suggests that people are more likely to choose a brand that makes them feel in control of their data over one that fails to do so.

FIGURE 01

The impact of a positive privacy experience on share of brand preference in Germany¹⁸



After having a positive privacy experience, 43% of customers in Germany would switch to a second-choice brand

¹⁶ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000, high scepticism n=1,381, online participants aged 18-70, July 2022. Q. To what extent do you agree or disagree with the following statements? Agree – I prefer to buy from brands that are honest about what personal data they collect and why.

¹⁷ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Which brand would be your first choice the next time you are looking to buy [CATEGORY]? Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

¹⁸ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

These findings were consistent across several different industry sectors in Germany.¹⁹ We saw that the impact of a positive privacy experience on the preference for a second-choice brand was strongest in Travel, where 50% of customers said they would choose to switch their brand preference away from their previous first-choice brand (compared to the EMEA average of 49%). Even in Retail, where the impact of a positive privacy experience on brand preference was weakest, 35% of customers still preferred what had until then been their second-choice brand, following a positive privacy experience (compared to the EMEA average of 37%).²⁰

Feelings of control can earn trust from sceptical customers

The positive privacy scenarios we tested didn't just impact brand preference — they also led to an 11% uplift in brand trust (broadly in keeping with the EMEA average). Notably, this rose to a 17% uplift among those more sceptical about the ways brands use their data for marketing (slightly less than the EMEA average but still significant).²¹ We found that 70% of people in Germany were sceptical of the way brands use their data, for example.²²

¹⁹ Verticals tested: Retail, Travel, Insurance, Consumer Packaged Goods (CPG), and Telco.

²⁰ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Which brand would be your first choice the next time you are looking to buy [CATEGORY]? Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

²¹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, high scepticism n=1,381, online participants aged 18-70, July 2022. Q. Given the scenario you just saw, to what extent do you agree or disagree with the following statement for [BRAND]? Agree with the statement: I would trust this brand with my personal data.

²² Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. To what extent do you agree or disagree with the statement? Agree — I feel sceptical about the ways companies use my data in marketing.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

“I think it’s very important that people who are on the internet don’t constantly get the feeling they’re being tricked. That’s why I think it’s good to try to educate people about data protection.”

CUSTOMER, GERMANY, 24

“If my data was well kept so that I always knew who stored and evaluated it, I would have more confidence [sharing it].”

CUSTOMER, GERMANY, 36

Even as the web evolves, the fundamentals of brand building remain largely unchanged. Strong relationships between brands and customers must begin with trust.²³ And with regards to online data privacy, our results show that building trust can even help individuals who are initially cautious become more comfortable with sharing their data.²⁴

²³ Journal of Product & Brand Management, John Story and Jeff Hess, Ethical brand management: customer relationships and ethical duties, July 2010.

²⁴ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000, high scepticism n=1,381, online participants aged 18-70, July 2022. Q. Given the scenario you just saw, to what extent do you agree or disagree with the following statement for [BRAND]? Agree with the statement: I would trust this brand with my personal data.

“I have a better feeling about my data, because I have more decision-making power and not all data is stored. I can also decide whether I change my data and when or at what intervals I might want to revisit it.”

CUSTOMER, GERMANY, 39

Positive privacy experiences can also help improve ad relevance and marketing effectiveness

Our research suggests that people in Germany find brand advertising more relevant when they feel in control,²⁵ with potential increases in brand trust and both positive emotional response and perceived relevance to ads shown.²⁶ To understand the effect across different industries, we tested the impact of three combined privacy practices for Telco, Insurance, Consumer Packaged Goods, Retail, and Travel. While Insurance saw the biggest uplift in ad relevance and feelings of positivity, there was a noticeable increase across all industries.²⁷

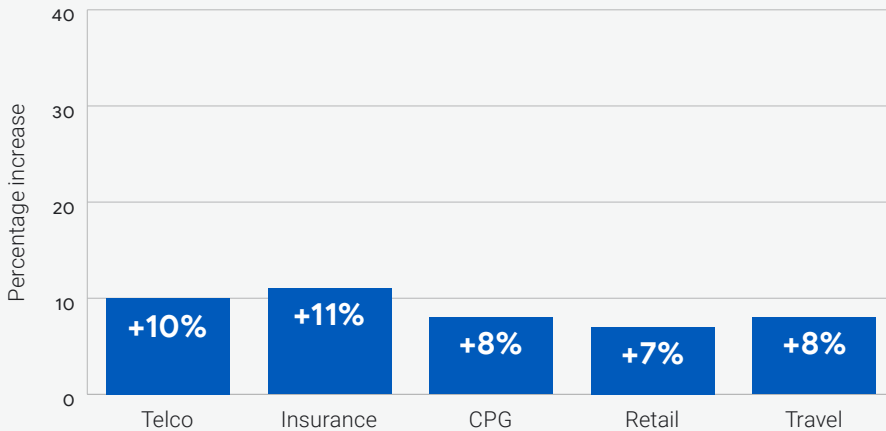
²⁵ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022.

²⁶ Ibid.

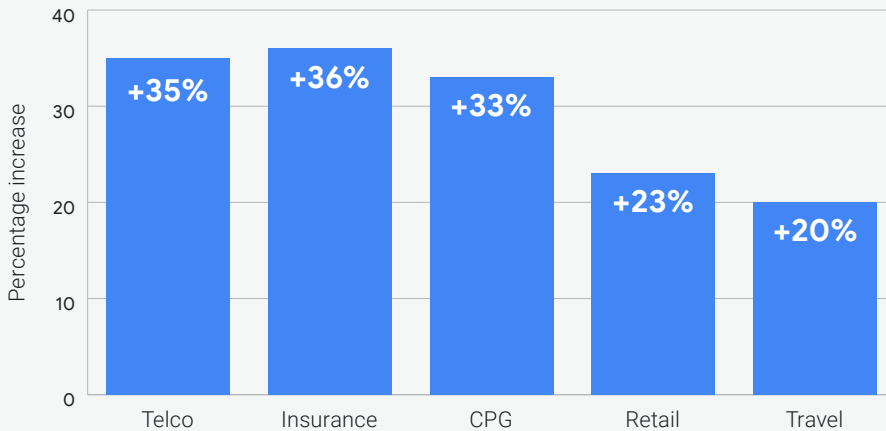
²⁷ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, Travel, Insurance, CPG, Telco, Retail — n=2,000 each, online participants aged 18-70, July 2022. Q. How relevant would this ad be for you? Q. Which word describes best how you feel after seeing this ad (Positive Net)?

FIGURE 02

Combining privacy practices* increased the **relevance of the ad/offer** for customers in Germany across all industries in the modelled tests²⁸



Combining privacy practices* increased **positive emotion** for customers in Germany across all industries in the modelled tests²⁹



*sending an email privacy digest, providing privacy setting reminders, and providing an emotional benefit

²⁸ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, Travel, Insurance, CPG, Telco, Retail, n=2,000 each, online participants aged 18-70, July 2022. Q. How relevant would this ad be for you?

²⁹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, Travel, Insurance, CPG, Telco, Retail, n=2,000 each, online participants aged 18-70, July 2022. Q. Which word describes best how you feel after seeing this ad (Positive Net)?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

“These [practices] would make me feel much more comfortable continuing to be a customer of this company, because I would feel I’m being taken seriously and could communicate transparently with the company about my data. This would be important to me personally and could contribute to better customer retention.”

CUSTOMER, GERMANY, 67

Research participants in Germany who were more aware of how data sharing works were 43% more likely to agree that data sharing in return for more relevant ads represents a fair value exchange (a noticeably higher percentage than the EMEA average).³⁰ This means that brands should — beyond their legal obligations — clearly articulate to people why they are asking for data and how they intend to use it. Namely, to deliver more helpful, relevant, and engaging experiences.

