Executive summary

KETCHUM'S 2019 SOCIAL PERMISSION AND TECHNOLOGY STUDY

Companies are well aware that most consumers (**66%**) are concerned about **data security**, and that data breaches can have a damaging effect on corporate reputations.

But consumers have other data-related worries, too. **Data privacy** (also **66%**) is equally concerning — and brands that don't address the data privacy elephant in the room face serious threats that can severely damage their businesses.

These are among the key takeaways from Ketchum's 2019 Social Permission and Technology study, a deep dive into consumer perceptions around technology and data security/privacy issues, and the links between those perceptions and their actual behaviors.

The hope is that insights gleaned from the survey's results will enable communicators to better understand the role they must play in preparing their organizations to tackle (or respond to) their customers' data concerns.

And clearly, from these findings, PR teams have plenty on their plates … because consumer perceptions and worries on data- and tech-related topics are intensifying.

Ketchum

IS THE TECHLASH TIPPING POINT GROWING CLOSER?

Can brands be trusted to keep data safe?
Not so much, consumers say:

48% DON'T BELIEVE COMPANIES WHEN THEY SAY THEIR DATA IS PROTECTED

49% DON'T BELIEVE COMPANIES WHEN THEY DECLARE DATA BREACH ISSUES ARE RESOLVED

74%

AND THINGS ARE GETTING WORSE: 74% say companies haven't improved or have gotten worse in protecting consumer data in the past 12 months

TAKING ACTION AND DEMANDING CHANGE

Consumers are taking action to protect themselves and calling for more regulation. We found that in the last year:

60% DELETED AN APP FROM THEIR PHONE

47% CREATED MORE COMPLEX PASSWORDS

40% TURNED OFF LOCATION TRACKING

AND THEY'RE CALLING FOR MORE OVERSIGHT

89% COMPANIES SHOULD BE FINED FOR DATA BREACHES

59% LARGE TECH COMPANIES SHOULD BE BROKEN UP

In our view, the overarching issue is a lack of trust. Consumers don't trust brands when they say their data is safe, suggesting there has already been a significant erosion of trust from high-profile privacy lapses.

We suspect consumers will be forgiving if a company is the target of criminal activity via a cyberattack. But if their data is compromised by choice (e.g., selling consumer data), consumers will be less understanding, and companies will risk severe reputational damage as a result.

We anticipate more pushes for stronger government regulation, as well as calls for companies to self-police data privacy much more rigorously.

THE YIN AND YANG OF TECHRUPTORS

A subset of consumers called Techruptors — first identified in Ketchum's 2018 survey — are typically young digital natives who are likely to disrupt the technology industry.

They have a complicated relationship with technology but view it as a positive force in their lives — and tend to gravitate toward technologies that enhance their current lifestyles. But they have real concerns about how to keep themselves, their family and friends, and society at large safe in an evolving ecosystem.

THE TECHRUPTOR YIN …

81% ARE MORE OFTEN THE FIRST AMONG THEIR FRIENDS TO BUY NEW TECHNOLOGY COMPARED TO THOSE IN THE GENERAL POPULATION (**48%**)
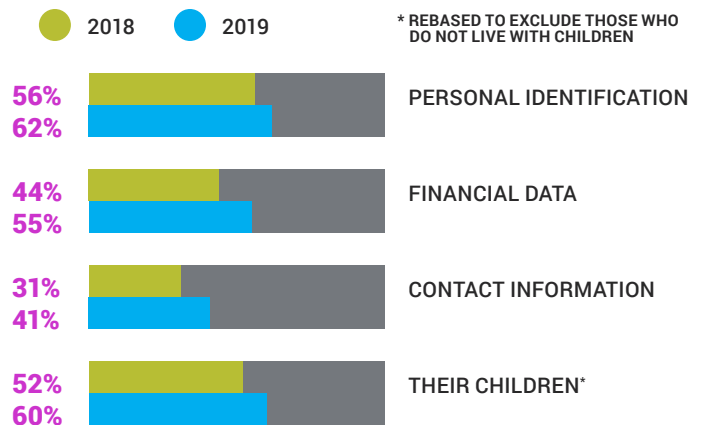
85% HAVE FRIENDS/FAMILY OFTEN ASK THEM FOR ADVICE ABOUT TECHNOLOGY COMPARED TO **61%** OF THE GENERAL POPULATION

