



EXECUTIVE SUMMARY

Ketchum's Social Permission and Technology Study

SEPTEMBER 2018

Consumers are increasingly conflicted about the technology that surrounds them: they love the efficiency, convenience and enjoyment it provides, while also being concerned about dependency, intrusion, privacy and safety. Many yearn for a return to more analog times, yet confess that they would have trouble disconnecting.

Ketchum's Social Permission and Technology study suggests that we may be approaching a tipping point, whereby a subset of consumers will move to take control of the unease they feel over technology and privacy. What this disruption will look like remains to be seen. It could be in the form of demanding more extensive legislation, a shift towards tech brands who are perceived to take privacy and security seriously, or a call for industry-wide changes in the way technology companies currently do business and deal with consumer data.

Technology companies – and any organization that interacts with consumers through digital devices or collects personal information – need to answer a fundamental question. How can your brand earn the social permission required to address waning consumer trust and gain or retain their business?



62%

of respondents said technology is **invaluable in their daily lives**, yet almost half said they wish they were born in a time of less technology.

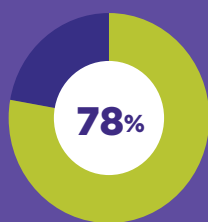
Ketchum

Key Study Findings

A new class of influencers has emerged – the Techruptors. The study uncovered an emerging, tech-savvy group of consumers likely to disrupt the technology industry by demanding changes in the way companies operate and interact with consumers. These “Techruptors” tend to be younger, tech-savvy digital natives, who both understand technology and use more tech products and services than the general population.

These potential disruptors represent more than a third of the population (38%). Techruptors are dependent on technology and use it more than others, but feel advancements in technology are coming too fast and becoming too pervasive. Similar to the general population, Techruptors are most concerned about protecting their personal identification (56%), their financial data (44%), and their health data (30%) from technology.

Consumers overall have concerns about the growing role technology is playing in their lives: 8 in 10 people (78%) believe technology has made their life better in the last five years. Despite this positive outlook, 92% are at least somewhat worried about new developments in technology affecting their privacy.



PEOPLE LACK TRUST ABOUT HOW DATA IS USED BUT AVOID DEALING WITH IT:

While 78% are **uncomfortable with companies selling their data**, more than half of respondents (54%) say they agree to privacy terms without reading them all or most of the time.

FRIENDS AND FAMILY ARE SO CLOSE, YET SO FAR:

81% SAID TECHNOLOGY HAS PROVIDED MORE MEANINGFUL LONG-DISTANCE INTERACTIONS WITH FAMILY AND FRIENDS, WITH 59% SAYING TECHNOLOGY ALLOWS THEM TO MAKE MORE TIME FOR FRIENDS. YET 58% SAID IT IS HARDER TO GET THE ATTENTION OF FRIENDS AND FAMILY WHEN SPENDING TIME TOGETHER BECAUSE THEY ARE DISTRACTED BY THEIR TECH DEVICES.

Technology makes time with kids better, but it also poses a threat: 55% of parents said technology has made time with their children better. Yet despite what social media feeds might be showing, 73% of respondents who are concerned about sharing information from mobile apps are concerned about sharing family details. Moreover, 85% of parents also are concerned about their child's safety while interacting with technology and 76% are concerned about new developments in technology affecting their child's privacy and identity.

RESPONDENTS ARE LIKELY TO SHOP ONLINE, BUT UNLIKELY TO TRUST RETAILERS WITH THEIR DATA:

84% SAID TECHNOLOGY MAKES SHOPPING MORE CONVENIENT, AND 48% SAID THEY BUY ALMOST EVERYTHING ONLINE, BUT ONLY 8% TRUST RETAILERS WITH THEIR PERSONAL DATA, AND 2 IN 5 PEOPLE (37%) DO NOT TRUST ORGANIZATIONS IN ANY INDUSTRY WITH THEIR DATA.

Technology is viewed as a cause for job losses, but also a cure: 82% of respondents believe technology will make certain industries obsolete in the future, yet 74% believe it also will lead to the creation of new jobs.

Consumers want more legislation, but don't trust the government: More than 8 in 10 people (85%) believe there needs to be more legislation around data privacy, but only 1 in 5 individuals trust the state (18%) or federal (20%) government to protect their digital privacy. Techruptors are more likely than the general population to think further legislation around data privacy is needed (91%), and 92% somewhat agree that a General Data Protection Regulation (GDPR) system should be implemented in the U.S. The GDPR, established in the European Union (EU) in 2016 and implemented in 2018, is a regulation in EU law on data protection and privacy for all individuals within the European Union and the European Economic Area.

Study Implications

Is society at a permission tipping point when it comes to technology?

Ketchum believes companies, brands and organizations must understand the concept of earning — not buying — public or social permission in order to do business with and gain public trust from consumers. A small percentage of the overall consumer audience can have an inordinately large impact on brand perception. For example, a single tweet can be sufficient to spark a negative news cycle. Earned permission comes in many forms: media, dialogue, thought leadership, employee morale and culture, regulatory permission, and influence.