³⁰ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. To what extent do you agree or disagree with the following statements? Agree – For me, sharing my data online (e.g. location, age, browsing data) in order to get personalised ads is a fair deal.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

This research clearly demonstrates that positive privacy experiences provide an opportunity to build trust with customers in Germany and increase marketing effectiveness. Next, we'll take a closer look at the negative privacy experiences we tested and the consequences of getting privacy wrong.



A minimalist line art design consisting of a large, thin black line that forms a complex shape, resembling a stylized 'C' or a bracket. It starts at the top left, curves around the text, and extends downwards and to the right, ending in a horizontal line that crosses a vertical line. A green 'X' is placed at the intersection of these two lines.

THE

CONSEQUENCES

OF GETTING

PRIVACY WRONG

KEY INSIGHT

The negative impact of a poor privacy experience is almost as severe as that of a data breach.³¹

In Chapter One, we explored how positive privacy scenarios can have a beneficial impact on trust, preference, and marketing effectiveness. We now turn to the results of two tests we conducted to assess the impact of negative privacy scenarios for customers in Germany. Both of the hypothetical negative experiences that we created and tested restricted people's control over how their data would be used and managed.

Brands should pay just as much attention to privacy as they do to data security

The first test, a scenario within a video, required customers to accept all cookies before they could browse a website and asked them to agree to "terms and conditions" saying that the brand in question could keep their personal data and share it with third parties. In the second test, we suggested that a brand's IT system had been hacked due to poor data management. This led to the exposure of customers' personal data, and the victims of the security breach were only informed of the incident a week after it took place.

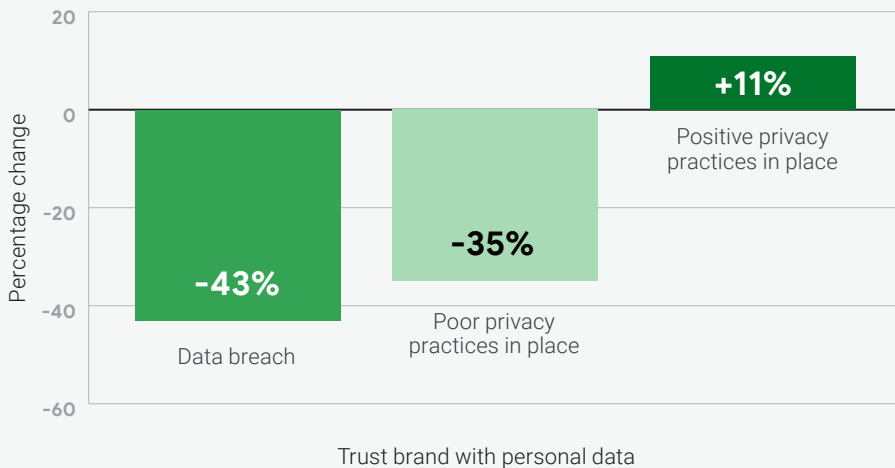
31 Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022.

These tests revealed that, for our participants, the negative impact of a poor privacy experience was almost as severe as that of a data breach.³² This suggests that brands should pay just as much attention to privacy as they do to data security.

When customers were exposed to a hypothetical negative privacy experience, their brand trust for handling personal data decreased by 35%. The impact of getting privacy wrong is even greater than that of getting it right — the same metric increased by only 11% when customers were exposed to a positive experience (lower than the EMEA average of 13%).³³

FIGURE 03

The negative impact of a poor privacy experience in Germany is almost as severe as that of a data breach³⁴



³² Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022.

³³ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just saw, to what extent do you agree or disagree with the following statement for [BRAND]? Agree with the statement: I would trust this brand with my personal data.

³⁴ Ibid.

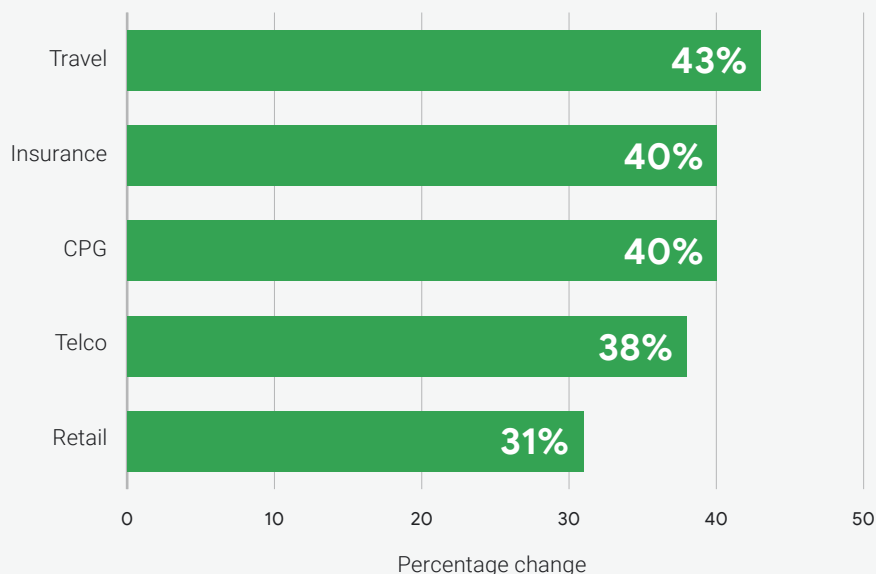
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

Getting the privacy experience wrong hurts both brand trust and preference

The consequences of positive and negative privacy experiences extend to brand selection as well. Thirty-eight percent of our participants in Germany said they would switch brand loyalties (from a preferred brand to a second-choice brand) in response to a negative privacy experience with their preferred brand (broadly in keeping with the EMEA average).³⁵

FIGURE 04

Significant percentages of customers in Germany would switch to their second-choice brand after a negative privacy experience³⁶



³⁵ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, Travel, Insurance, CPG, Telco, Retail – n=2,000 each, online participants aged 18-70, July 2022. Q. Which brand would be your first choice the next time you are looking to buy [CATEGORY]? Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

³⁶ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.


We saw the biggest switch when testing experiences in the Travel industry, with 43% of participants indicating they would switch from their preferred Travel brand to their second-choice brand (one percentage point below the EMEA average). Even in Retail, which recorded the lowest switch in the test, a significant 31% indicated that they would switch brands (again, one percentage point below the EMEA average).³⁷

There are serious consequences for brands that deliver negative privacy experiences. However, we've identified clear steps brands can take to offer customers in Germany a feeling of control, build trust, and improve marketing effectiveness. In the following two chapters, we'll look at these in detail — starting with discounts and whether they have a positive effect.



³⁷ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, Travel, Insurance, CPG, Telco, Retail, n=2,000 each, online participants aged 18-70, July 2022. Q. Which brand would be your first choice the next time you are looking to buy [CATEGORY]? Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

A blue checkmark icon at the top left of the page.A decorative line that starts from the top left, goes right, then down, then right again, ending at the bottom right. A blue padlock icon is placed on the horizontal segment of the line that is further to the right.

**DISCOUNTS
ARE NOT A
SHORTCUT
TO PRIVACY
SUCCESS**

KEY INSIGHT

For brands with good privacy practices already in place, the addition of a monetary incentive for sharing data may not always have a positive effect.³⁸

Offering a monetary benefit in the form of a discounted price might seem like an obvious way to encourage people to share their data, for example during signup or onboarding experiences. But for brands with good privacy practices already in place, we found the addition of a monetary incentive largely did nothing to further improve brand preference among customers in Germany. And in the case of brand trust, an additional monetary incentive actually had a noticeably negative impact (-7% points, broadly in keeping with the EMEA average).³⁹

³⁸ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022.

