

Personal Data Collection: Marketer and Consumer Perspectives

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Course Information

Principles of Marketing (MKTG 300) is the introductory marketing course for students who have no previous experience with the field. In many cases, this course is the first business course that students take. Through a broad survey of marketing topics, this course introduces students to many aspects of business and consumerism that they have not yet considered.

Data Collection and Consumer Vulnerability

Marketers collect a wide variety of data about consumers on a regular basis. Some of this data collection occurs with full consumer awareness (e.g., signing up to win a contest, registering for an email newsletter, or completing a survey at the grocery store), while other forms of data collection occur without most consumers knowing (e.g., GPS tracking within smartphone apps, online retailers accessing consumers' web search activity, and companies collecting psychological data from personality tests distributed on social media).

Most social media platforms, online retail stores, and other commercial sites engage in this activity on a regular basis. Data helps to inform better decision making (McAfee et al. 2012), and in the realm of marketing, consumer data is invaluable. This data allows marketers to target their efforts in a manner that boosts revenue while decreasing costs.

Consumers are aware of this data collection in a general sense, and they have come to accept it in their daily lives. However, when asked about specific instances of personal data being collected and used, consumers are often unaware and feel uneasy once they learn about it. For example, a 2018 poll from Pew Research found that 74% of U.S. adults surveyed did not know that Facebook collected data on user interests and traits (Hitlin and Rainie 2019). Once they were told it was happening, 51% of those surveyed were not comfortable with Facebook having that information. Facebook users know they are giving up some information to access the site but are often surprised to learn how much they give up.

“If the product is free, you are the product.” – *Marketing adage, original author unknown*

The above saying originally referred to broadcast TV stations that brought valuable demographics of consumers together with free programming for the sake of selling advertising space. The adage is still relevant in the digital age. Google, Facebook, Twitter, YouTube, and other platforms let people use their sites for free, despite the enormous upkeep costs related to

those platforms. This is because they make money by collecting data about their visitors and using that data to sell advertising.

This is the exchange that today's consumers tacitly agree to every day. But should we assume it is safe? We know that data breaches occur regularly. We know that these companies sell our data to each other and to third parties without our knowledge. We also know that some parties will use our personal data to try to manipulate us on a psychological level to sway our votes or beliefs (e.g., the Cambridge Analytica scandal, see Confessore 2018).

Consumer Data and Ignatian/Jesuit Pedagogy

Marketing graduates from the Williams College of Business will live two parallel lives once they start their careers – that of a consumer and a marketer. As a marketer, they will be driven to collect consumer data of all kinds and use it to improve their marketing efforts. This behavior is incentivized in the workplace through raises and promotions tied to the cost reductions and increased profits that can result from targeting individuals based on their own data.

As a consumer, they may continue to view data collection as merely the price to pay for access to the digital world. They will think nothing of it, even as the data that is collected becomes more personal and the methods of collection become more intrusive.

The purpose of this course addition is to have students experience a visceral reaction to a questionable request for personal data from a marketer. Students will reflect upon what it would mean to them if that data was given to a third party without their consent. Additionally, students will be asked to consider this problem as a future marketer who could benefit greatly from collecting this data.

An understanding of data ethics and privacy will assist in fulfilling the objectives of Jesuit and Ignatian pedagogy in the following ways:

- (1) Encourage a sense of lifelong learning in Marketing students who will live on both sides of the consumer/marketing divide. Advances in technology and online consumption will only make the questions addressed in this exercise more relevant to our students' lives and careers.
- (2) Help students develop into responsible citizens who are sensitive to the needs of others when it comes to protecting and valuing their personal data and privacy. Data collection is ramping up in all aspects of life, not only in business/marketing. The goal is for our graduates make informed and empathetic decisions if they find themselves in a position to acquire or use the data of others.
- (3) Inspire students to change society and the world for the better by teaching them to discern the needs of business from the needs of consumers, and to find the balance between them. Commerce is important, but so is a person's sense of security.

Course Component: In-Class Exercise

An in-class exercise and discussion were designed to be incorporated into Principles of Marketing (MKTG 300) or Digital Marketing & Analytics (MKTG 385). The digital marketing course would contain a more focused group of students studying digital topics, but the principles course would allow for a broader reach of both marketing and non-marketing students at an earlier age, which could allow the exercise to impact students before they take classes that require data collection and analysis.

The context of this exercise is the voluntary registration for a contest/giveaway, which is a standard way for marketers to collect consumer data. The activity has three components:

First, students will be asked to complete a form in exchange for a chance to win a reward. The form will ask for personal information, a few pieces of which will go beyond what would be necessary to award the prize. For example, if the reward is a chance to win tickets to an upcoming Xavier basketball game, the form would ask for the students' birthdate, mother's maiden name, and personal email address, in addition to the student's name, Xavier email address, and student ID#. Some of the extra personal data fields will be marked as required, while others will be marked optional.

Second, once all forms are completed, the class will be asked what they thought of the contest and the form they completed. The ensuing discussion will touch on:

1. Whether students completed the entire form, only the required fields, or perhaps less than what was required. Follow up questions will focus on why students completed some fields but not others. This discussion will focus on students' experiences as consumers completing a marketing form that may make them feel uncomfortable.
2. The type of data that would be necessary (vs. unnecessary) for the awarding of tickets to a student prize winner. This discussion point relates to discerning which data should be collected (vs. not collected) as a responsible marketer.
3. The potential usefulness of the additional/unnecessary information to marketers. What could marketers do with this level of personal information? This discussion point asks students to reflect as a marketing scholar on the potential benefits to be had (ethically or unethically) by a company or organization if they were to obtain such data.

Third, students will be divided into small groups and asked to design a new and improved form for the contest that balances the information needs of the marketer with an appropriate level of consumer privacy and protection. Each small group will likely have a different take on what the form should include. Changes could include asking different questions or being more upfront about why certain data is being collected. Discussion of each group's choices and their reasoning will follow.

Wrap-up: Students will be given the option of keeping the forms they completed or shredding them in a shredder provided by the instructor. The instructor will make sure any forms left behind are destroyed.

Implementation

Unfortunately, the COVID-19 pandemic of Spring 2020 made it impossible to conduct this exercise in class as planned. The activity will be included in an in-person class once teaching resumes on campus.

Conclusion

Marketing students in the Williams College of Business, in addition to the non-marketing students we see in our classes, are consumers embedded in a digital world. They have become used to giving up their personal data in exchange for access to online services, e-commerce, and entertainment. Data requests occur so often that many of today's consumers do not notice it anymore. As future leaders in business and society, our students need to be aware of the overreach that can occur in personal data collection. The needs of business and the needs of consumers do not always overlap. It is important for our graduates to understand both sides of the marketer-consumer equation in order to protect consumers from potential harm, in accordance with Jesuit principles.

References

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- McAfee, Andrew, and Erik Brynjolfsson (2012), "Big Data: The Management Revolution," *Harvard Business Review*, 90(10), 60-68.