In the game of trust, consumers value data transparency over liking a product or service
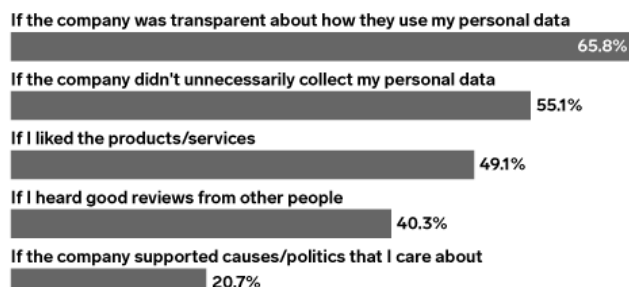
Article

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Nearly two-thirds (65.8%) of US consumers said that a company being transparent about how they plan to use personal data would help that company gain their trust, per Razorfish. Over half (55.1%) said a company would be more likely to gain their trust if it didn't unnecessarily collect personal data. Their satisfaction with a company's product or service had less of an impact, with 49.1% saying it would earn their trust.

Factors That Would Influence US Consumers to Gain Trust in a Company, Jan 2023
% of respondents

Factor	%
If the company was transparent about how they use my personal data	65.8%
If the company didn't unnecessarily collect my personal data	55.1%
If I liked the products/services	49.1%
If I heard good reviews from other people	40.3%
If the company supported causes/politics that I care about	20.7%

Note: n=1,672 ages 16-64
Source: Razorfish, "The Data Privacy Paradox," March 22, 2023

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Beyond the chart: It's not just consumer concerns that marketers should be worried about.

This year, state privacy laws have or will come into effect regarding how companies can collect and use consumer data in California, Colorado, Connecticut, Utah, and Virginia. And that's just the beginning—there are 19 other states with active privacy legislation, and a federal privacy law could be looming.

To appease both consumers and regulators, companies must stay up to date on the latest privacy laws and be completely transparent about how they plan to use consumer data.

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Methodology: Data is from the March 2023 Razorfish report "The Data Privacy Paradox." US 1,672 consumers ages 16-64 were surveyed online during December 22, 2022-January 23, 2023.