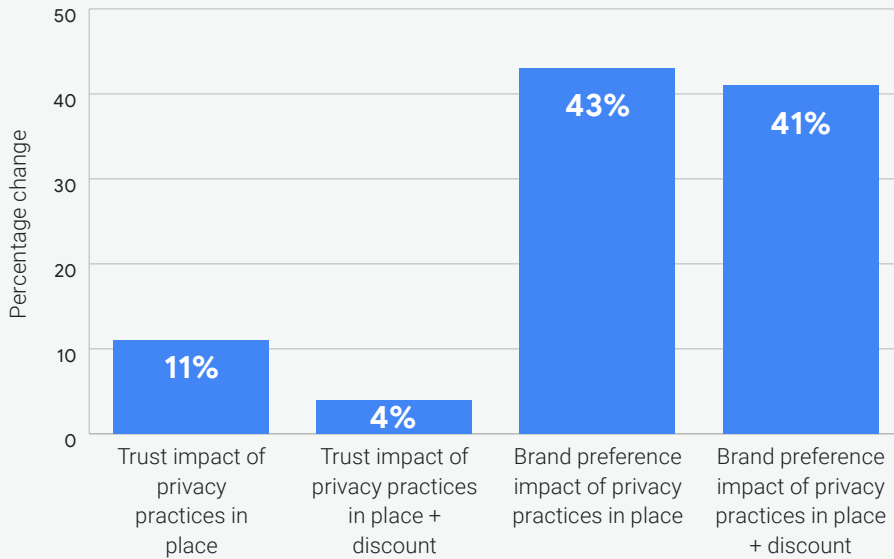
³⁹ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes), with the exception of those corresponding to footnotes 38 and 39.

All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

FIGURE 05

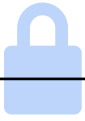
The impact of a good privacy experience on customers in Germany trusting a brand with personal data and brand preference, with and without an additional monetary incentive⁴⁰



Brands should put the most effective privacy practices in place before considering additional monetary incentives such as discounts to encourage data sharing. In the next chapter, we explore how to do that with best practices that brands can adopt to increase feelings of control and drive greater brand preference and trust.

⁴⁰ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just saw, to what extent do you agree or disagree with the following statement for [BRAND]? Agree with the statement: I would trust this brand with my personal data. Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)



INCREASING MARKETING EFFECTIVENESS



KEY INSIGHT

There are clear actions advertisers can take to increase feelings of control for customers in Germany, and combining these actions can have a cumulative positive impact.⁴¹

In 2021, we found that brands could create more positive privacy experiences for their customers by making these interactions more Meaningful, Memorable, and Manageable.

⁴¹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

Make it Meaningful

What's in it for the customer?

People will voluntarily share their data with companies that demonstrate a clear value proposition. Marketers can respond by clearly communicating the value of an exchange and anticipating their customers' needs with relevant and timely messages.⁴²

Make it Memorable

Conscious permission is a valuable thing

People have a limited understanding of how online privacy works, and that affects the way they feel about advertising. But when they remember the choices they've made about data sharing, they have more positive responses.⁴³

Make it Manageable

People expect a sense of control

When people feel they lack control over their personal data, they can become sceptical of digital marketing. Marketers should provide the tools and information people need to manage their privacy.⁴⁴

For this report, we went a level deeper and used the Three Ms as guiding principles to identify a series of actionable, privacy-enhancing practices. Each practice corresponds to at least one M – Meaningful, Memorable, or Manageable – and we tested each action to see how effectively it delivered a greater feeling of control among customers in Germany (see Figure 10).

⁴² Google/Ipsos, France, Germany, Netherlands, U.K., Privacy by design: exceeding customer expectations, n=7,200 online participants aged 18-70, Sept. 2021.

⁴³ Ibid.

⁴⁴ Ibid.

FIGURE 06

The privacy practices we tested⁴⁵

Meaningful

Provide an emotional benefit to customers when personalising a website

This practice, when used alone, had a marginally smaller impact than the version of the pop-up that didn't highlight the emotional benefit. Feeling of control **increased** by **5%**.

Ask customers to select their interests

This practice, when used alone, **increased** feeling of control in participants by **4%**.

Ask customers to confirm their interests

This practice, when used alone, **decreased** feeling of control in participants by **1%**.

⁴⁵ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

FIGURE 07

The privacy practices we tested⁴⁶

Memorable

Send a privacy digest via email

New email

To: [USER]
From: [BRAND]

Dear customer,

Your data belongs to you – always. That’s why we wanted to reach out with a reminder of what you’ve agreed to share so we can optimise your online experience.

You signed up to your [BRAND] account on [DATE]. When you did so, you allowed us to keep track of the following:

- Your browsing preferences (how you like items sorted, items you put in your cart but don’t purchase, etc.)
- Your favourite items to browse or purchase (in order for us to show you more relevant ads)
- Performance analytics (information about how you use our site and any errors or bugs that arise)

Remember, these settings can be changed at any time.

For more information about the data we collect and how it’s used, please visit our privacy policy below, or reach out to our customer service team.

Thank you,
[BRAND]

This practice, when used alone, **increased** feeling of control in participants by **11%**.

Ask customers how they want to be reminded of privacy settings – and how often

Pop-up

Your privacy is very important to us.
How often would you like to be reminded of the settings you’ve chosen?

We will share a reminder of your preferences and how you can update them every year or if something changes.

☐ Daily
☒ Monthly
☐ Weekly
☐ Yearly
☐ Never

And how would you like us to remind you of your settings?

☒ Email
☐ A pop-up when I visit the webpage

SAVE

This practice, when used alone, **increased** feeling of control in participants by **9%**.

⁴⁶ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

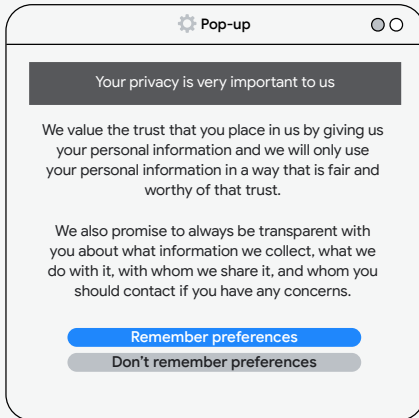
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

FIGURE 08

The privacy practices we tested⁴⁷

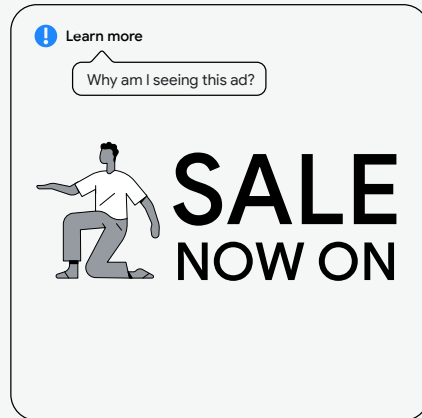
Memorable

Pledge to treat customers in a fair and honest way



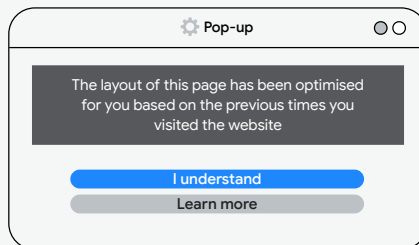
This practice, when used alone, **increased** feeling of control in participants by **4%**.

Remind customers why they're receiving personalised offers/ads



This practice, when used alone, **increased** feeling of control in participants by **1%**.

Remind customers, using a pop-up, that the website has been optimised



This practice, when used alone, resulted in a **decrease** in participants' feeling of control of **2%**.

⁴⁷ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

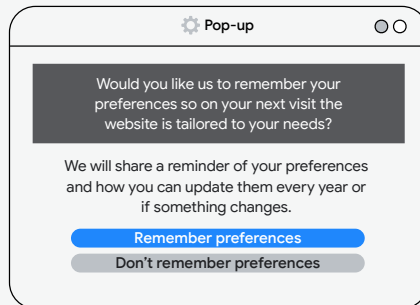
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

FIGURE 09

The privacy practices we tested⁴⁸

Manageable

Ask for consent to personalise a website



This practice, when used alone, **increased** feeling of control in participants by **4%**.