THE TECHRUPTOR YANG …

68% ARE CONCERNED ABOUT HOW FAST TECHNOLOGY IS DEVELOPING

76% THINK COMPANIES ARE DOING THE SAME OR WORSE AS A YEAR AGO

And compared to our first survey in 2018, Techruptors' data concerns are deepening — and they have a strong desire to do something about it:

● 2018 ● 2019   * REBASED TO EXCLUDE THOSE WHO DO NOT LIVE WITH CHILDREN

	2018	2019	
PERSONAL IDENTIFICATION	56%	62%	
FINANCIAL DATA	44%	55%	
CONTACT INFORMATION	31%	41%	
THEIR CHILDREN*	52%	60%	

Tech communicators, take heed. You can't focus on everyone, so Techruptors are the ideal audience to engage on data privacy/security and other technology issues.
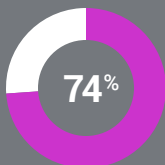
They have a pulse on where consumer attitudes toward tech are moving in the near future and are a heavy influence on the opinion of family and friends. They want to hear from you on these topics.

IMPLICATIONS FOR BUSINESSES: THE TRUST FACTOR

No industry has a passing grade on the **Data Confidence by Industry Index**, which was a key part of the Ketchum study.

DATA CONFIDENCE BY INDUSTRY INDEX
HOW DID PEOPLE RATE THEIR TRUST IN VARIOUS VERTICALS TO RESPONSIBLY HANDLE THEIR PERSONAL DATA?

★ TECHRUPTOR
● GENERAL POPULATION

MOST TRUSTED — 50%
LEAST TRUSTED — 0%

PERCENTAGE OF PEOPLE THAT INDICATED TRUST

TYPES OF TECHNOLOGY
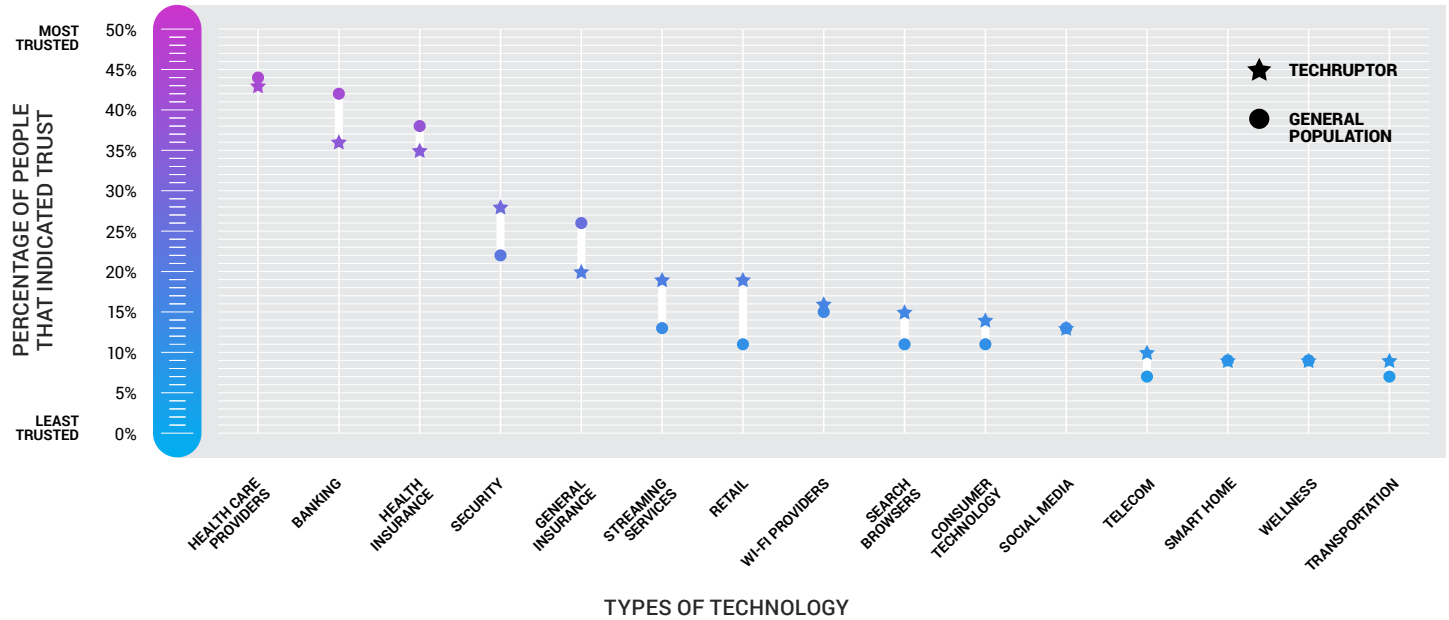
But some are in real danger of losing consumer confidence altogether. And not surprisingly — given the technology wariness in evidence today — tech-centric industries continue to rank among the bottom with respect to consumer trust with personal data.

