



Research Center  
Finance & Information Management



Project Group  
Business & Information  
Systems Engineering

## The Upside of Data Privacy - Delighting Customers by Implementing Data Privacy Measures

by

Henner Gimpel, Dominikus Kleindienst<sup>1</sup>, Niclas Nüske, Daniel Rau, Fabian  
Schmied

in: Electronic Markets, 2018, 28, 4, p. 437-452

The final publication is available at:  
[DOI 10.1007/s12525-018-0296-3](https://doi.org/10.1007/s12525-018-0296-3)

<sup>1</sup> Allianz

WI-686

University of Augsburg, D-86135 Augsburg  
Visitors: Universitätsstr. 12, 86159 Augsburg  
Phone: +49 821 598-4801 (Fax: -4899)

University of Bayreuth, D-95440 Bayreuth  
Visitors: Wittelsbacherring 10, 95444 Bayreuth  
Phone: +49 921 55-4710 (Fax: -844710)



Universität  
Augsburg  
University



UNIVERSITÄT  
BAYREUTH





# Electronic Markets – The International Journal on Networked Business

[Manuscript Template]

Full Title of Article:	The Upside of Data Privacy
Subtitle (optional):	Delighting Customers by Implementing Data Privacy Measures
Preferred Abbreviated Title for Running Head (maximum of 65 characters including spaces)	The Upside of Data Privacy
Key Words (for indexing and abstract services – up to 6 words):	privacy concerns, privacy measures, customer data, customer satisfaction, survey research
JEL classification	M3

## Abstract

The targeted analysis of customer data becomes increasingly important for data-driven business models. At the same time, the customers' concerns regarding data privacy have to be addressed properly. Existing research mostly describes data privacy as a necessary evil for compliance and risk management and does not propose specific data privacy measures which address the customers' concerns. We therefore aim to shed light on the upside of data privacy. In this paper, we derive specific measures to deal with customers' data privacy concerns based on academic literature, legislative texts, corporate privacy statements, and expert interviews. Next, we leverage the Kano model and data from two internet-based surveys to analyze the measures' evaluation by customers. From a customer perspective, the implementation of the majority of measures is obligatory as those measures are considered as basic needs of must-be quality. However, delighting measures of attractive quality do exist and have the potential to create a competitive advantage. In this, we find some variation across different industries suggesting that corporations aiming to improve customer satisfaction by superior privacy protection should elicit the demands of their specific target customers.