There are some small but noticeable differences in the impact that these nine privacy practices had (see Figure 10), when we compare them to the EMEA average. The most impactful practice in Germany was sending a privacy digest via email, whereas across EMEA as a whole, a pop-up that asked customers how and how often they wanted to be reminded of privacy settings had the greatest impact. At the other end of the chart, we can see that asking customers to confirm their interests had a negative impact of -1% on feelings of control in Germany.⁴⁹ But that same practice actually increased feelings of control by +3% on average, across EMEA as a whole.

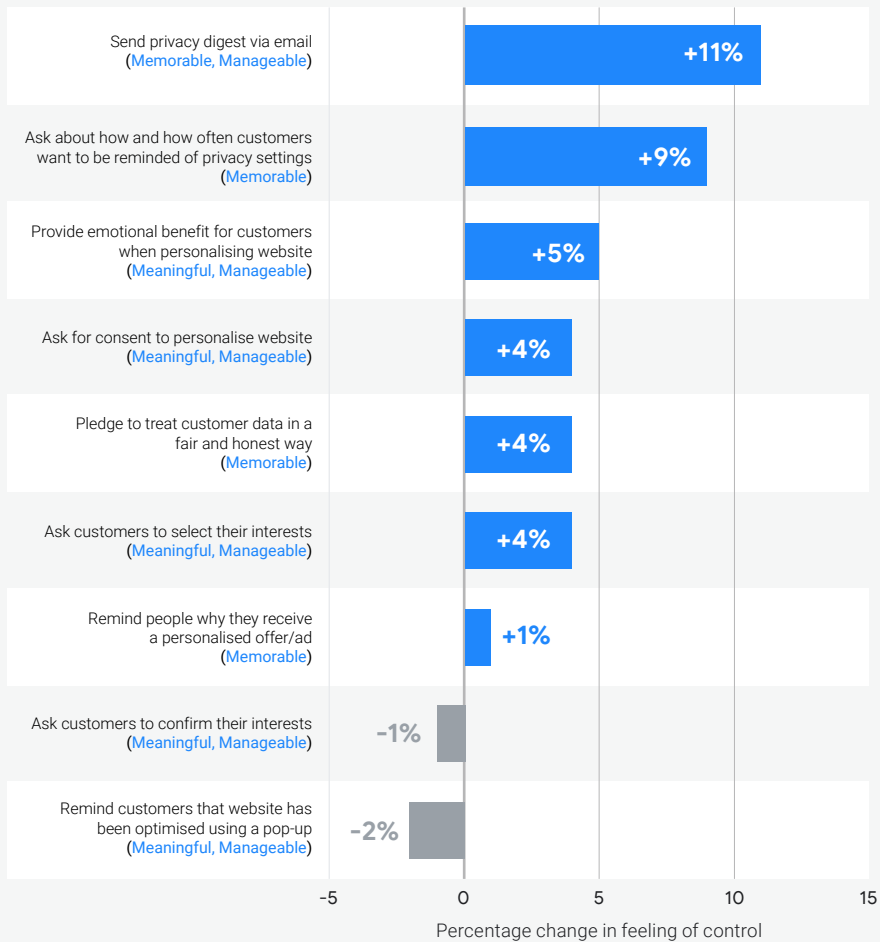
⁴⁸ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

⁴⁹ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

FIGURE 10

Privacy practices that tap into the Three Ms deliver increased feelings of control among customers in Germany⁵⁰



⁵⁰ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

Make consent prompts simple and easy to understand

While asking people for consent to personalise website content is a legal requirement in many places, our research confirms the benefits of doing so for both consumers and marketers. Ensuring that consent is asked for in clear, concise language helps people feel they have agency over their privacy, and can act as the gateway for a mutually respectful data exchange.

“For me, companies must have clearly understandable data protection declarations so that I have a good feeling about buying their products.”

CUSTOMER, GERMANY, 63



Our study suggests that combining Three M practices had a multiplier effect on feelings of control and marketing effectiveness

Each of these practices can be used on their own to make privacy experiences more Meaningful, Memorable, or Manageable. But our tests showed that the most impressive results came when different practices were used in combination.

Combining two privacy practices had a multiplier effect on feelings of control

In Germany, the single most effective approach we tested was sending a privacy digest, by email, to customers. We tested this practice in combination with a pop-up that asked customers how — and how often — they would like to be reminded of their privacy settings.

Used in isolation, the two practices provided an 11% and a 9% increase in feelings of control, respectively (broadly in keeping with the EMEA average).⁵¹ When used together, the modelled results show that these practices produced an outsized effect, increasing feelings of control by 24% (which is also similar to the EMEA average).⁵²

⁵¹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

⁵² Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

When we combined three privacy practices, the multiplier effect increased further

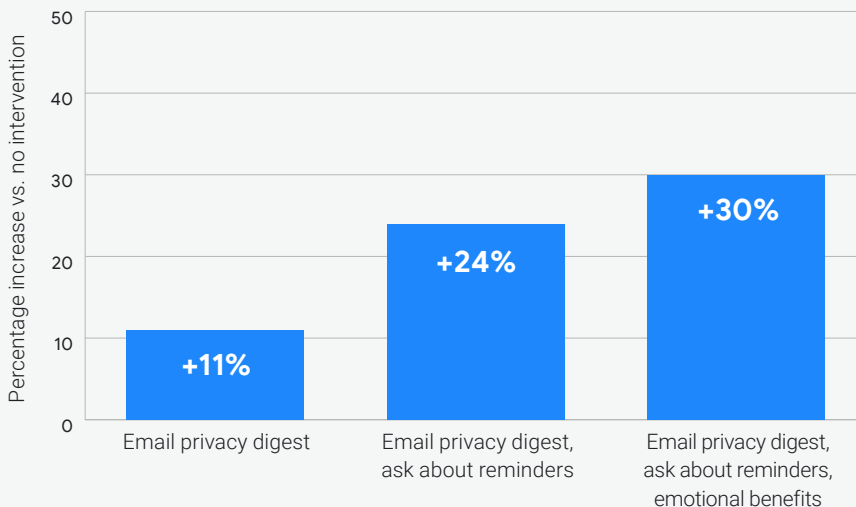
The most effective combination of practices among customers in Germany was:

- Sending an email privacy digest (Memorable, Manageable)
- Asking people how they want to be reminded of privacy settings — and how often (Memorable)
- Providing an emotional benefit to customers when personalising a website (Meaningful, Manageable)

Individually, these practices increased feelings of control by a respective 11%, 9% and 5%. Together the modelled data produced a 30% increase in feelings of control.⁵³

FIGURE 11

The cumulative effect of combining practices has a positive impact on feelings of control⁵⁴



⁵³ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

⁵⁴ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

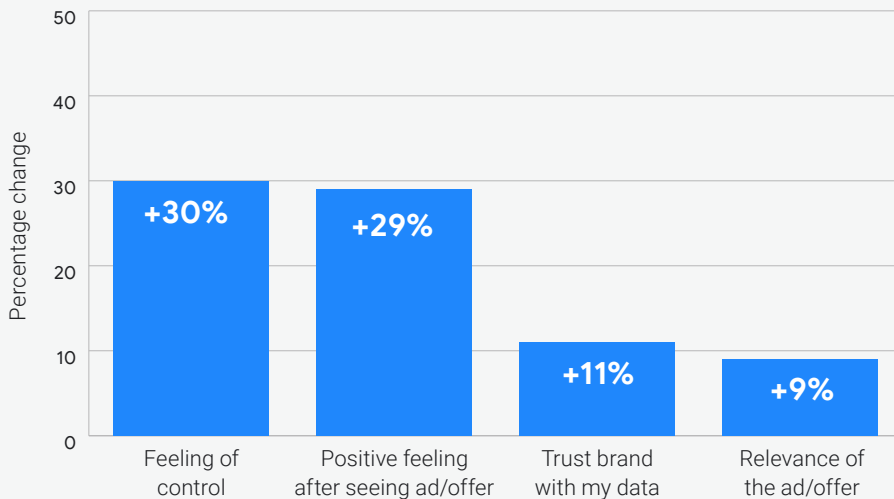
Make a positive impact on more than just the feeling of control

