



State of Data Privacy

Three schools of Privacy and the rise of PETs in the age of AI



As data continues to shape the landscape of marketing, understanding privacy implications is a vital concern for industry leaders.

MMA Global, in collaboration with AppsFlyer, embarked on an thorough benchmark study to explore the complex landscape of data privacy. Engaging 150 senior marketers across various sectors, the study provides a view of the current state and future trajectory of data privacy and introduces a new **comprehensive framework** to approach privacy as a source of competitive advantage.

One of the key themes from this year's examination is that while foundational compliance has been built, there is a growing need to further enhance privacy maturity. The study reveals a gap in providing true choice and control to consumers, and a need for more investment in training and awareness.

Within this context three distinct orientations to data privacy emerge, depending on who owns Privacy strategy within the organization and the underlying data assets available to the company :

1. A classic **Privacy orientation** (owned by the Chief Privacy, Security or Legal officer) is typical for companies with significant volume of data, necessitating an approach centered around security and risk mitigation.
2. **A Technology orientation (owned by the CDO or CIO)** is more likely linked to organizations where there is a stronger focus on value extraction from data, as well as prioritization of data quality. In line with that, a technology-driven approach to privacy prioritizes a value exchange with consumers aiming to a better access to personal data.
3. Finally, a **Marketing orientation** is more likely linked to companies that have lower access to data, yet, do more experimentation with a variety of data signals. Importantly, when CMOs lead privacy efforts, they tend to prioritize brand reputation and marketing outcomes from their privacy initiatives.

1. VISION & ORIENTATION



2. PRIVACY IN ACTION



3. PRIVACY TECHNOLOGY

Call to Action for Senior Leaders

Our research highlights the need for greater urgency and a proactive, integrated approach to privacy. To lead in the age of generative AI, organizations must:

1. Elevate privacy as a business priority beyond mere compliance
2. Leverage the privacy framework roadmap to raise maturity
3. Develop privacy capabilities spanning leadership, operations, technology and culture
4. Get ahead of emerging risks by taking a strategic, forward-looking approach
5. Implement strategies to derive value from privacy itself

Privacy must become a core business capability woven into strategy, governance, processes and technologies. The time for action is now to proactively transform privacy management and culture.

The three Schools of Privacy

Classic
36%

Tech
36%

Marketing
25%

	Classic	Tech	Marketing
Owner	Privacy, Security, Legal	CDO, CIO	Chief Marketing Officer
Company	Retail, Financial	Retail, Durables, Tech	Larger companies (> \$1BN), Financial services
Data assets	Significant volume from multiple sources Strong focus on value	Significant volume, Ecomm & Loyalty are key Strong focus on quality & value maximization	Lower data volume Email is the key source. Experimentation with different data signals
Orientation	Reduce or Avoid Data Breach Incidents	Increase consumer trust, satisfaction and willingness to share personal information	Improve Brand Reputation, social media mentions, media coverage

1.VISION & ORIENTATION

C- Level Ownership and prioritization	Goals			
	Brand reputation	Value exchange	Risk mitigation	Business outcome

2. PRIVACY IN ACTION

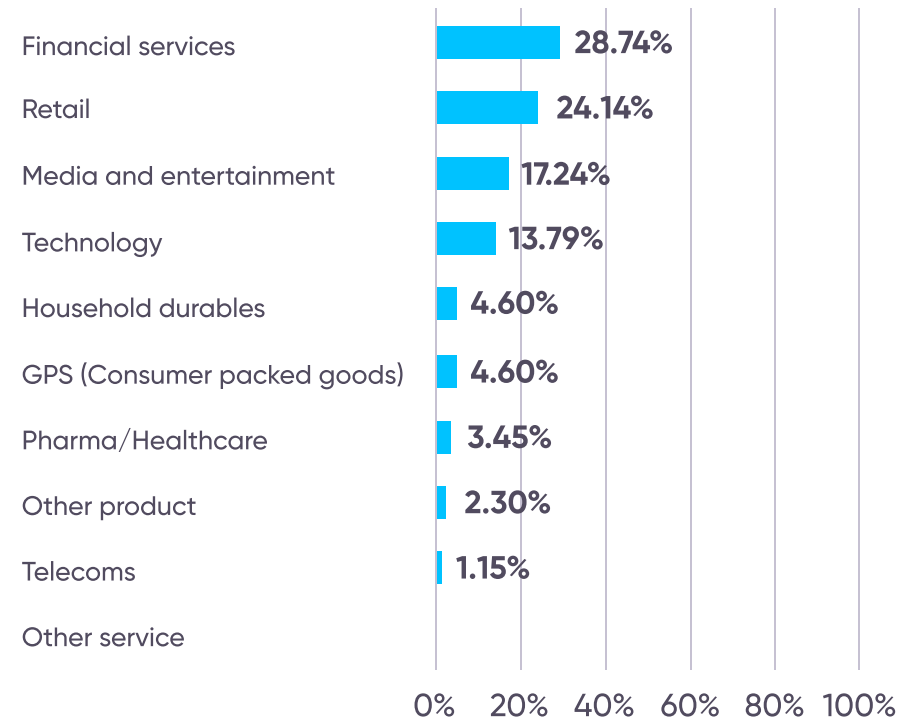
CONSUMER PRACTICES	DATA MANAGEMENT	CULTURE
Privacy as default	Lifecycle management	Training & awareness
Data collection minimization		
Transparency	Integration of privacy in Operations	Regular assessments
Consent and Choice	Security measures	

1.VISION & ORIENTATION

PET Prioritization	Consent Mgt tools	Encryptions technologies	Anonymization	Privacy preserving data sharing
--------------------	-------------------	--------------------------	---------------	---------------------------------

Study Background

- First ever benchmark study on the state of data privacy
- Fieldwork took place in July 2023
- N=150 senior marketers, with representation of different roles in the marketing Org
- Mix of sectors
 - Data rich (Retail, Tech, telecoms)
 - Data regulated (Financial, pharma)
 - Data limited (CPG, product)





