

## **Don't you need my permission? Perceptions of Privacy Across Generations: An Ethical Case Study**

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### **Introduction**

Consumer privacy has become an increasingly important topic of interest in marketing courses today. More and more marketing campaigns are moving digital gaining access to the consumers personal information. The amount of information could include: time, date, location, phone type, duration of stay, as well as purchasing habits. This type of personal information enables the company to personalize marketing approaches. For example, the Target Corporation developed an interactive app “Cartwheel” for consumers to use while shopping at their retail giant stores. The app allows consumers to find bargains and deals of the day giving the customer discounts, while Target tracks their movement (location) throughout the store (<https://cartwheel.target.com>). Another example includes, AT&T “Thanks” program, it is using rewards and prizes to track locations of consumers. If a consumer accepts the offer to allow AT&T to track their location settings, the consumer receives free items weekly such as movie tickets, ice cream and so much more. While some consumers accept and encourage targeting of consumer movement in order to receive coupons or rewards, other consumers do not agree with this marketing practice.

Interestingly, privacy regulation regarding the online consumer is not the equivalent across the global. For example, in the U.K. the privacy regulation states that it is bad practice to store customer information and/or ask for customer email to enter a website (UK Privacy, 2017). Research in permission marketing, may be the key to exploring the effects of privacy issues in the online sphere. Permission marketing can be defined as direct marketing activities that require customers’ consent to be contacted by a specific company (Godin, 1999). The marketing messages should be mutually beneficial as they are anticipated, personal and relevant (Godin, 1999). The concern is with the perceptions across generations and across the globe. In the U.K., privacy laws are continuing to tighten while in the US we fall behind. Experts anticipate this law to cause damaging impact on the online advertising industry (O'Reilly, 2015) and wipe out the enormous profit potential of, for instance, targeted mobile marketing offers (Fong, Fang, and Luo, 2015).

### **Classroom Activity**

To engage students in permission marketing, privacy and ethics, we have developed a classroom activity based on a case study entitled “Meat Space.” The full case can be found in Appendix A. The case was selected from the textbook Principles of Marketing and implemented into a Qualtrics Survey to allow students to read the case and answer the questions (Kotler & Armstrong, 2016). Students of the authors were asked to voluntarily complete an online survey. An incentive of being placed in a drawing for Starbuck gift cards will be offered on an honor basis. Time was provided in class for completion of the survey.

The survey questions included a scale on personality inventory developed by Gosling, Rentfrow and Swann (2003). The scale asked students to rate personality traits on how they may or may not apply to themselves. There is a total of 10 different traits and the students rated them on a 7-point Likert scale from strongly agree to strongly disagree. In addition, students were asked to rate their Self-Concept Clarity: SCC on 12 questions on a five-point scale derived from Campbell, Trapnell, Heine, Katz, Lavallee, and Lehman (1996) study on self-concepts. Finally, students were asked to rate their evaluation of the case study based on the Reidenbach and Robin (1990) scale which includes three dimensions of ethics including: moral equity, relativistic dimension and contractualism. This scale includes 8 questions broken down into the three specific ethical dimensions. All of the scale questions can be found in Appendix B.

After the completion of the case reading and the survey, students were put into teams to debate if the case was ethical or unethical. Each team had 15 minutes to discuss and research their assigned point of view. The debate lasted 10 minutes giving each team 5 minutes to state their reports. Each of the debates were recorded for further analysis. To date we have collected 63 responses across three courses of marketing (Principles of Marketing, Marketing Research and International Marketing). The majority of the participants were between the ages of 20-22 (77%), slightly more female (56%) than male, mostly White/Caucasian (62%) and mostly undergraduate Junior/Senior standing (96%). The preliminary results from the study will be shared during our session. We look forward to providing feedback on the case and debate as well as sharing best practices from the classroom.

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## Appendix A

### Meat Space: Case Study

"By now, you know about behavioral targeting -- marketers tracking consumers' online behavior in cyberspace to send them targeted advertising. Krux Digital reports that the average visit to a Web page generated 56 instances of data collection, a five-fold increase in just one year. An investigation by the Wall Street Journal found that the 50 most popular U.S. Web sites installed more than 3,000 tracking files on the computer used in the study. The total was even higher -- 4,123 tracking files -- for the top 50 sites that are popular with children and teens. Many sites installed more than 100 tracking tools each during the tests. Tracking tools include files placed on users' computers and on Web sites. Marketers use this information to target online advertisements. But now, wearable and mobile devices allow marketers to track consumer movements in the physical world. The term meat space refers to the physical world in which our bodies move and do things, and marketers are using information obtained from wearable and mobile devices to personalize offers while consumers move around their space. For example, Disney's Magic Bands and mobile app allow users to unlock hotel room doors, enter parks, use FastPasses, and reserve, order, and pay for food. But the real magic for Disney is the ability to track everything the user does as he or she moves around the "meat space." Since users willingly give their names and birthdates when ordering Magic Bands, Goofy just might walk up to your child to say, "Happy birthday, Billy!"'" (Kotler & Armstrong, 2016, p. 536).

## Appendix B

### Trial Scales for Student Assessment

#### Gosling, Rentfrow, Swann (2003) Ten Item Version (TIPI) Personality Scale

1. Extraverted, enthusiastic
2. Critical, quarrelsome
3. Dependable, self-disciplined
4. Anxious, easily upset
5. Open to new experiences, complex
6. Reserved, quiet
7. Sympathetic, warm
8. Disorganized, careless
9. Calm, emotionally stable
10. Conventional, uncreative

#### Campbell et al (1996) Twelve Item Version Personality Scale

1. My beliefs about myself often conflict with one another.
2. On one day, I might have one opinion of myself and on another day I might have a different opinion.
3. I spend a lot of time wondering about what kind of person I really am.
4. Sometimes I feel that I am not really the person that I appear to be.
5. When I think about the kind of person I have been in the past, I'm not sure what I was really like.
6. I seldom experience conflict between the different aspects of my personality.
7. Sometimes I think I know other people better than I know myself.
8. My beliefs about myself seem to change very frequently.
9. If I were asked to describe my personality, my description might end up being different from one day to another day.
10. Even if I wanted to, I don't think I could tell someone what I'm really like.
11. In general, I have a clear sense of who I am and what I am.
12. It is often hard for me to make up my mind about things because I don't really know what I want.

#### Reidenbach and Robin (1990) Ethical Scale

##### Moral Equity Dimension

1. Fair/unfair
2. Just/unjust
3. Acceptable to my family/unacceptable to my family
4. Morally right/not morally right

##### Relativistic Dimension

5. Traditionally acceptable/traditionally unacceptable
6. Culturally acceptable/culturally unacceptable

##### Contractualism Dimension

7. Violates/does not violate an unspoken promise
8. Violates/does not violate an unwritten contract