Data Protection beyond the books: an empirical study about its effects on competitiveness and business strategy in Germany

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Agenda

**Why:** Importance and objectives

**What:** Research questions

**How:** Methodology description

Questions?
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Questions?
Different regulatory regimes

- No Privacy Law
- Own Privacy Law
- Self-regulatory regime
“We have to remember we live in a data-driven information age. And what happens when you follow the European privacy model and take information out of the information economy? Those are the questions that we are going to be asking because I think it is a pretty simple answer, and you can look at Europe and see, revenues fall, innovation stalls, and you lose out to innovators who chose to work elsewhere.”

“That is why I am concerned about treating privacy solely as a consumer protection issue and I believe that privacy like most other issues under FTC jurisdiction must also be viewed through a competition lens.”

So, before we do any possible harm to the Internet, we need to understand what harm is actually being done to consumers, and where is the public outcry for legislation? Today I am simply not hearing it. I haven’t gotten a single letter from anyone back home urging me to pass a privacy bill. They want data protection, but no one is beating down my door about the broader privacy issues. That may change, and it probably will if industry doesn’t come up with better safeguards for consumers in the future.
And the other side of the debate

"Rules can force companies into innovating. [...] Data protection rules will give the EU a competitive advantage".

“Strong EU Data Protection Rules will act as a Competitive Advantage for Europe”

“European Commission proposals over the strict handling of data will give European companies a competitive advantage in the world. Personal data is the currency of today’s digital market. And like any currency, it needs stability and trust. Only if consumers can ‘trust’ that their data is well protected, will they continue to entrust businesses and authorities with it, buy online, and accept new services.”
Privacy matters for users. *But also for companies.*
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**Why: Importance and Objectives**

**What: Research Questions**

**How: Methodology Description**

Questions?
Research Questions

(i) how do German companies perceive the impact of the German Data Protection Law on their competitiveness?

(ii) what are the main obstacles (if any at all) that they face when competing with foreign companies (especially those operating under other regulatory regimes)?
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Why: Importance and objectives

What: Research questions

How: Methodology description

Questions?
Empirical methods

(i) Survey among German companies investigating their perception towards the German Data Protection Law

(ii) Interviews with German companies to dig further into some of the findings of the survey.
Current stage: data gathering (survey)

When deciding to incorporate your company in Germany, did the German Data Protection Law matter?
- Yes, positively
- Yes, negatively
- No, it did not matter for this decision

Has your company ever used the fact that it is subject to the German Data Protection Law for marketing purposes?
- Yes
- No

How likely do you think your company would make different uses of personal data if it was not subject to the German Data Protection Law? For example, for advertising and/or marketing purposes.
- Very likely (80%-100%)
- Somewhat likely (60%-80%)
- Likely (40%-60%)
- Somewhat unlikely (20%-40%)
- Very unlikely (0% - 20%)

For your company, the German Data Protection Law is
- seen as a competitive advantage
- seen as a competitive disadvantage
- Indifferent

Has your company ever abandoned a business strategy/idea because of the German Data Protection Law?
- Yes, and that strategy has been adopted by competitors
- Yes, and that strategy has not been adopted by competitors
- No, the German Data Protection Law has never prevented us from pursuing any strategy

If yes, can you provide us with examples?

Has your company ever been prevented from using specific data collection (tracking) technologies because of the German Data Protection Law? Consider HTTP cookies, adobe/flash cookies, web beacons, browser sniffing and other spyware as examples
- Yes, and our competitors use these technologies
- Yes, but we do not know if our competitors use these technologies
- No, we have never been prevented from using any data collection technology because of the German Data Protection Law

If yes, please name these technologies?
Questions?

Comments?

Concerns?
Vielen Dank!

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