HIGHEST SCORES
THE INDUSTRIES RATED HIGHEST IN TRUST TO RESPONSIBLY HANDLE PERSONAL DATA

	GENERAL POPULATION	TECHRUPTORS
HEALTH CARE PROVIDERS	44%	43%
BANKING	42%	37%
HEALTH INSURANCE	38%	35%

LOWEST SCORES
THE INDUSTRIES RATED LOWEST IN TRUST TO RESPONSIBLY HANDLE PERSONAL DATA

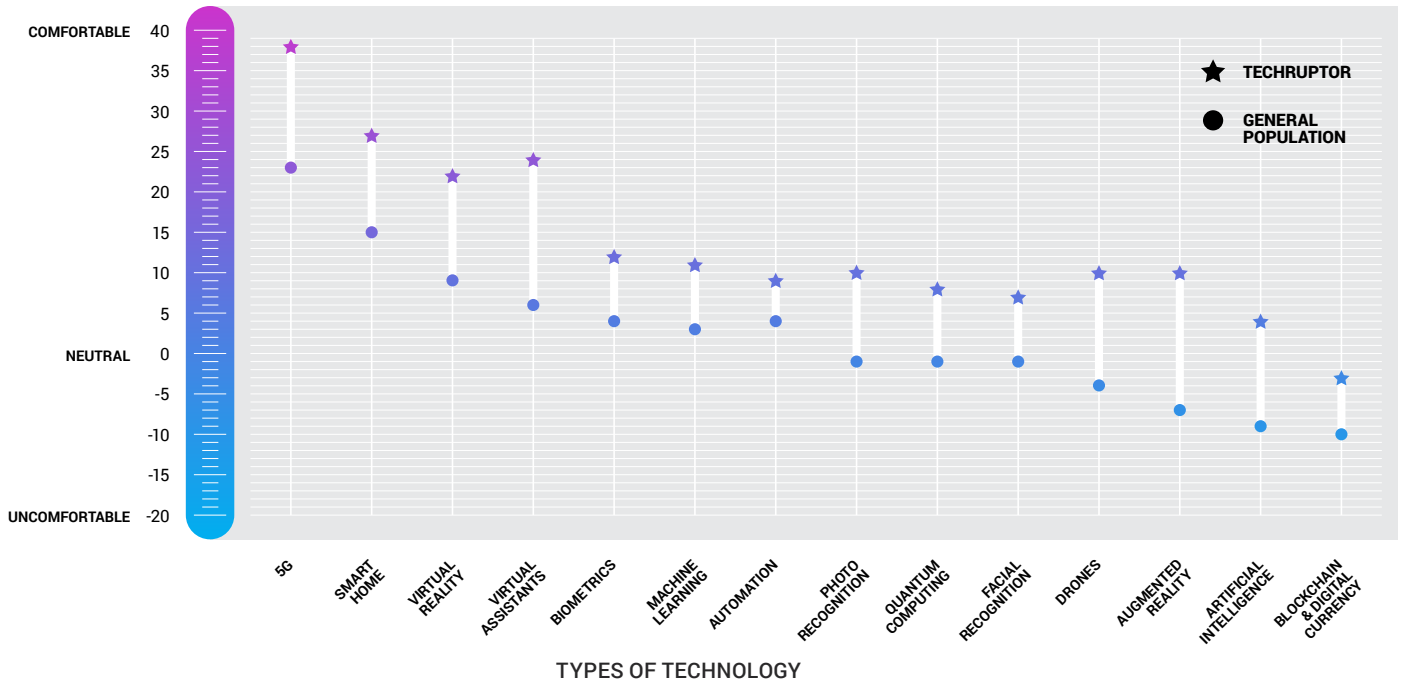|	GENERAL POPULATION	TECHRUPTORS
TELECOMMUNICATIONS	7%	10%
TRANSPORTATION	7%	9%
SMART HOME & WELLNESS (TIED)	9%	9%