KEY INSIGHTS

PRIVACY VISION & ORIENTATION



1. DATA

Regulatory compliance, privacy, security

>40%



2. REPUTATIONAL

Lack of control over content & products/ PR backlash

30%-40%

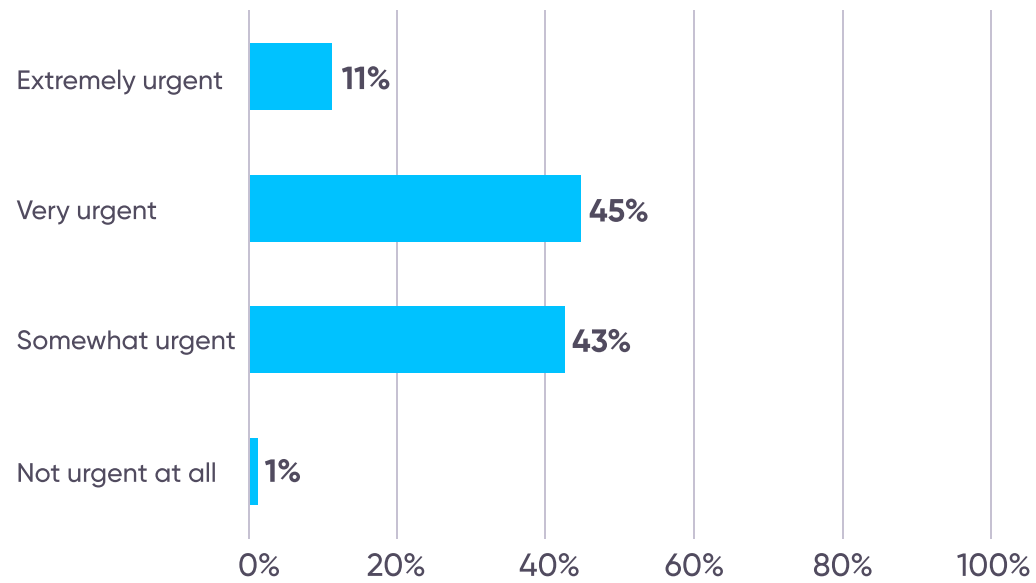


3. FINANCIAL

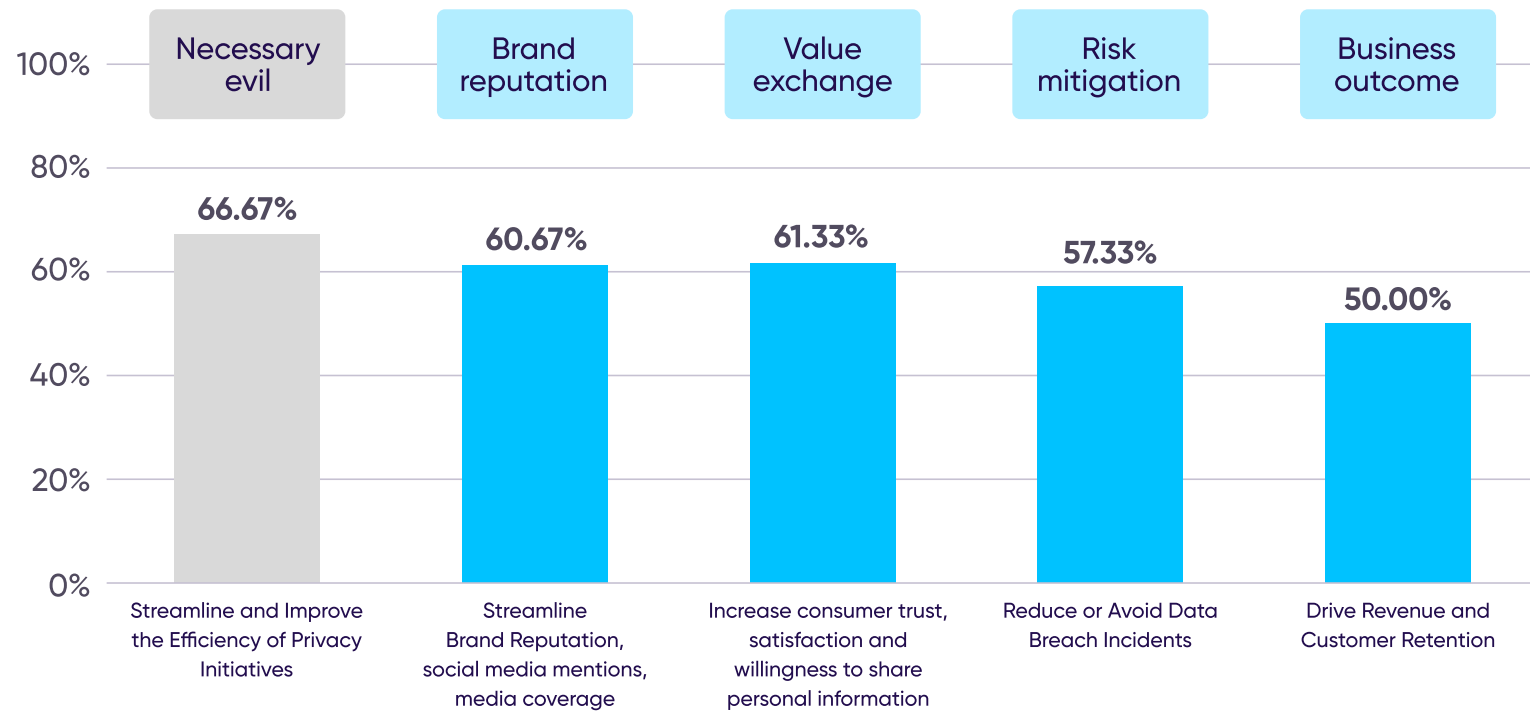
Blackbox leads to wrong decisions. Our competitors surpass us. Not seeing return

10%-35%

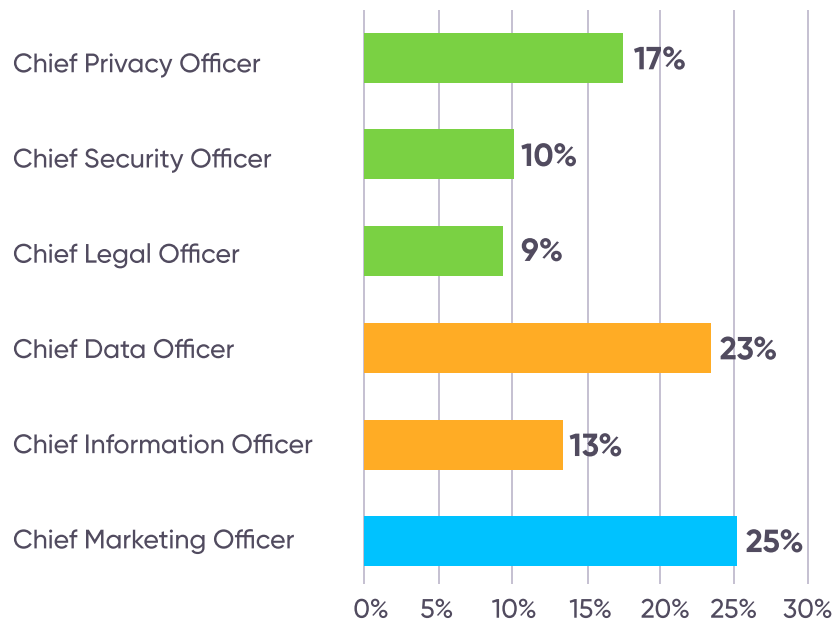
Yet, many companies still lack urgency when it comes to privacy