The most effective combination of practices did not just result in customers feeling more in control of their data. It also led to the following positive outcomes, all broadly in line with the outcomes of the most effective combination we tested across EMEA as a whole:⁵⁵

- Increased trust with personal data (+11%)
- Increased positive emotional response to ads shown (+29%)
- Increased perceived relevance of ads shown (+9%)

FIGURE 12

The most impactful Three Ms practices* in Germany, when used together, led to the following benefits⁵⁶



*sending email privacy digest, asking about reminders, emotional benefits

⁵⁵ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just saw, to what extent do you agree or disagree with the following statement for [BRAND]? Agree with the statement: I would trust this brand with my personal data. Q. Which word describes best how you feel after seeing this ad (Positive Net)? Q. How relevant would this ad be for you?

⁵⁶ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]? Q. Which word describes best how you feel after seeing this ad/offer? Q. How relevant would this ad be for you? Q. Given the scenario you just saw, to what extent do you agree or disagree with the following statement for [BRAND]? Agree with the statement: I would trust this brand with my personal data.

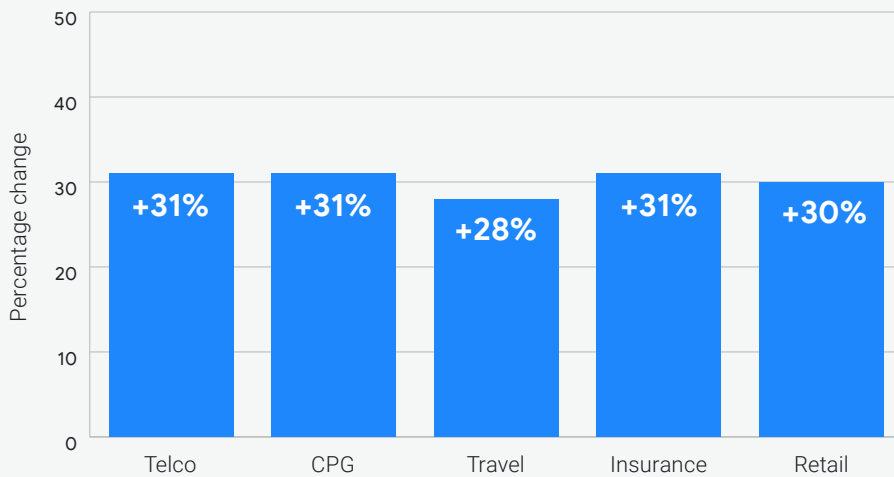
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

Make a positive impact no matter the industry

What's more, the most effective combination of practices had a similar impact across all the industry sectors we tested in Germany. The strongest results were seen in Telco, CPG, and Insurance (all +31% increase in feelings of control).⁵⁷ No matter the industry, combining privacy-enhancing practices drives positive results and boosts people's feelings of control.

FIGURE 13

The most impactful Three Ms practices on feelings of control* across all verticals tested, in Germany⁵⁸



*sending email privacy digest, asking about reminders, emotional benefits

⁵⁷ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, total n=2,000, Travel, Insurance, CPG, Telco, Retail, n=2,000 each, online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

⁵⁸ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

Combine practices to reassure your most sceptical audiences

Some customer segments in Germany experience a lower feeling of control over their data than others. Our study showed that those aged between 50 and 70 years old tend to feel the least in control when they're online.⁵⁹ However, when we tested the impact of our most effective combination of Three Ms practices, we found that research participants in this age group were more likely to report an uplift in feelings of control than participants in any other group.⁶⁰ Testing the same combination of practices, we also discovered a 33% increase in feelings of control among participants in Germany who initially described themselves as more sceptical about data sharing, and a 45% uplift among those who didn't initially trust a brand (which is broadly in keeping with the EMEA average).⁶¹

There's more than one way to combine Three Ms practices for an increased feeling of control

Of all the combinations of practices we tested, any combination that resulted in a Meaningful, Memorable, and Manageable experience had a more positive impact than those that only tapped into one or two Ms.⁶²

In this chapter, we've seen how different combinations of privacy-enhancing practices based on the Three Ms can increase people's feelings of control — with boosts seen across all industries tested in Germany. In the next chapter, we explore how people's need to feel in control can also be shaped by their local culture.

⁵⁹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, 50-70-year-olds n=867, July 2022.

⁶⁰ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

⁶¹ Ibid.

⁶² Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

Abstract geometric lines in black and green, including a large square frame, a smaller rectangle, and a circle, all interacting with the text blocks.

CULTURE

SHAPES

PERSPECTIVES

ON CONTROL



Once privacy best practices are in place, an understanding of the cultural nuances that impact people's desire for control might help brands further tailor privacy experiences for their most important markets.

One way to think about control is in relation to certain cultural characteristics – for example, the sense of belonging to either individualist or collectivist societies, or how people perceive power to be distributed. From there, we can see how attitudes to data sharing might form.⁶³

A key influence on the need for control is the extent to which a culture is individualistic. German society tends to be fairly individualistic (meaning people tend to need a higher level of control), though to a lesser extent than in the U.S. or U.K. There is often a clear emphasis on personal achievement and direct communication, particularly in the workplace.⁶⁴

“[Germans] are not big believers in fate/destiny, they want to control their own lives and have choices.”

PSYCHOLOGY PROFESSOR, GERMANY

Power distribution within societies also influences individuals' desire for control. In Germany, specifically, there is often the perception that power is distributed more equally and decisions tend to be made on a more collective basis. As a result, a broader portion of the population might feel a degree of control in their day-to-day lives, which might lead to expectations for control in scenarios such as sharing data.⁶⁵

⁶³ Google/Ipsos, U.K., U.S., Australia, France, Germany, Turkey, Japan, Nordics, Brazil, India, How feeling in control is relevant in people's lives, 2022.

⁶⁴ Ibid.

⁶⁵ Ibid.

“I am, of course, very interested in how the data is used by a company. I would like to know whether my data is secure there and whether it is passed on to other companies. That is a very important point for me.”

CUSTOMER, GERMANY, 63

Our research also suggests that cultural attitudes towards uncertainty influence people's views on data privacy.⁶⁶ Countries with high “uncertainty avoidance”, such as Germany, often have more rules, regulations, and stricter behavioural norms – and are also often less open to change (for example, in the form of new technologies).⁶⁷

This more general need for control is reflected in data privacy behaviours. Germany has the highest percentage of people, among those we surveyed, who claim to use specialised online services as a means to feel more in control of their data (48% versus the EMEA average of 37%).⁶⁸

We can contrast this with participants from countries with lower levels of uncertainty avoidance, such as the Nordics, who were some of the least likely to delete cookies (in Sweden, for example, just 33% of people claim to do so, versus an average of 44% across EMEA, and 49% in Germany).⁶⁹

⁶⁶ Google/Ipsos, U.K., U.S., Australia, France, Germany, Turkey, Japan, Nordics, Brazil, India, How feeling in control is relevant in people's lives, 2022.

⁶⁷ Hofstede Insights, National Culture, Geert Hofstede, accessed 2022. Available at: hi.hofstede-insights.com/national-culture.

