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Discussion Paper

## The Disclosure of Private Data: Measuring the Privacy Paradox in Digital Services

by

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in: Electronic Markets, 2018

The final publication is available at:  
<https://doi.org/10.1007/s12525-018-0303-8>

WI-552

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# Electronic Markets – The International Journal on Networked Business

## **Abstract:**

Privacy is a current topic in the context of digital services because such services demand mass volumes of consumer data. Although most consumers are aware of their personal privacy, they frequently do not behave rationally in terms of the risk-benefit trade-off. This phenomenon is known as the privacy paradox. It is a common limitation in research papers examining consumers' privacy intentions. Using a design science approach, we develop a metric that determines the extent of consumers' privacy paradox in digital services on the basis of the theoretical construct of the privacy calculus. We demonstrate a practical application of the metric for mobile apps. With that, we contribute to validating respective research findings. Moreover, among others, consumers and companies can be prevented from unwanted consequences with regard to data privacy issues and service market places can provide privacy-customized suggestions.