Privacy is primarily seen as a necessary evil that needs to be managed, and secondary as a source of competitive advantage



There are 3 different Orientations to data privacy, depending on who owns it in the organization

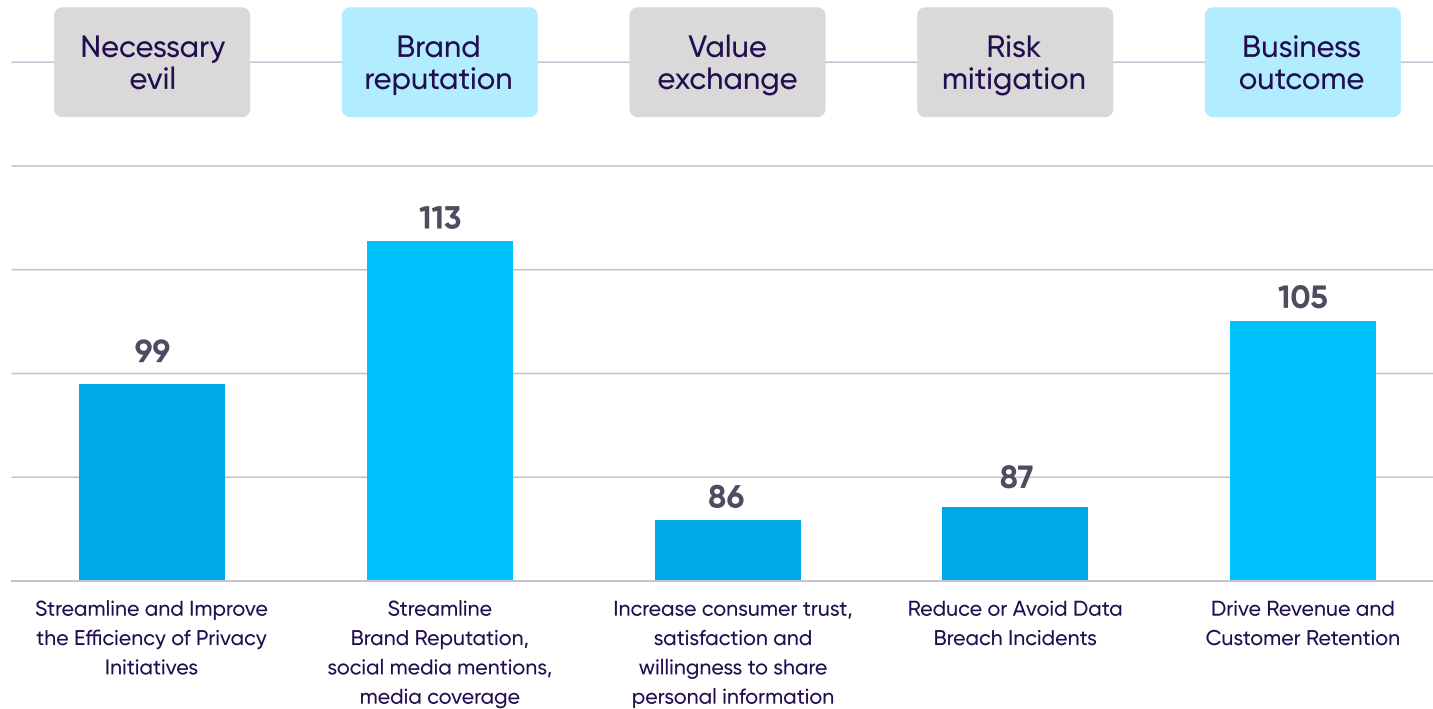


36% Dedicated Privacy Orientation Retail, Financial

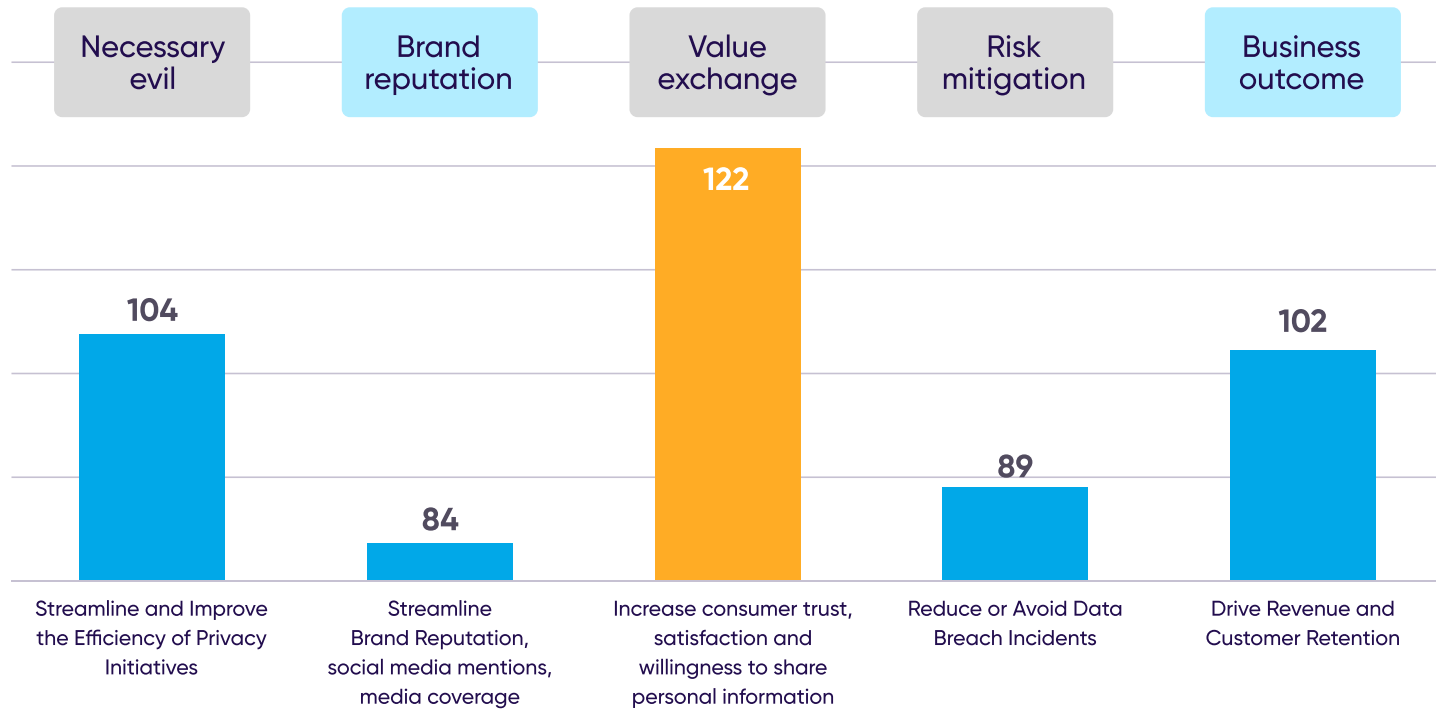
36% Technology Orientation: Retail, Durables, Tech