⁶⁸ Google/Ipsos, France, Germany, Netherlands, Sweden, U.K., Privacy by design: the benefits of putting people in control, n=10,001 online participants aged 18-70, Germany n=2,000, July 2022. Q. How often do you do the following to protect your personal data?

⁶⁹ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

The cultural need for control in Germany often begins in childhood

“It is important during childhood to ensure children feel as if they have some level of control over their lives and that what they do has an impact.”

PSYCHOLOGY PROFESSOR, GERMANY

The importance of control is often taught from a young age in childhood. Many people in Germany also perceive some of the highest levels of risk in sharing data online — our research found that 70% felt sceptical about how companies use their data online.⁷⁰ This high level of scepticism, paired with high digital literacy, might lead to more sophisticated knowledge about how to reduce data tracking. Among the people that we surveyed, Germany had the highest proportion of people who:

- classified themselves as being very confident in their ability online (56% versus the EMEA average of 44%)⁷¹
- had the highest propensity to delete cookies (49% versus the EMEA average of 44%)⁷²
- had the highest propensity to use specialised data protection services (48% versus the EMEA average of 37%)⁷³

⁷⁰ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. To what extent do you agree or disagree with the following statement? I feel sceptical about the ways companies use my data in marketing — Agree.

⁷¹ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. How confident are you in your online ability? I feel very confident in my ability to do almost anything online. For example, installing new computer programs or exploring new software. I use multiple tabs when browsing. I am online a lot.

⁷² Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. How often do you do the following to protect your personal data? I delete cookies and/or my browsing history — Very often/sometimes.

⁷³ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. How often do you do the following to protect your personal data? I use specialised online services that promise high data protection (for example encrypted emails/messaging, privacy-protecting search engines) — Very often/sometimes.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

Culturally, Germany seems to have a middling need for control (see Figure 14). But Germans' increased knowledge about data control options can perhaps help explain the slightly higher feeling of control over their data, compared to other markets (17% versus the EMEA average of 13%).⁷⁴ This, however, does not necessarily translate to rigidly controlled behaviour online.

“Germans are very keen to maintain their data privacy, but in practice they do [...] send bank details by text which isn't necessarily very sensible. [Many] behave differently to how they say they might and go with the flow more often in reality.”

PSYCHOLOGY PROFESSOR, GERMANY

“Often, I don't notice data is recorded because the website records my behaviour. With cookies [...] a few years ago they didn't even ask if they were allowed to record it or not, so I had a bad feeling. Now I'm not overly afraid that my data will be misused in any way. But the uneasy feeling is already there.”

CUSTOMER, GERMANY, 69

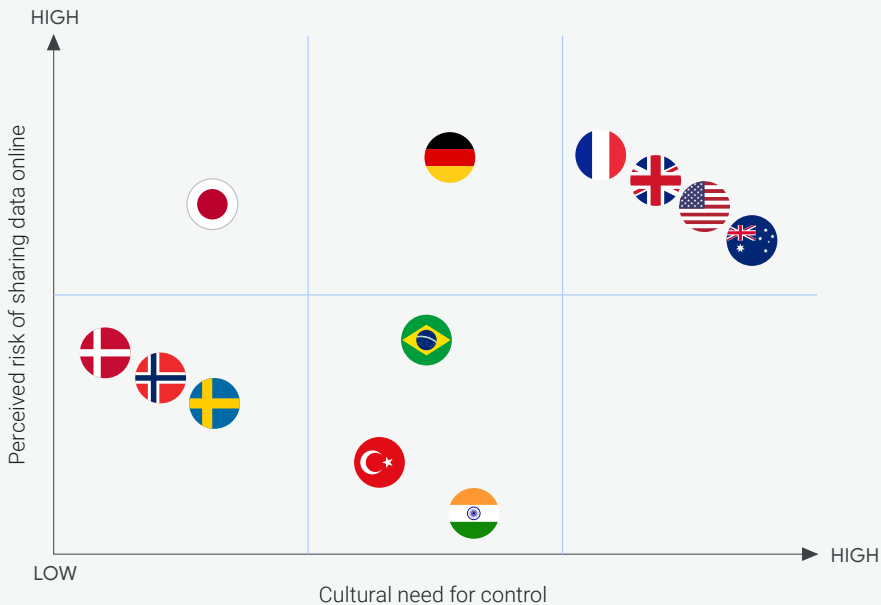
⁷⁴ Google/Ipsos, France, Germany, Netherlands, U.K., Privacy by design: exceeding customer expectations, n=7,200 online participants aged 18-70, Sept. 2021. All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes). All EMEA average findings are based on the full study conducted in five EMEA markets. See the Technical appendix for full details.

Understanding different cultural needs for control can inform better-tailored privacy practices

In order to feel positive about an online privacy experience, people require a combination of autonomy, knowledge, and transparency. While we saw a base-level expectation for all three of these requirements among all participants in all markets, we also observed that different markets have higher or lower expectations around each, depending on their cultural characteristics.⁷⁵ In Germany, there tends to be a high perceived risk of sharing data online and a moderate cultural need for control. As a result, people in Germany are likely to require a moderate level of autonomy, but, crucially, a higher level of knowledge and transparency than in most other countries in order to feel in control in a data privacy context.⁷⁶

FIGURE 14

Marketers can ensure they're providing the right levels of autonomy, knowledge, and transparency by noting where each market is mapped on the axes⁷⁷



⁷⁵ Google/Ipsos, U.K., U.S., Australia, France, Germany, Turkey, Japan, Nordics, Brazil, India, How feeling in control is relevant in people's lives, 2022.

⁷⁶ Ibid.

⁷⁷ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

The higher the cultural need for control, the more individuals tend to need to feel they have autonomy across different areas of their lives — in their finances, healthcare, education, or elsewhere. In terms of online privacy, this means having the tools to make their own decisions about how their personal data is shared. These tools, such as the option for customers to choose what data they share and for how long, help customers feel in control of their data.⁷⁸

We can also see that the higher the perceived risk of sharing data online, the more people want to know how their data is being used. They want the businesses they share their data with to be transparent and they want to have enough knowledge to understand the privacy experience. This relates to feeling in control: greater insight and understanding of the risks and benefits at stake empowers people to make the choices on privacy that are right for them. Seventy-nine percent of the audience we surveyed in Germany stated that they want businesses to take very good care of their data and protect their privacy, and 62% agreed that they want to be aware of the latest online data privacy developments.⁷⁹

Furthermore, when we break down the results of the positive and negative privacy scenarios we tested (see Chapters One and Two) by country, the importance of these cultural characteristics becomes clear. For example, we can see a larger increase in the impact of positive privacy experiences in France, in comparison to Sweden. In Germany, we see that good privacy experiences have a relatively limited positive impact on “trust brand with my data”. The negative impact of poor privacy experiences is noticeably more substantial, though.

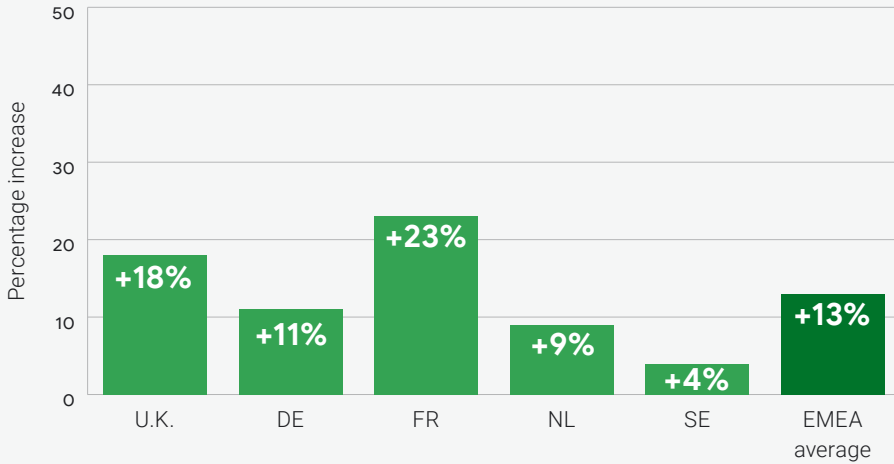
⁷⁸ Google/Ipsos, Germany, Netherlands, Sweden, U.K., Privacy by design: the benefits of putting people in control, n=10,001 online participants aged 18-70, July 2022. Q. How often do you do the following to protect your personal data?