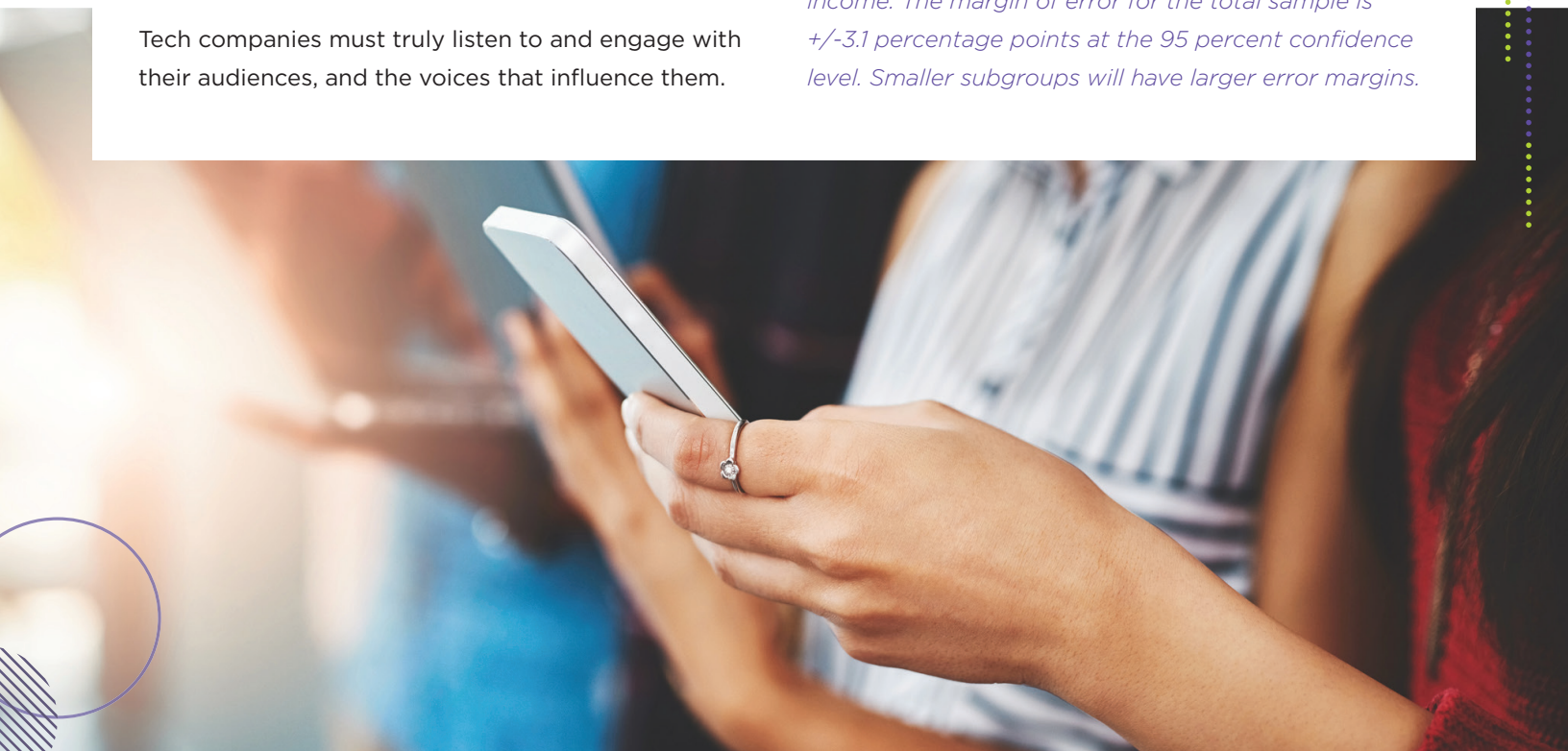
We also believe **it is critical that tech companies start to measure and quantify social permission as a key business indicator.** Even when sales and financial metrics appear strong, social permission indicators can be important precursors for predicting business challenges ahead.

Tech companies must truly listen to and engage with their audiences, and the voices that influence them.

The old rules of building a brand have changed; **innovation and a commitment to trying to do the right thing are no longer enough to win consumer favor.** Brands must look for signs that they may be approaching a permission tipping point with their consumers and think strategically about what steps they can take to create and maintain social permission in the marketplace.

About Ketchum's Social Permission & Technology Study

Ketchum's Analytics division conducted an online survey with 1,011 adults age 18+ in the U.S., fielded between June 12 and June 15, 2018. When necessary, the survey sample was balanced to be nationally representative of the U.S. population as it relates to age, gender, region, race/ethnicity, education and income. The margin of error for the total sample is +/-3.1 percentage points at the 95 percent confidence level. Smaller subgroups will have larger error margins.





CONTACT MELISSA KINCH TO
SCHEDULE A **COMPLIMENTARY**
45-MINUTE DISCUSSION OF THE
STUDY FINDINGS PLUS BEST
PRACTICES ON DATA DIALOGUES
RELEVANT TO YOUR BUSINESS.

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