25% Marketing Orientation: Larger companies (>\$1B), financial services

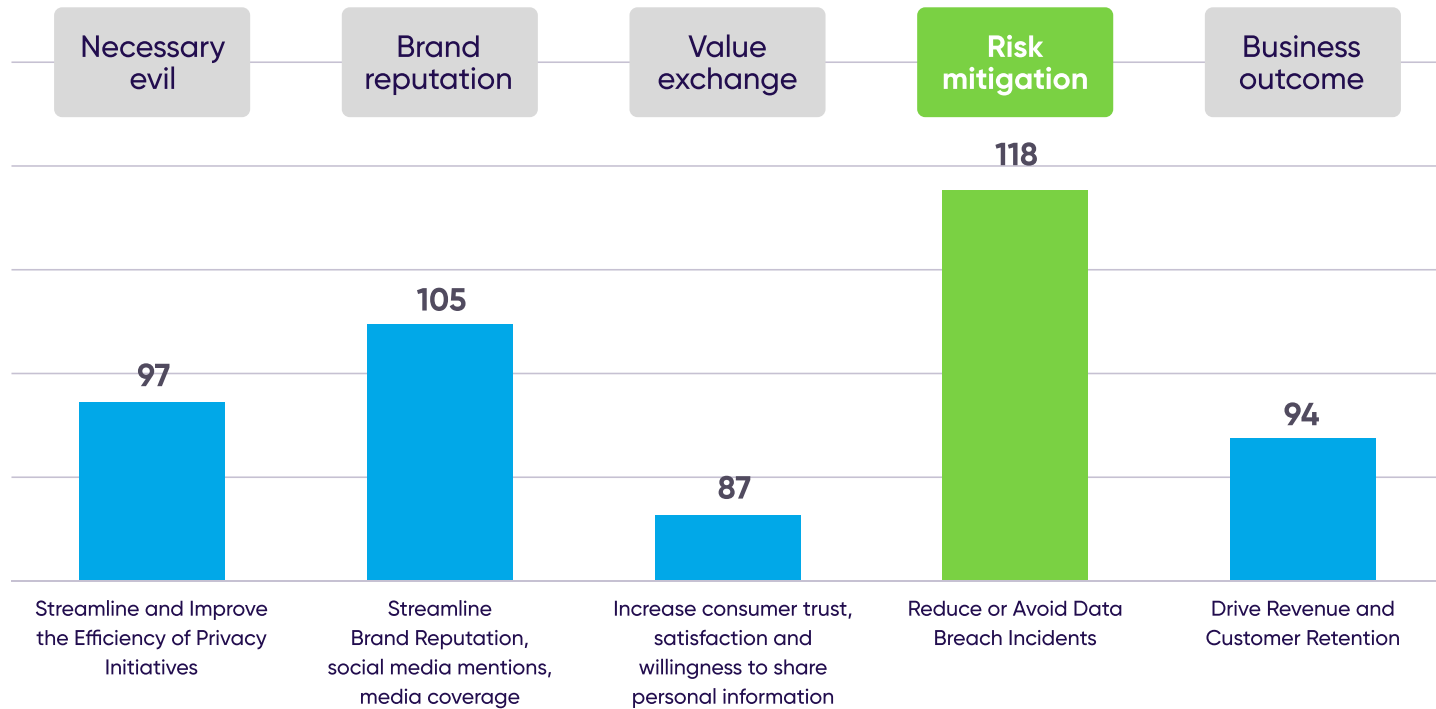
CMOs are more likely to prioritize the brand reputation and marketing outcomes of data privacy



A Tech or CDO ownership, typically prioritizes a value exchange that results in better access to personal data



Finally, a legal orientation to data privacy, focuses more on risk mitigation



1. As the focus on data continues to increase and data related risks increase in importance in the context of GenAI, privacy is still not an urgent topic for many marketers
2. In this context, data Privacy is primarily seen as a necessary evil that needs to be managed, and secondary as a source of competitive advantage
3. There are 3 different orientations to data privacy, depending on the underlying data assets and who owns it in the organization:
 1. CMOs are more likely to prioritize the brand reputation and marketing outcomes of data privacy
 2. A Tech or CDO ownership, typically prioritizes a value exchange that results in better access to personal data
 3. Finally, a legal orientation to data privacy, focuses more on risk mitigation