⁷⁹ Google/Ipsos, Germany, Netherlands, Sweden, U.K., Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. To what extent do you agree or disagree with the following statements? I want companies to take very good care of my data and protect my privacy; I want to be aware of the latest online data privacy developments.

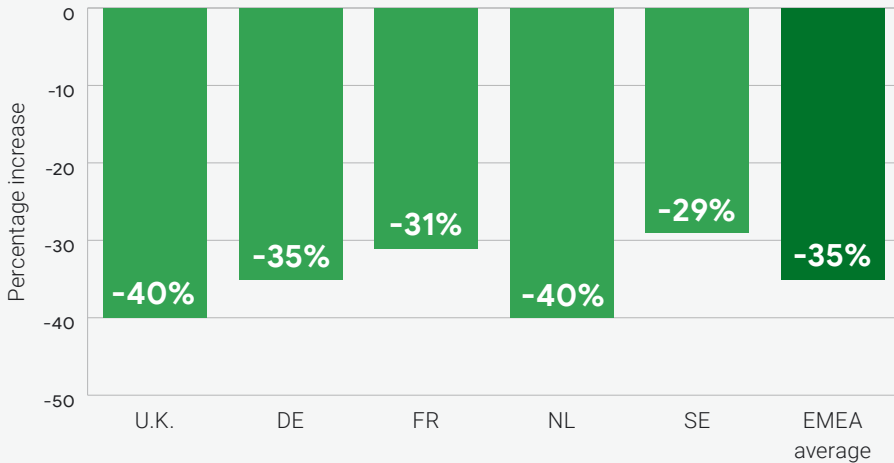
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

FIGURE 15

The positive privacy experience impact on “trust brand with my data”⁸⁰



The negative privacy experience impact on “trust brand with my data”⁸¹



⁸⁰ Google/Ipsos, France, Germany, Netherlands, Sweden, U.K., Privacy by design: the benefits of putting people in control, n=10,001 online participants aged 18-70, U.K. n=2,000, Germany n=2,000, France n=2,000, Netherlands n=2,000, Sweden n=2,001, July 2022. Q. To what extent do you agree with the statement: I would trust this brand with my personal data. Q. Given the scenario you just saw, to what extent do you agree with the following statement? Agree – I would trust this brand with my personal data.

⁸¹ Ibid.

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

Cultural characteristics may be worth considering when brands are developing privacy-first strategies for Germany. A more nuanced approach that takes into account certain cultural expectations, while also meeting or exceeding regulatory requirements, might focus on providing different levels of autonomy, knowledge, and transparency (see Figure 14). But the findings also make clear that good privacy practices make a positive difference across the board.⁸²



⁸² Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)



CONCLUSION

Our intent with the Germany edition of this report is to show just how important it is for brands in Germany – and beyond – to bring privacy to the forefront of their online marketing approach. People are happy to share their data if it means they receive more relevant ads – but they want to feel in control when sharing their data. Enhancing this feeling of control that people have over their data is a powerful way for brands to build trust, increase marketing effectiveness, and get better results.⁸³

Let's recap our key findings from Germany, which also hold true across EMEA:

1. Providing a positive privacy experience can increase share of brand preference by 43%.⁸⁴

In response to a positive privacy experience with a second-choice brand, 43% of participants in Germany claimed they would choose to switch from their preferred brand to their second-choice brand.

2. The negative impact of a poor privacy experience is almost as severe as that of a data breach.⁸⁵

For most of our participants in Germany, privacy experiences that lacked transparency or failed to provide knowledge and/or autonomy for the customer were just as damaging to brand trust as a serious data breach.

3. For brands with good privacy practices already in place, the addition of a monetary incentive for sharing data may not always have a positive effect.⁸⁶

If advertisers provide positive privacy experiences, monetary incentives make little difference to brand preference and can actually reduce the amount of trust that a positive privacy experience might otherwise deliver.

4. There are clear actions advertisers can take to increase customers' feelings of control, and combining these actions can have a cumulative positive impact.⁸⁷

For the biggest positive impact on feelings of control, brands should deploy a proven combination of practices that create Meaningful, Memorable, and Manageable privacy experiences in line with cultural expectations.

⁸³ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. To what extent do you agree or disagree with the following statements? Agree – For me, sharing my data online (for example, location, age, browsing data) in order to get personalised ads is a fair deal

⁸⁴ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just saw, which brand would be your first choice the next time you are looking to buy [CATEGORY]?

⁸⁵ Ibid.

⁸⁶ Ibid.

⁸⁷ Ibid.

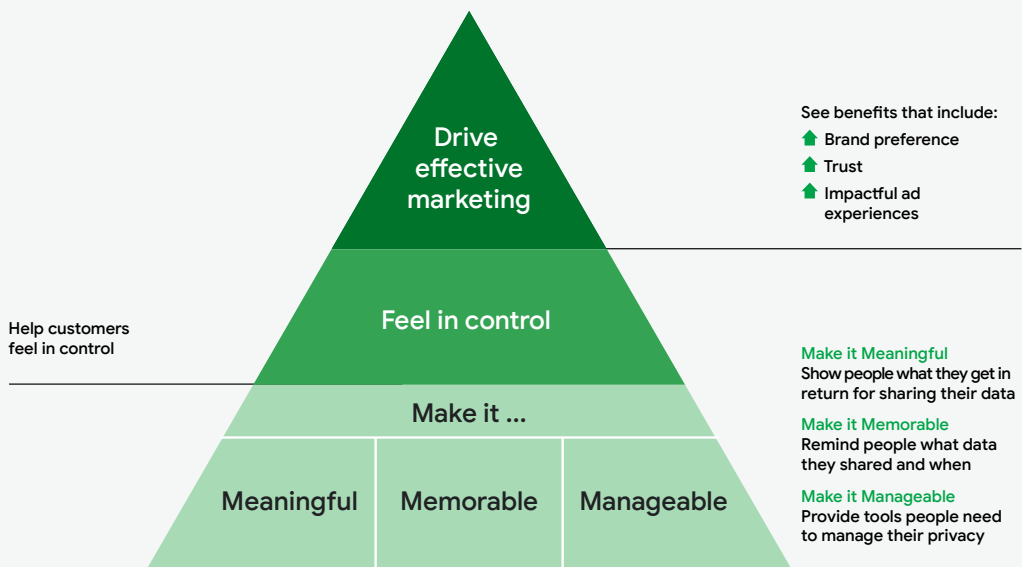
All references to per cent changes are the proportional increase/decrease in the number of participants giving the specified responses (not percentage point changes)

Any privacy journey needs to start with a deep understanding of what people want. We've seen how, in many markets around the world and in Germany specifically, people want a feeling of control over the data they share. The ability to manage data preferences is often not enough on its own. They want and expect experiences that are Meaningful, Memorable, and Manageable.⁸⁸

Over time, our study suggests brands that can offer these experiences will see a noticeable positive snowball effect — people will feel in control, which increases brand trust and boosts brand preference. Brands that neglect privacy risk the opposite scenario. The path to success is clear: adopt practices based on the Three Ms to give people a feeling of control and improve marketing effectiveness.

We believe the future of marketing will be shaped to a large extent by these win-win exchanges. Equipped with practices informed by the Three Ms, marketers should go beyond basic privacy requirements and provide experiences that are both ethical and effective — exceeding their customers' privacy expectations while driving better marketing results.