WHERE DOES YOUR INDUSTRY RANK?
AND WHAT IS YOUR COMPANY GOING TO DO ABOUT IT?

For specific types of technology, confidence levels aren't soaring either. According to the **Tech We Accept Index**, neither Techruptors nor the general population ranked specific technologies higher than 40 on a scale of -100 to 100 in terms of comfortability.

TECH WE ACCEPT INDEX
ARE PEOPLE COMFORTABLE WITH THE DIFFERENT TECHNOLOGIES IN THEIR LIVES?

★ TECHRUPTOR
● GENERAL POPULATION

COMFORTABLE 40 35 30 25 20 15 10 5
NEUTRAL 0
-5 -10 -15
UNCOMFORTABLE -20

TYPES OF TECHNOLOGY

(Technologies: 5G, SMART HOME, VIRTUAL REALITY, VIRTUAL ASSISTANTS, BIOMETRICS, MACHINE LEARNING, AUTOMATION, PHOTO RECOGNITION, QUANTUM COMPUTING, FACIAL RECOGNITION, DRONES, AUGMENTED REALITY, ARTIFICIAL INTELLIGENCE, BLOCKCHAIN & DIGITAL CURRENCY)

Perhaps these rankings indicate that consumers are overall more comfortable with tech that makes their home and personal lives easier, while they're less comfortable with the least understood or less common types of tech.

HIGHEST SCORES
TECHNOLOGIES WITH OVERALL HIGHEST GENERAL POPULATION COMFORT LEVELS

	GENERAL POPULATION	TECHRUPTORS
5G	23	38
SMART HOME	15	27
VIRTUAL REALITY	9	22

LOWEST SCORES
TECHNOLOGIES WITH OVERALL LOWEST GENERAL POPULATION COMFORT LEVELS

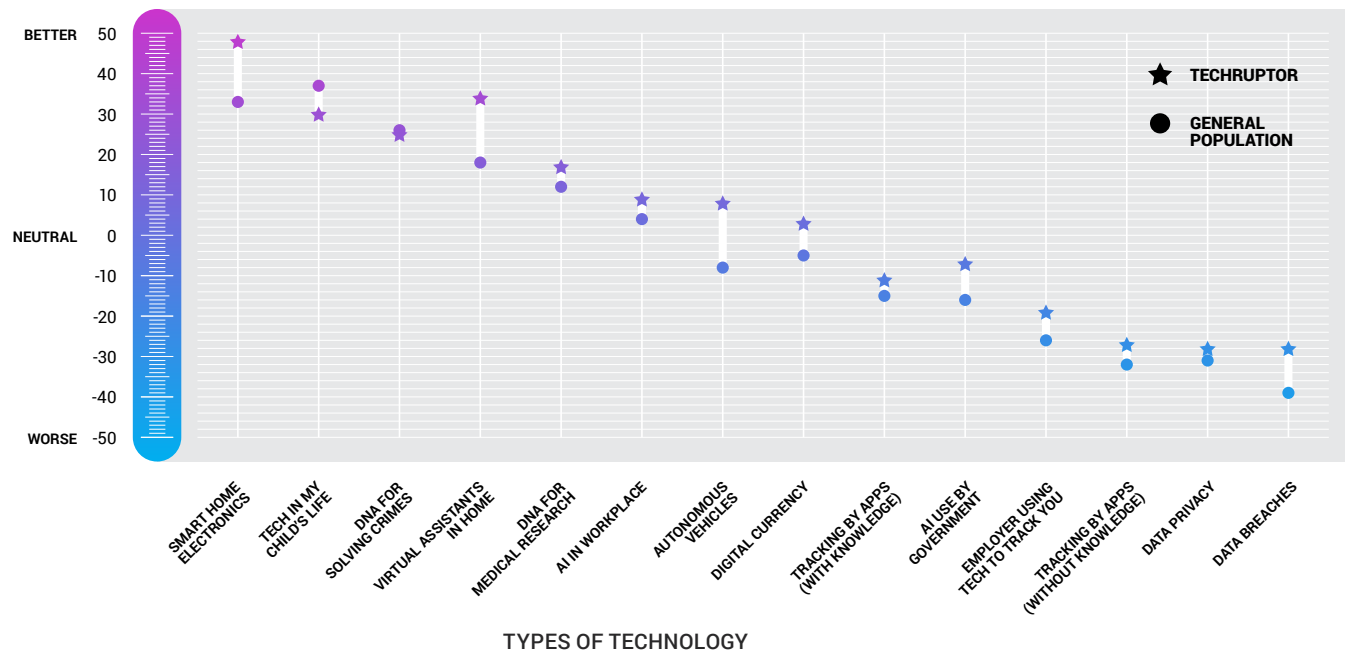|	GENERAL POPULATION	TECHRUPTORS
BLOCKCHAIN & DIGITAL CURRENCY	-10	-3
ARTIFICIAL INTELLIGENCE	-9	4
AUGMENTED REALITY	-7	10