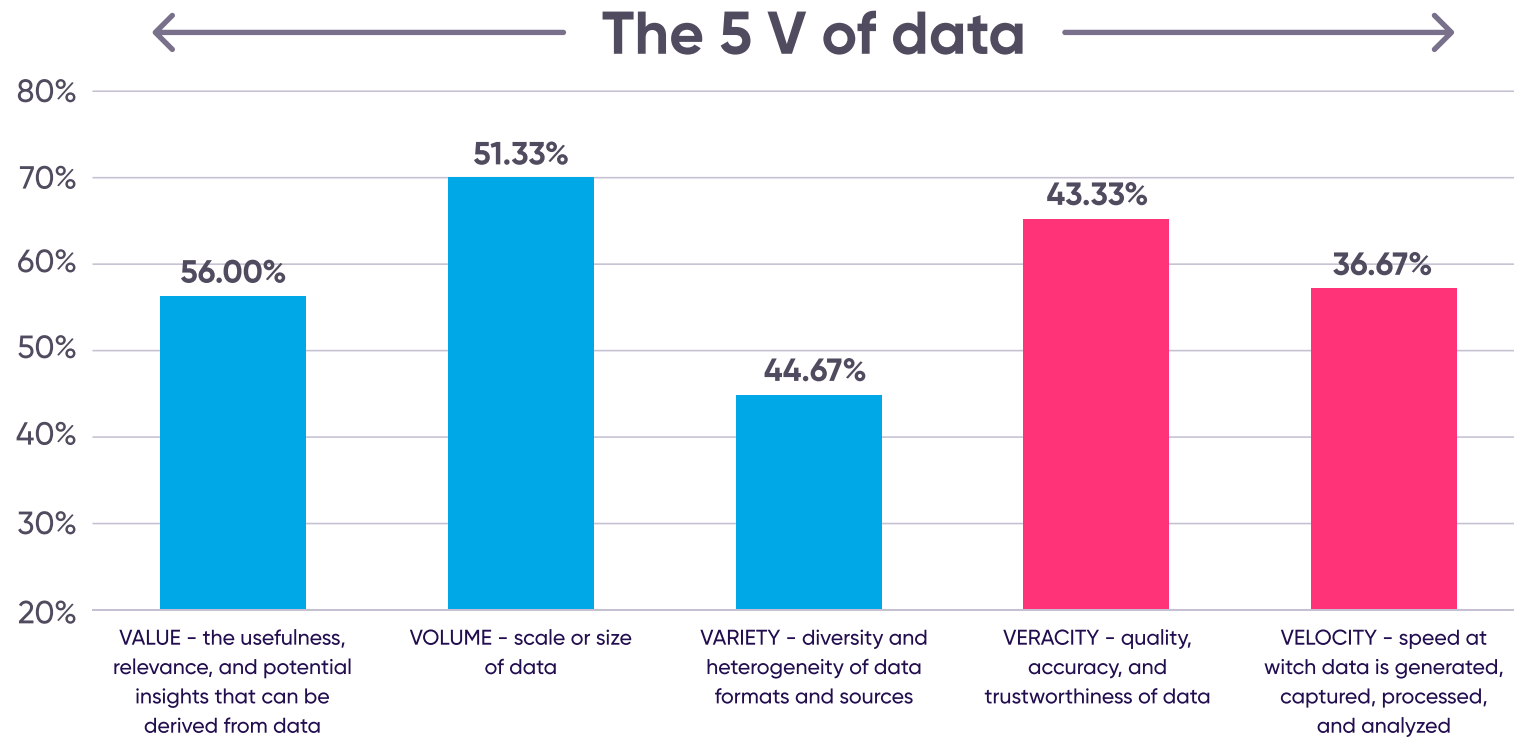




KEY INSIGHTS

PRIVACY IN ACTION

Marketers continue to focus on increasing the value and volume of their data, but are still hindered by issues of quality and speed



A company's privacy orientation is linked to its underlying data assets

	Legal	Technology	Marketing
Value	58%	60%	60%
Volume	60%	56%	32%
Variety	53%	33%	50%
Veracity	33%	53%	47%
Velocity	35%	40%	37%

1. Significant volume from multiple sources
2. Strong focus on value

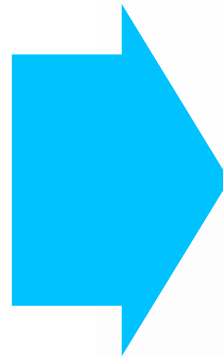
1. Significant volume, Ecomm & Loyalty are key contributors
2. Strong focus on quality & value maximization

1. Low volume
2. Email is key source.
3. Experimentation with different data signals

Marketers feel that they have built foundational compliance, so they now focus on enhancing their privacy maturity

Establishing
foundational
compliance:

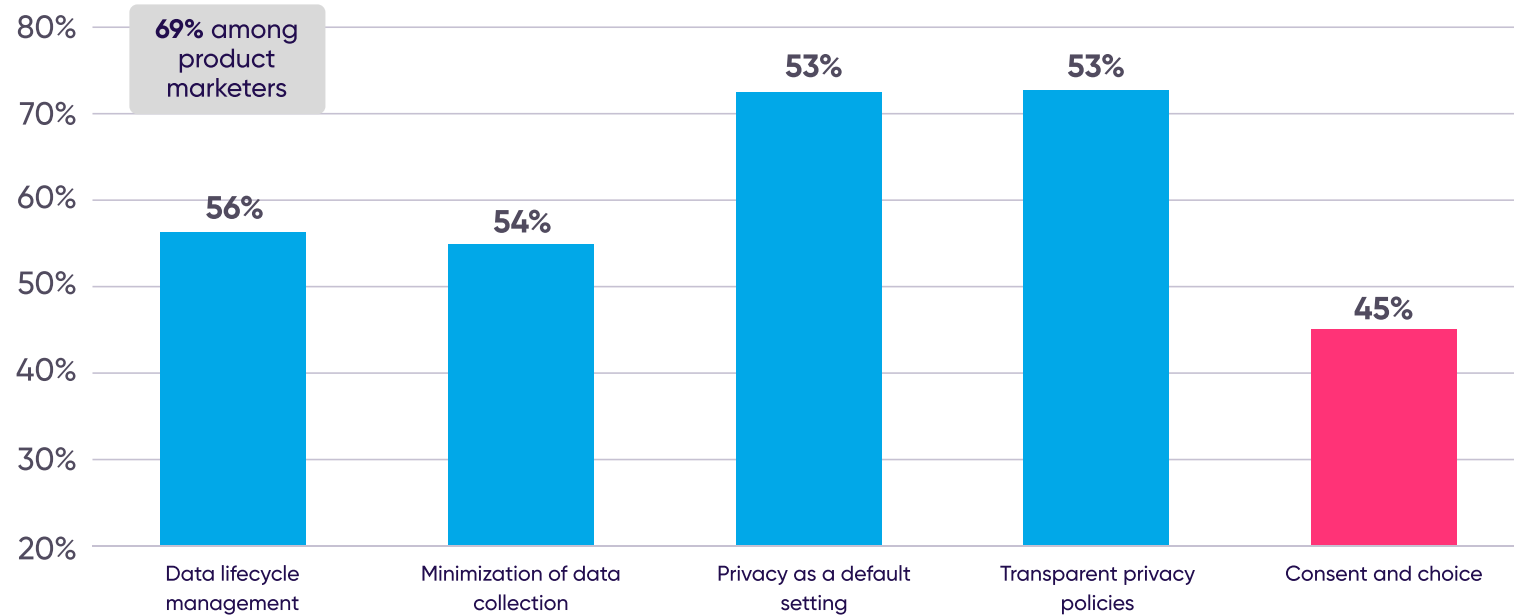
33% expert
59% advanced



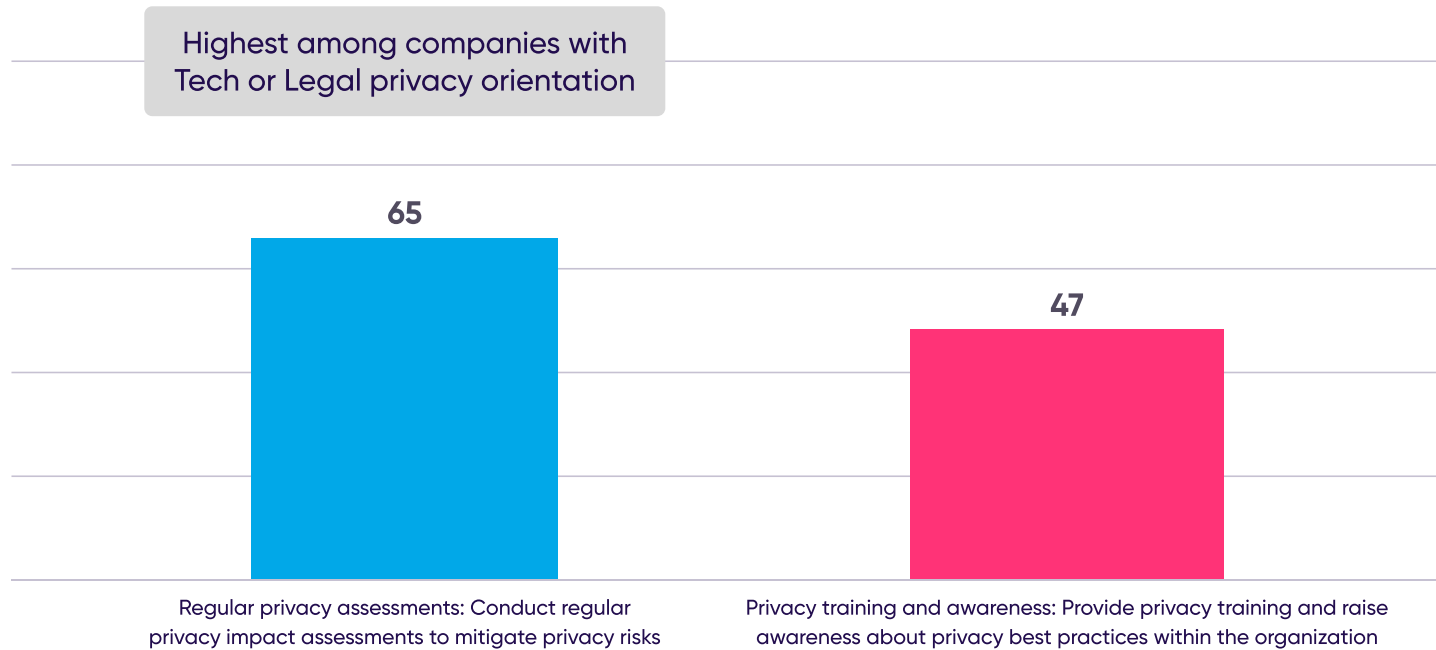
Mitigating privacy risks
throughout the data lifecycle: **63%**

Integrating privacy in the
organization's operations,
systems, and culture: **62%**

Yet, although most Organizations prioritize proactive privacy practices, they still have more room to provide true choice and control to consumers



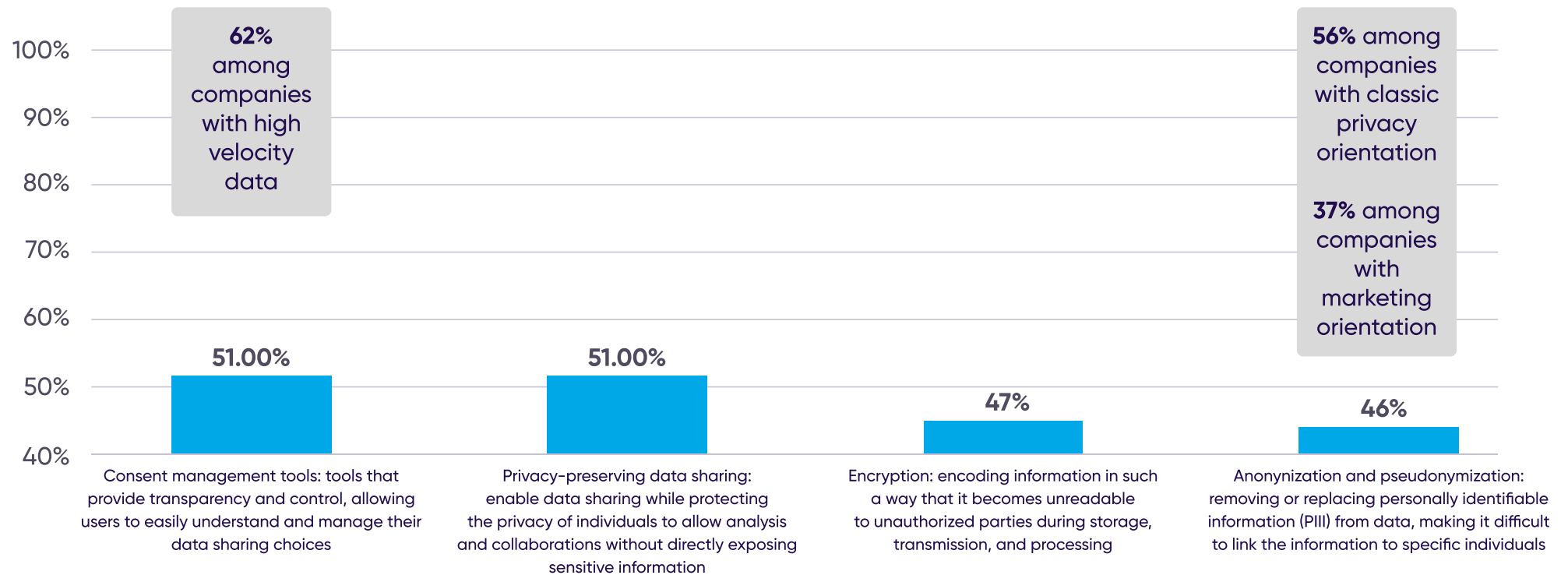
Despite regular privacy assessments, companies are less likely to invest in training and awareness and forge a privacy culture



Privacy enhancing technologies are increasingly becoming a bigger area of focus, although more urgency is needed



There is similar focus across key PETs, with consent management and data sharing PETs leading



