Assessment of the Impact of a Privacy Policy Change on User Behavior and Marketing Effects in Online Applications

Eunah Cho¹, Qiang Gao

Zicklin School of Business/City University of New York 55 Lexington Avenue, New York, NY, USA ¹Eunah.cho@baruch.cuny.edu; ²Qiang.Gao@baruch.cuny.edu

Extended Abstract

This research aims to assess the impact of privacy policy changes on user behavior within online applications. Specifically, it focuses on changes in online application usage behavior in relation to privacy disclosures and the influence of privacy policy changes on website application.

The research focuses on the states of California and Virginia, which were among the first to implement privacy laws. It evaluates the impact of these specific privacy laws in terms of their enactment timing and level of privacy protection. The study analyses online marketplace data and user data from September 2021 to December 2023, segregating them by state.

The projected results suggest that online applications collecting and sharing more personal data, such as home devices, may be more greatly impacted by privacy policy changes. It is expected that some mobile apps may offer lower pricing in exchange for increased collection and sharing of personal data.

This research contributes to the existing literature by examining the impact of privacy policy changes in the United States market. It aims to understand the overall impact on user behavior and the market, considering variations in privacy disclosure requirements. By analysing the effects of privacy policy changes, this study provides valuable insights into user behavior and marketing effects within online applications.

References

- [1] J. Grossklags and A. Acquisti, "When 25 cents is too much: An experiment on willingness-to-sell and willingness-toprotect personal information," in Proceedings of the 6th Workshop on the Economics of Information Security (WEIS), Pittsburgh, 2007.
- [2] J. Gu, Y. Xu, H. Xu, C. Zhang, and H. Ling, "Privacy Concerns for Mobile App Download: An Elaboration Likelihood Model Perspective," Decision Support Systems, vol. 94, pp. 19-28, 2017.
- [3] R. Fatima, A. Yasin, L. Liu, J. Wang, W. Afzal, and A. Yasin, "Sharing information Online Rationally: An Observation of User Privacy Concerns and Awareness Using Serious Game," Journal of Information Security and Applications, vol. 48, 2019.