ABSTRACT

Technology has made it easier for online services to develop marketing strategies based on customers´ personal data. The information is gathered through privacy policies and is used for personalized products and services, discounts, prioritization, and other benefits. However, data usage has caused a rise in customers´ privacy concerns. The reason behind this is that most of the customers do not read or understand the privacy policies because of the length, visibility, or language used. This implies that consumers are not aware of how the information is gathered, how it is used, and for what purposes. Furthermore, other factors may affect data sharing, such as trust, perceived benefits, control over the data, and sensitivity of information required.

This study aims to investigate how customers perceive privacy policies and understand what factors affect the customers´ privacy concerns and information disclosure. The paper uses a quantitative approach to provide answers to two research questions raised in this master thesis about the customers´ perception of privacy policies as well as the factors that affect privacy concerns and the disclosure of customers' data. A descriptive online survey is employed to gather the data regarding the constructs analyzed in this research, including privacy policy comprehension, customers´ perception, trust, website satisfaction, control, information disclosure, benefits, and privacy concerns. The results showed that, in general, most of the customers do not read and understand privacy policies. Moreover, it indicated that higher trust and benefits would lead to higher information disclosure. On the other hand, higher trust and control would lower privacy concerns. Overall, customers need more control over their data and require benefits in order to share their data.

Keywords: customer data, privacy policy, privacy concerns, information disclosure