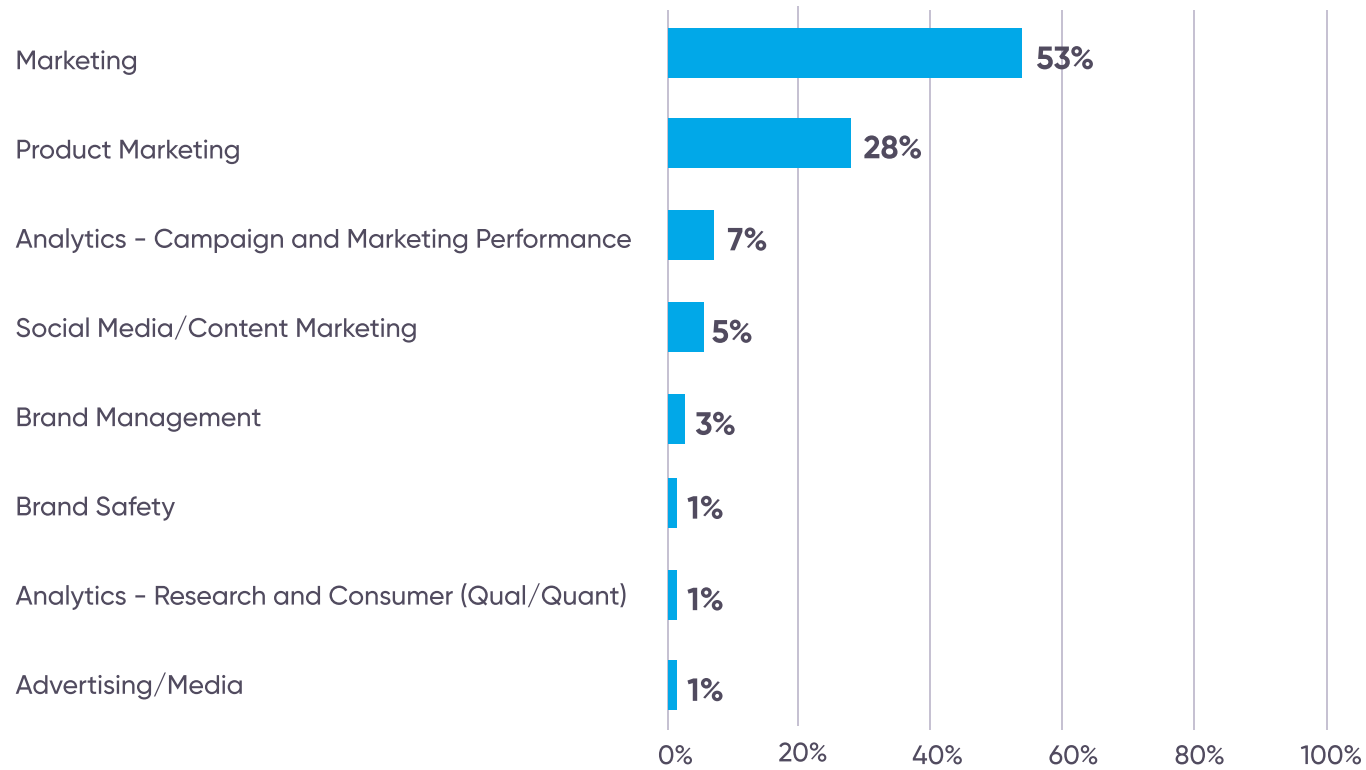
1. Marketers continue to focus on increasing the value and volume of their data, but are still hindered by issues of quality and speed.
2. Within that context, a company's privacy orientation is linked to its underlying data assets, limitations and goals:
 1. A classic Privacy ownership is typical for companies with significant volume of data and corresponding value
 2. A Technology ownership is more linked to organizations where there is a good level of value extraction from data, as well as a strong focus on quality.
 3. Finally, a Marketing ownership is more likely linked to companies that have lower access to data, yet, do more experimentation with a variety of data signals.
3. Overall, marketers recognize that compliance is not enough and focus on enhancing other parts of privacy maturity, by mitigating privacy risks throughout the data lifecycle and Integrating privacy in the organization's operations, systems, and culture.
4. Within that context, Privacy enhancing technologies (PETs) are becoming a bigger area of focus with a similar prioritization of key technologies.
5. In the end, although most Organizations prioritize proactive privacy practices, they still have more room to provide true choice and control to consumers and still lack in training and awareness that forges a privacy culture