THE PERSONAL DYNAMIC – THE TECH SANDWICH GENERATION

Do consumers feel more positive or negative toward certain tech applications over the past year? The **For Better or For Worse Tech Index** gives us a glimpse at their thoughts.

FOR BETTER OR FOR WORSE TECH INDEX
DO PEOPLE FEEL MORE POSITIVE OR NEGATIVE TOWARD CERTAIN TECH APPLICATIONS OVER THE PAST YEAR?

BETTER 50 40 30 20 10
NEUTRAL 0
-10 -20 -30 -40
WORSE -50

★ TECHRUPTOR

● GENERAL POPULATION

TYPES OF TECHNOLOGY

SMART HOME ELECTRONICS · TECH IN MY CHILD'S LIFE · DNA FOR SOLVING CRIMES · VIRTUAL ASSISTANTS IN HOME · DNA FOR MEDICAL RESEARCH · AI IN WORKPLACE · AUTONOMOUS VEHICLES · DIGITAL CURRENCY · TRACKING BY APPS (WITH KNOWLEDGE) · AI USE BY GOVERNMENT · EMPLOYER USING TECH TO TRACK YOU · TRACKING BY APPS (WITHOUT KNOWLEDGE) · DATA PRIVACY · DATA BREACHES

In general, the answer is … more negative. Perhaps, as they become more familiar with certain technologies, consumers (and Techruptors) will change their tune about them.

THE TECHNOLOGIES CONSUMERS FEEL MOST POSITIVE TOWARD — SUCH AS SMART HOME ELECTRONICS AND DNA FOR SOLVING CRIMES — TEND TO HAVE BEEN IN THE CONSUMER DOMAIN THE LONGEST.

Consumers bearing the brunt of technology concerns tend to be in what we're calling the Tech Sandwich Generation. In their 30s to 50s, they are not only concerned about technology's negative impact on their lives, but also on those generations they are responsible for: their children and elderly parents/grandparents.

WHAT CONCERNS TECHRUPTORS IN THE TECH SANDWICH GENERATION?

75% ARE WORRIED THAT THEIR CHILD WILL FALL VICTIM TO TECHNOLOGY

59% ARE WORRIED ABOUT THEIR PARENTS

59% ARE WORRIED ABOUT THEIR GRANDPARENTS

55% ARE WORRIED ABOUT THEMSELVES

These concerns show all the more reason why companies must identify, understand and stay transparent with their data privacy/security story.

RAMIFICATIONS FOR DEMOCRACY
AND ELECTION 2020

Americans' concerns over data privacy and security extend to the forthcoming 2020 presidential election.

Liberals … conservatives … and everyone on the political continuum in between. Our usually divided populace is showing bipartisan support on at least one topic: they're worried about the role technology may play in altering or negatively impacting election results.

