

Privacy Issues

Canadians' Attitudes
Towards Privacy of
Personal Information

 **DONAHUE & PARTNERS**
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 **ERNST & YOUNG**
FROM THOUGHT TO FINISH.™



A survey
commissioned by
Ernst & Young
and
Donahue & Partners

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Methodology

This report is based on the results of five survey questions asked as part of the National Angus Reid Report between November 3rd and 9th 1999.

In total, 1,500 adult Canadians were surveyed. This yields results in which 19 times out of 20 the data are accurate to within 2.5 percentage points of what they would have been had the entire Canadian adult population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population.

The data in the survey were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to 1996 Census data.

Prior to completing the survey, respondents were read the following definition of private personal information. "Private personal information includes items such as your name, address, age, occupation, purchase details, employment details, preferences, Social Insurance Number, bank account numbers, and so on..."

Executive Summary

Highlights of the survey findings:

■ Canadians' concern about the release of their personal information when making purchases is similar whether the purchase is made over the phone (71%) or over the Internet (73%). Concern is slightly lower for purchases made by mail (68%).

Canadians who access the Internet show higher levels of concern about the release of personal information regardless of the method of purchase.

■ The majority of Canadians (56%) feel that in their past dealings with major corporations they are either *certain* (20%) or *believe* (36%) that their personal information has been given to other organizations without their consent.

■ Eighty-six percent of Canadians agree that "if my financial institution did not have measurable and comprehensive privacy policies and procedures which restricted the release of my private information to other organizations, I would take my business elsewhere." Quebecers (75%) and older Canadians 55+ (80%) would be less likely to change financial institutions if they did not have privacy policies and procedures.

■ Almost six in ten (57%) Canadians currently access the Internet either at home or at work. Internet access is higher in B.C. (64%), Ontario (64%), Alberta (61%) and among men (61%). Canadians under 55 (66%) are much more likely than those over 55 (33%) to access the Internet and Canadians with incomes over \$60,000 (81%) are over twice as likely to access the Internet than Canadians with incomes under \$30,000 (32%).

Introduction

Over the past few years, the privacy of personal information has become a much debated issue.

This report analyzes the results of a survey conducted by the Angus Reid Group on behalf of Ernst & Young and Donahue & Partners (a member firm of Ernst & Young International, Ltd.). The survey questions were aimed at determining Canadians' attitudes and concerns surrounding the privacy of their personal information. Specific research issues included:

■ Canadians' concern that the information they give when making purchases over the phone, by mail and over the Internet will be given to other organizations or corporations.

■ Canadians are also asked to reflect on their past dealings with major corporations and say whether they feel their information has or has not been released without their consent.

■ Whether Canadians would change financial institutions if theirs did not adopt a comprehensive privacy policy.

The results indicate that Canadians are concerned about the release of their personal information.

Concern About the Release of Personal Information

Making purchases over the phone, by mail or over the Internet often involves providing personal information to the seller.

Almost routinely, shoppers provide retailers with their address, telephone number and credit card number. While this information is vital to the completion of the transaction, the information may also be used in a variety of other ways, well after the transaction is completed. This has Canadians concerned.

Yet, as this survey reveals, concern about whether personal information will be supplied to other organizations or corporations is largely the same regardless of whether purchases are made over the phone, by mail or over the Internet.

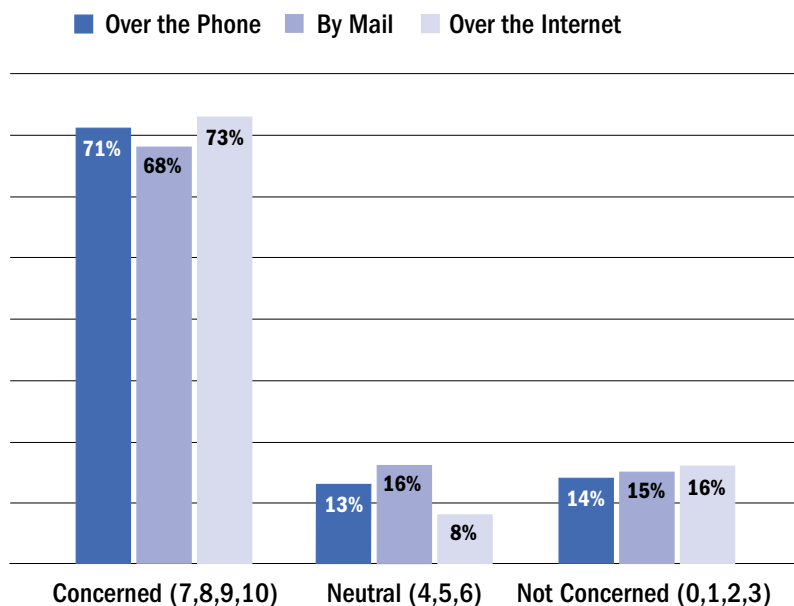
When asked to rate their level of concern on a scale from 0 to 10 (where 0 represents *not at all concerned* and 10 represents *very concerned*), approximately seven in ten Canadians say they are concerned (i.e. choose 7, 8, 9 or 10) about the release

of their personal information when they make a purchase over the phone (71%) or over the Internet (73%). Canadians indicate slightly less concern about the release of their private information when making purchases by mail (68%). Averaging concern over the three methods of transaction

reveals that overall, 71% of Canadians are concerned about the release of their private information. The level of concern irrespective of method of purchase is lower in Quebec (53%) than in the rest of the country (77%).