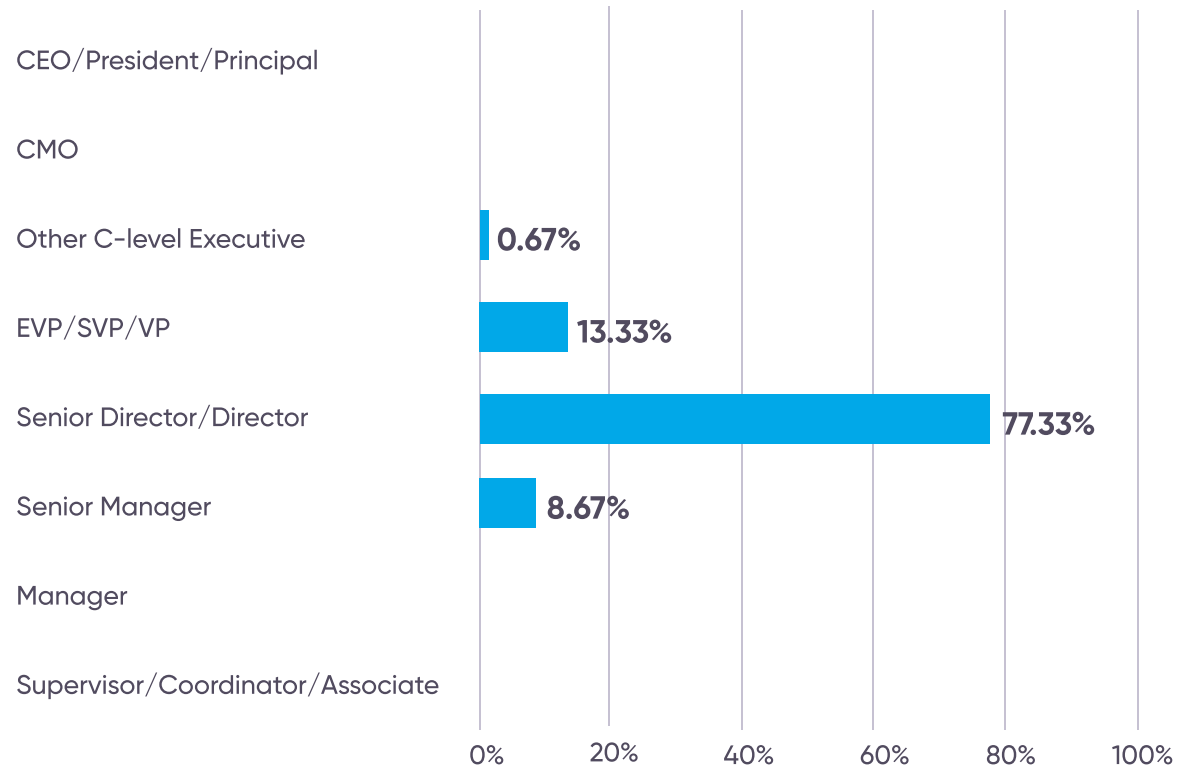


FIRMOGRAPHICS

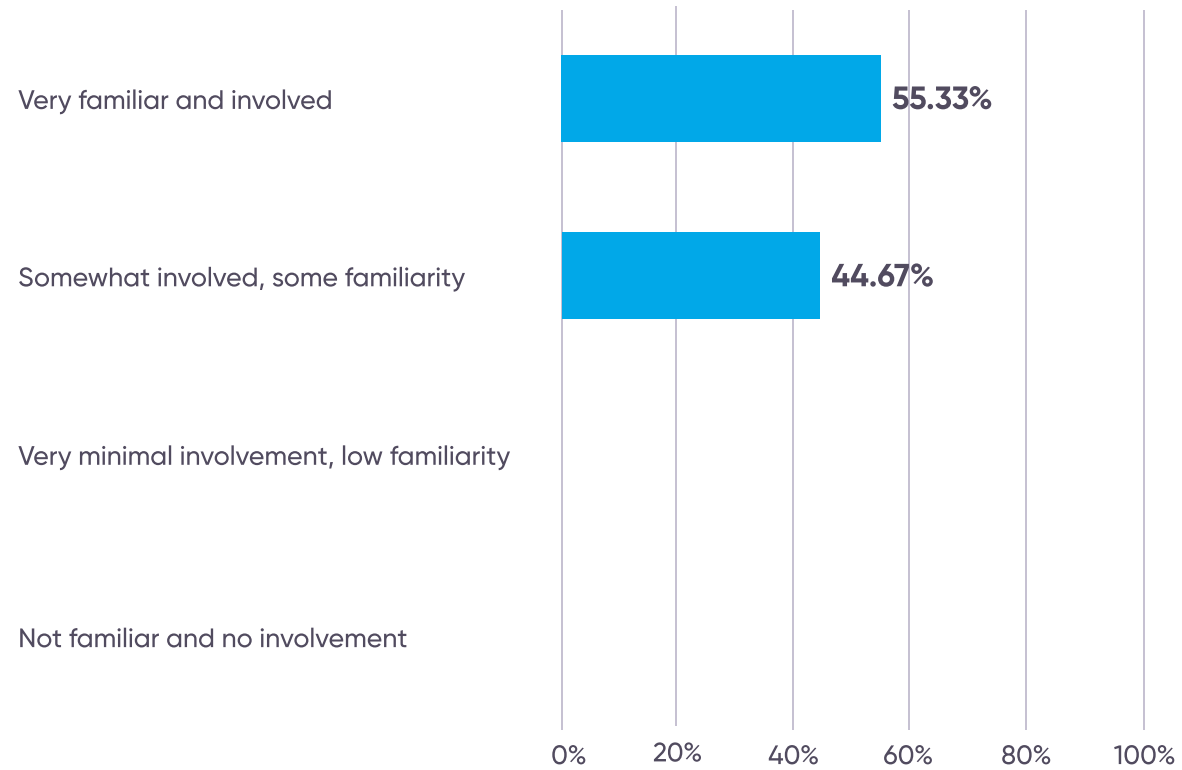
Marketing and product marketing roles are represented in the sample



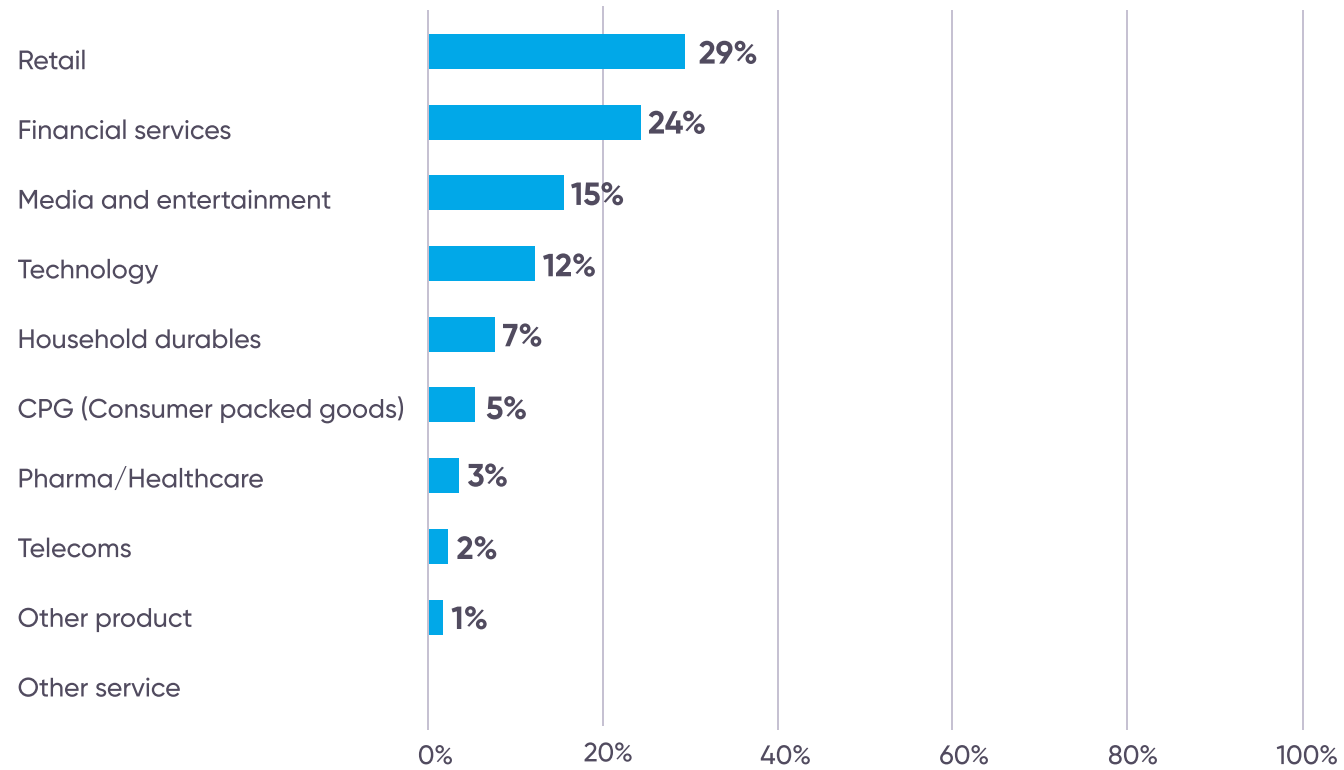
Most marketers are Director level+ at their companies



Most marketers are Director level+ at their companies



A variety of sectors is represented in the study



Most companies had both B2B and B2C activities

