

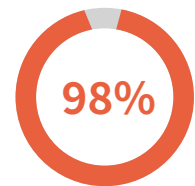
Brands in Motion Data Privacy Pulse

July 2022

THE IMPORTANCE OF DATA PRIVACY IN CHINA

Consumers' understanding of data privacy is more sophisticated than ever before. Brands must change the way they communicate about data privacy — or risk being left behind.

Given the state of data privacy in China, many assume that Chinese consumers aren't aware of or don't value the privacy of their data. Yet 98% of respondents say that data privacy is 'important' – 1% more than the world at large.



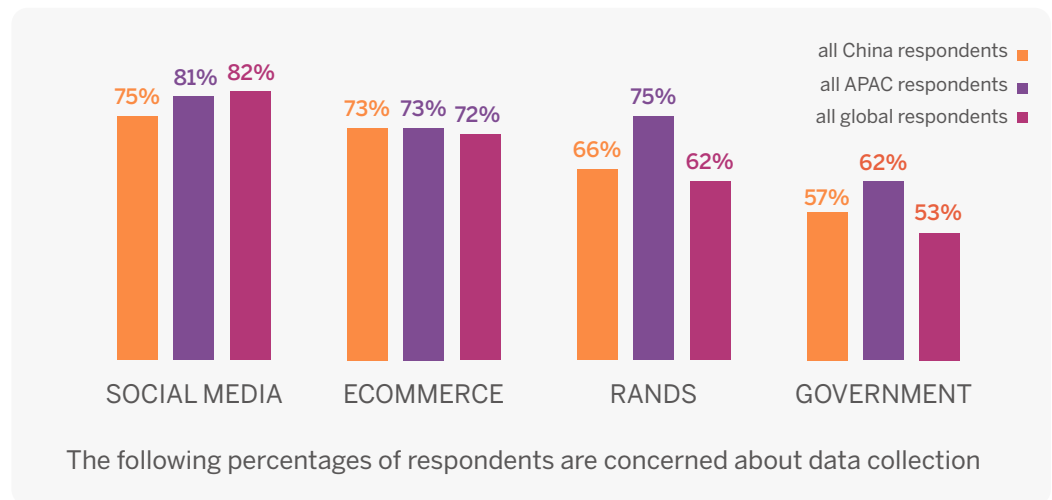
Not only do Chinese consumers care about keeping their data private, but they also care at levels completely in line with counterparts in other developed and developing markets. Here's what we found:

- **93%** of Millennial and **91%** of Gen-Z respondents claim they are aware they are giving up data to use online services – though older respondents were less aware. (92% and 93% all global respondents)
- 70% of Chinese consumers understand their data is used to target or re-target ads that serve them better. (74% all global respondents) **70%**
- **92%** of Chinese respondents will reconsider or stop doing business with a brand based on its privacy and confidentiality stance. (84% all global respondents)

NOT ALL DATA IS THE SAME

Family details (76%), personal details (67%), and financial details (63%) are the top three types of data Chinese respondents feel must be protected – likely out of fear for identity or financial theft. This is broadly aligned with global results, though Chinese respondents are more concerned with family and personal details than their counterparts in other markets.

NOT ALL DATA COLLECTORS ARE THE SAME



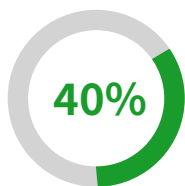
While all data collectors are viewed with some suspicion, some industries are trusted more than others.

These figures suggest that, while consumers are interested in protecting their data and would prefer firms collect less data, the widespread adoption of these services and provision of data to them suggests consumers are broadly unhappy about the tacit arrangement brands have made with them.

THREE WAYS COMMUNICATORS CAN OWN THE DATA PRIVACY CONVERSATION

1 Use privacy communications to entertain and engage customers.

Data privacy is an exchange. Customers give up some of their personal data to get something beneficial to them – and **40% are happy with this exchange, as**



long as it results in more relevant marketing, a personalized service, or a more refined version of the product or service in the future. Innovative brands use these moments to engage customers, tell stories, and create a truly memorable user experience.



Top mobile payment operator Alipay produces an annual spending report form each year in December, which provides statistics on how much users have spent on different categories

throughout the year. This engaging and fun use of personal data provides a window into each user's online life through their financial activity, creating a dialogue with and between users based on creative use of personal data.

2 Contribute to the social development using personal data.

However, if the data is shared with the government or related organizations to **benefit national and social development**, 50% of consumers are happy for their data to be shared.



Baidu intelligent transportation helps ease traffic jams in 33 cities across China. Baidu has participated in the construction of several key intelligent transportation projects in Chongqing, transforming more than 110 intelligent intersections and upgrading 1800 roadside parking spots. These intelligent transportation transformations bring citizens a more efficient and safe travel experience. In the first quarter of 2022, the commuter rush hour congestion index in Chongqing decreased by 7.12% from the previous quarter, and commuting time decreased by 7.46% year-on-year.



APPENDIX

Online survey conducted January 2022, over 5,000 respondents from China, India, Singapore, Australia, US, and UK, of which 1,008 respondents are from China.

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