Use the Three Ms to help customers feel in control and drive more effective marketing



⁸⁸ Google/Ipsos, Germany, Privacy by design: the benefits of putting people in control, n=2,000 online participants aged 18-70, July 2022. Q. Given the scenario you just went through, to what extent do you feel you have control over the data you share with [BRAND]?

Technical appendix

Privacy by design

Google commissioned Ipsos to conduct studies across the U.K., France, Germany, the Netherlands, and Sweden in 2022, building on the 2021 report Privacy by design: exceeding customer expectations. Alongside original quantitative and qualitative work, our analysis includes insights from other Ipsos studies and a literature review. Our aim was to develop an objective and customer-centric view of online privacy in digital marketing, to explore the concept of “feeling in control”, to understand the connections between privacy-first principles and marketing effectiveness, and to identify tangible privacy-first actions for brands wanting to enhance the customer experience. To accomplish this with the Privacy by design: the benefits of putting people in control workstream in 2022 specifically, we conducted a set of four different research methodologies across these EMEA markets. These methodologies are outlined in detail in the following paragraphs.

1. Cultural attitudes towards control

The first part of our study sought to understand the cultural factors influencing people’s desire for control, trust, and empowerment. To do this, we conducted interviews with nine experts in areas such as psychology and behavioural science, from across the EMEA, AMER, and APAC markets, to understand their professional views on control. We also carried out an analysis of Ipsos proprietary data and other publicly available studies and papers. This work helped to identify topics to focus on in our study’s qualitative phase.

2. Germany qualitative deep dive

A two-week qualitative deep dive in an online community platform, exploring digital marketing experiences in relation to data sharing and feelings of control. It provided a test environment for materials and questions that were later included in our quantitative studies.

Audience surveyed:

Men and women aged 18-70 from Germany. General population was surveyed online to be representative of age, gender, and region for internet users.

Sample size:

N=24 participants.

Sampling methodology:

Qualitative recruitment.

Fieldwork date:

June, 2022.

Method of data collection:

Online qualitative community, and in-depth interviews, videoed for 60 minutes each.

3. Quantitative conjoint experiment

Our core focus was to identify specific practices that could be deployed by marketers to influence feelings of control. This study used an experimental quantitative choice-based conjoint (CBC) approach and tested over 190 pieces of stimulus per market. Participants were exposed to a carefully selected series of different online journeys in a mock-up digital environment. After each exposure, we asked participants questions to measure emotional reaction, ad relevance, impact on brand trust, and, most importantly, how much control they felt over their data.

We subsequently used this data to train a model that allowed us to isolate and quantify the impact of different practices on feeling in control for each individual in our sample. To do this, we leveraged hierarchical Bayes (HB) estimation to produce individual-level estimates of utilities for each level of each attribute. This method has been widely validated and is known to improve the accuracy of simulations and lead to better understanding of structure and attribute importance than alternative methods. Using this method enabled us to predict participants' reactions to any combination of interventions and simulate over 80,000 different scenarios to understand optimal combinations under different circumstances (for example, different markets, verticals, audiences).

For each vertical, we tested these practices in different variations

Sign up	Account privacy	Reminder	Marketing communications	Personalisation	Educational ad exposure
<ul style="list-style-type: none"> • No intervention • Privacy pledge • Consent to personalise website content • Emotional benefits 	<ul style="list-style-type: none"> • No account privacy settings • Ask about reminders • Select interests • Preferred communication experience 	<ul style="list-style-type: none"> • No reminder • Reminder pop-up • Email privacy digest 	<ul style="list-style-type: none"> • Ad on news website • Website experience • Email communication 	<ul style="list-style-type: none"> • Personalised message • Generic message 	<ul style="list-style-type: none"> • No intervention • Icon + “why this ad/email” (as per marketing communications option)

Audience surveyed:

Men and women aged 18-70 from the U.K., Germany, France, Sweden, and the Netherlands. General population was surveyed online to be representative of age, gender, and region for internet users in each country.

Sample size:

N=10,001 participants (n=2,000 per country in Germany, France, Sweden and the Netherlands; and n=2,001 in the U.K.).

Fieldwork dates:

U.K.: May 25–31, 2022.

Germany: June 9–14, 2022.

France: June 13–21, 2022.

The Netherlands: June 13–20, 2022.

Sweden: June 17–24, 2022.

Method of data collection:

Online, sample recruited from online panels.

Data weighting:

Weighted to nationally representative profile for internet users (aged 18–70).

4. Quantitative experimental design

This study used an experimental quantitative approach involving four short videos shown in an online questionnaire. The videos depicted the following scenarios intended to affect participants' feelings of control:

- A negative data security experience, in which a brand suffered a data breach.
- A negative data privacy experience, in which a brand failed to offer its customers control over the data they shared, was not transparent about how the data would be used, and was unclear about how long it would be stored.
- A positive data privacy experience, in which a brand offered customers control over which data they shared, was transparent about how long the data would be stored, and pledged that the data would not be shared with third parties.
- A positive data privacy experience, in which a brand offered the same privacy experience described immediately above, and also offered personal discounts in exchange for customers sharing their data.

Our core objective in this experiment was to understand the effect of these four scenarios on marketing effectiveness (operationalised as brand preference) and trust. To do this, we modelled the relationship between different behavioural and attitudinal metrics and various brand KPIs to understand how different experiences online can affect or change those relationships. We leveraged an enhanced Bayesian network approach that allowed us to go beyond correlations and establish causal relationships between variables to understand underlying structures and direction of flows between the metrics.

Audience surveyed:

Men and women aged 18-70 from the U.K., Germany, France, Sweden, and the Netherlands. General population was surveyed online to be representative of age, gender, and region for internet users in each country.

Sample size:

Experimental design, n=10,001 participants (n=2,000 per country in the U.K., Germany, France, and the Netherlands; and n=2,001 in Sweden).

Sampling methodology:

Quota sampling, based on online representativity.

Fieldwork dates:

U.K.: May 27–June 6, 2022.

Germany: June 15–21, 2022.

France: June 16–23, 2022.

The Netherlands: June 20–27, 2022.

Sweden: June 20–27, 2022.

Method of data collection:

Online, sample recruited from online panels.

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Data Ethics Study: Data Ethics and Effectiveness

A 2021 pan-European study using an experimental quantitative approach to model and map claimed versus actual behaviours. Participants were in the U.K., Germany, France, and the Netherlands, with 1,800 18-70-year-olds in each market, split into two samples – 1,500 answering about ethics and 300 answering about effectiveness. Data from the study was used to create a predictive model that allowed us to isolate the effect of each attribute and test 70,000 different combinations. Even though we cannot test the statistical significance of those results, we managed to simulate around 70,000 potential scenarios and detected patterns that gave us confidence that the observed effects exist.

Audience surveyed:

Men and women aged 18-70 from the U.K., Germany, France, and the Netherlands. General population was surveyed online to be representative of age, gender, and region for internet users in each country.

Sample size:

Part 1: Data ethics, n=6,000 participants (n=1,500 per country).

Part 2: Effectiveness, n=1,200 participants (n=300 per country).

Sampling methodology:

Quota sampling, based on online representativity.

Fieldwork dates:

Part 1 (Data Ethics):

U.K.: May 31–June 3, 2021.

France: June 9–10, 2021.

Germany: June 9–15, 2021.

The Netherlands: June 9–15, 2021.

Part 2 (Effectiveness):

U.K.: June 15–17, 2021.

France: June 22–23, 2021.

Germany: June 22–23, 2021.

The Netherlands: June 22–23, 2021.

Method of data collection:

Online, sample recruited from online panels.

Data weighting:

Weighted to nationally representative profile for internet users.

