

Lee Rainie

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“Privacy Online: How Americans feel... the ways they are responding to new threats ... and why they are changing their online behavior”

Here’s the state of play online now, according to our latest figures:

- 68% of American adults (ages 18 and older) use the internet
- 87% of Americans between ages 12-17 use the internet

There are several identifiable digital gaps.

Those where there are strong correlations:

1. Age – internet use is highest among young, lowest among older Americans.
2. Educational Attainment – internet use is high among those with college and graduate degrees and relatively low among those with high school diplomas.
3. Disability status – internet use is lower among the disabled.
4. Language preference– internet use highest among English speakers, and lower among those who prefer to speak a language other than English.

Those where the correlations are weaker, but are still significant:

5. Race and ethnicity – internet use is high among whites and Asian-Americans and lower among African-Americans.
6. Income – internet use is highest among those living in households with \$75,000 or more of income and low among those living in households with under \$30,000 of income.
7. Parental status – internet use is higher among those with minor children living at home than in households with no children under 18 living at home.

Places where there are differences in the internet using populations, but where statistical correlations are not notable and other factors such as education level, age, and income level are stronger explainers of the differences.

8. Employment status – internet use is highest among students, lowest among the retired and widows.

9. Community type – internet use is higher among suburban and urban residents, lower among rural residents.

Our most recent surveys show that while internet penetration continues to rise, the new recruits to the online army are actually veterans signing up for a second or third tour. That is, people who used to drop on and off-line are now more likely to keep their internet access. Internet users with less than one year of experience have become a rare breed online. Those who are online and those who are offline seem to be closing ranks in their respective camps. If you're on, you're on. If you're off, you're off.

Basic insights related to privacy:

1) Privacy is a context-related value for most, but not all, Americans.

Here I'm citing our own work and also drawing on work of Dr. Alan Westin (<http://www.pandab.org/whoswho.html>).

Privacy fundamentalists – a quarter of Americans and the cohort has grown in the internet era. These Americans do not like to disclose anything.

Privacy indifferents/unconcerned – 10% of Americans who will disclose most anything, most anywhere and are not concerned about the privacy implications of that.

Privacy pragmatists/transactors – About two thirds of Americans. They will give up info in return for something of value. They care about privacy, but are – to a far greater degree than the privacy fundamentalists – often willing to allow people to have access to, and use their personal information when they understand the reasons for its use, when they see tangible benefits for so doing and when they believe care is taken to prevent the misuse of this information.¹

2) Privacy means different things to different people.

- Anonymity – Some do not want to be identified or known. These Americans do not like to disclose anything about themselves, if given the choice.
- Confidentiality – Others believe it is okay to disclose their personal information to some, but they shouldn't disclose it to others without permission.
- Security – Those who get my information should protect it from bad guys.²

3) Privacy violations come in several flavors.

- Personal loss and theft: People are afraid that privacy violations will lead to significant financial loss.
- Intrusion: They do not like unwanted mail, telemarketing, and spam

¹ See press release at: (http://www.harrisinteractive.com/harris_poll/index.asp?PID=365)

² Some of these insights are drawn from Rosen, Jeffrey, *The Unwanted Gaze: The Destruction of Privacy in America*. 2000. Random House.

- Manipulation: They do not appreciate organizations/individuals compiling profiles that allow hidden persuader or “tricky” marketing efforts.
- Discrimination: They are against secret standards being used for making consumer risk-assessments for credit or insurance or even job status.
- Big Brotherism: They have a visceral opposition to the government knowing things about them, especially those items that are unrelated to public/civic life.
- Embarrassment. They are concerned about disclosures that will bring them shame or embarrassment.

4) Not all information is created equal.

Americans think this kind of information is most precious and want it treated more carefully.

- Health information
- Financial information
- Children’s information
- Family secrets

Their greatest concern is something of value will be stolen from them. But they also fear disclosures that will hurt their employment status, their credit status and their insurance status.

Everything else is on the table for negotiation for the pragmatists.

5) Americans cherish control over information that relates to them.

- 86% say internet companies should ask permission to use personal information.
- 84% concerned about businesses and people they don’t know getting personal information about them and their families and disclosing it without permission.
- 54% believe Web-site tracking invades their privacy; 27% say it’s helpful.
- Ask me first: I’ll bargain with you: 54% have provided personal information in order to use a site; 10% say they would.

6) Americans will do trusting things online even at the risk of potential privacy violations

There is a paradox at the heart of people’s online behavior in light of their concerns about privacy. On the one hand, they say they are worried, yet ...

- 79% of internet users have used the internet to get health information
- 67% have given up personal information to buy something online
- 62% have given up personal information to make travel reservations

- 58% have visited web sites where they get support for medical conditions or personal problems
- 41% have done online banking
- 38% have paid bills online
- 25% have made friends with someone they had never met offline

7) Online threats to privacy have grown in recent years and they have affected online behavior.

Spyware and the threat of unwanted programs being secretly loaded onto computers are becoming serious threats online. Tens of millions of Americans have been affected in the past year by software intrusions and many more have begun to take precautions by changing the way they use the internet.

Some 68% of home computer users, or about 93 million American adults, have experienced at least one of these problems in the past year. Sixty percent of internet users who report computer problems do not know the source, but those who do know cite viruses, spyware, adware, operating system flaws, and hardware glitches. And 29% of email users say they are using email less now because of their problems or their annoyance or their fear about the online world.

- 52% of home internet users say their computer has slowed down or is not running as fast as it used to.
- 51% of home internet users say their computer started freezing up or crashing, requiring them to shut down or reset.
- 25% of home internet users say a new program appeared on their computer that they didn't install or new icons suddenly appeared on their desktop. An additional 48% said they have never done this.
- 18% of home internet users say their internet home page changed without them resetting it.

And 91% of internet users say they have made at least one change in their online behavior to avoid unwanted software programs. Among the changes:

- 81% of internet users say they have stopped opening email attachments unless they are sure these documents are safe.
- 48% of internet users say they have stopped visiting particular Web sites that they fear might deposit unwanted programs on their computers.
- 25% of internet users say they have stopped downloading music or video files from peer-to-peer networks to avoid getting unwanted software programs on their computers.
- 18% of internet users say they have started using a different Web browser to avoid software intrusions.

So, here's where we are: Americans are anxious and they say they would be happier...

- with a different tilt on the privacy playing field that gave them the presumption of control over their information,
- with an education campaign that helped them understand better how to deal with the threats they face,
- with new easy-to-use technological tools that give them a sense of control or at least transparency,
- with enforcement that hurts wrongdoers.