Liberals are on average slightly more concerned than conservatives, but everyone is on edge. Consider these eye-opening findings from the same Ketchum survey, as a decisive majority of consumers are worried about:

63% FOREIGN INTERFERENCE IN THE ELECTION, USING TECHNOLOGY

60% TECHNOLOGY ISSUES WITH VOTER DATABASES

59% ISSUES WITH VOTING MACHINES

61% THE INFLUENCE OF SOCIAL MEDIA ON THE RACE
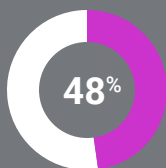
48% Further, nearly half feel worse about the political use of social media than they did a year earlier.

What are the ramifications of these consumer concerns as we head deeper into the political season? Here are some questions … and likely answers:

Will this lack of faith in technology create more political division — and less belief in the final outcomes?
Time will tell … but it's hard to believe it won't create even more divisiveness.

Are consumers taking actions to protect themselves from manipulation of their political views by technology?
The survey says … yes! Consumers who are worried about the influence of social media in relation to the 2020 American presidential election are taking action to protect themselves. In the last year:

66% DELETED APPS FROM THEIR PHONE

52% CREATED OR USED MORE COMPLEX PASSWORDS

47% TURNED OFF LOCATION TRACKING

As with the discord consumers are having with technology in general, their concerns about its impact on the forthcoming election can have dramatic implications for business communications and democracy itself.

COMMUNICATIONS IN THE TECHRUPTOR ERA

Communicators, it's time to take action on these issues. Here's what we suggest:

ALERT THE C-SUITE
Insert yourselves into conversations at the highest levels of the organization. Discussing the results of this study might be a good place to start.

ANALYZE YOUR STAKEHOLDERS
By auditing consumers' — and your employees' — knowledge of your company's data-related activities, you'll have a better understanding of potential problem areas. Identify the Techruptors among your stakeholders; engage and listen to them, sooner vs. later.

CONDUCT A RISK ASSESSMENT
Building on the previous step, conduct a thorough stakeholder-centric risk assessment of your data practices. Once you've identified the risks, develop an approach to address those topics, especially with Techruptors.

DEMAND TRANSPARENCY
This may be your toughest challenge. But if you can convince internal stakeholders to proactively share transparent data policies and practices, that will eliminate much of the mystery surrounding them — and convince stakeholders you care.

DON'T HIDE BEHIND LEGAL SPEAK
Multi-page consent forms no one reads won't save your reputation. Yes, legal speak may be necessary — but so are honesty and transparency.

HOW KETCHUM CAN HELP

Brands need not navigate their data security/privacy journey on their own. Through its suite of products and services, Ketchum offers expert counsel on how to identify and manage reputation and communication issues regarding to data privacy, cybersecurity and related topics.

Two of the many Ketchum services relevant for technology companies dealing with data privacy/security issues, or the possibility they may arise, are the following:

A COLLABORATIVE OFFERING FROM OUR TECHNOLOGY AND ISSUES & CRISIS TEAMS
Guided by our Reputation by Permission philosophy, the service combines our Issues & Crisis know-how with our vast industry-specific skills, tools and knowledge and can be tailored to the needs of tech companies.

KETCHUM'S TECHNOLOGY WHITE SPACE
This offering provides a data- and research-driven landscape and competitive analysis that helps brands define their unique technology story — and provides the insights and tools to articulate it. Through this process, we evaluate the media landscape around a specific conversation and show what it looks like visually. We can see what is being written about, how often and by whom to determine what topics are driving outcomes.

ABOUT KETCHUM'S SOCIAL PERMISSION & TECHNOLOGY STUDY

Ketchum's Analytics team conducted the second annual Social Permission and Technology study, an online omnibus survey of 1,022 adults age 18+ in the United States, between August 20, 2019 and August 23, 2019. When necessary, the data was weighted 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% confidence level. Smaller subgroups will have larger error margins.

To learn more about the study and discuss your needs, contact:

MELISSA KINCH
PARTNER AND MANAGING DIRECTOR
TECHNOLOGY
+1 310 437 2516
MELISSA.KINCH@KETCHUM.COM

LISA SULLIVAN
PARTNER AND DIRECTOR
TECHNOLOGY
+1 415 984 6281
LISA.SULLIVAN@KETCHUM.COM

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