Concern re: Release of Information

How concerned are you about whether the personal information you give when making purchases...will be supplied to other organizations or corporations?



Mean: Phone 7.5, Mail 7.3, Internet 7.6

n=1500
November 1999

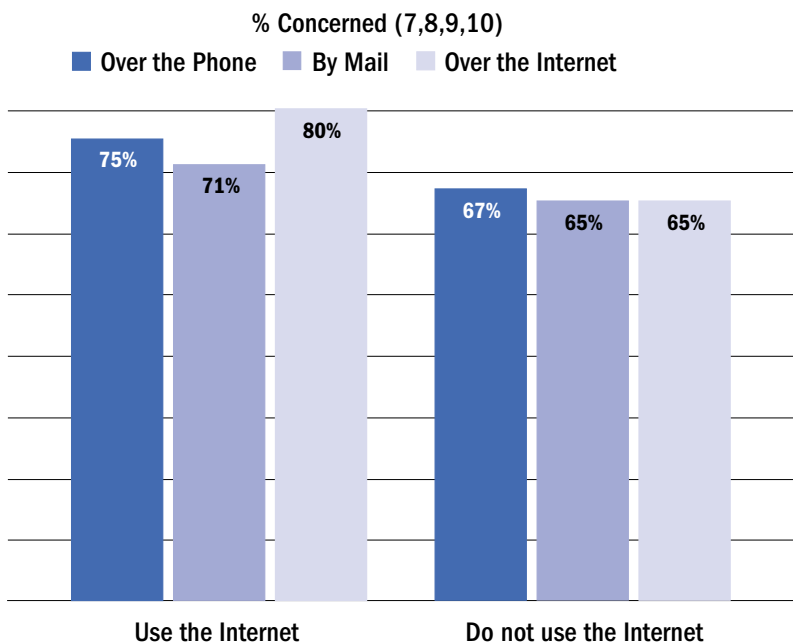
In general, Canadians who access the Internet show higher levels of concern about the release of their private information than those who do not. Furthermore, those who access the Internet are more concerned about the release of their private information when making purchases over the Internet (80%) than they are when making purchases over the phone (75%) or by mail (71%).

Concern about the release of private information when making purchases over the Internet increases with income (<\$30K — 64%, \$30K-\$59K — 75%, \$60K+ — 80%) and is higher among women (76%) than men (70%) and among those aged 35-54 (78%).

Residents of Quebec (51%) are less likely than residents of other provinces (78%-82%) to be concerned about making purchases over the Internet. Those who have less than a high school education (58%) are less likely to be concerned than Canadians with higher levels of education.

Concern and Internet Use

How concerned are you about whether the personal information you give when making purchases...will be supplied to other organizations or corporations?



Use Internet n = 849, Do not use Internet n = 648
November 1999

Knowledge of Release of Personal Information

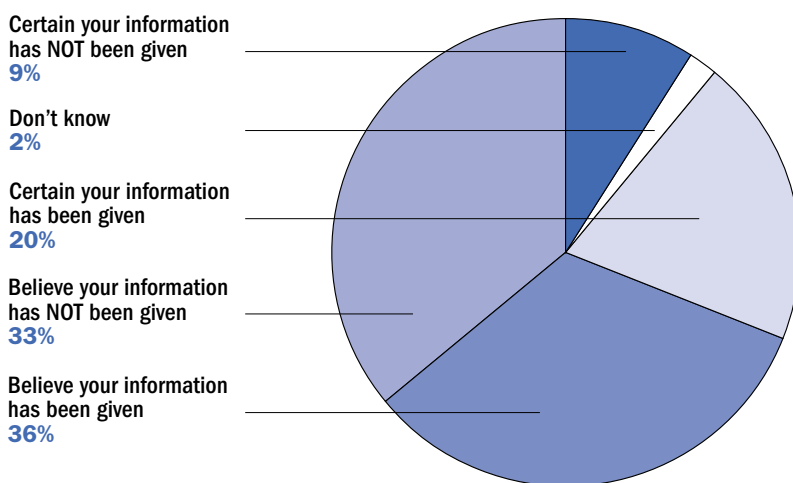
The majority of Canadians (56%) feel that in their past dealings with major corporations their personal information has been given to other organizations without their consent. Included in this figure are one in five (20%) Canadians who are *certain* that their information has been released without their consent to other organizations and 36% who *believe* that their personal information has been given without their consent. Only one in ten (9%) Canadians say they are *certain their information has NOT been given*.

Higher income (\$60K+ — 27%)

Canadians, Canadians aged 35-54 (25%) and Canadians with some post secondary (22%) or a university education (25%) are more likely to feel *certain* that their personal information has been divulged. Similarly, men (25%) are much more likely than women (15%) to say they are *certain* their personal information has been given to others. There are no meaningful differences between regions.

Release of Personal Information

In your past dealings with major corporations (such as banks, telephone companies, etc.) do you feel that your personal information has been given to other organizations without your consent?



n = 1500
November 1999

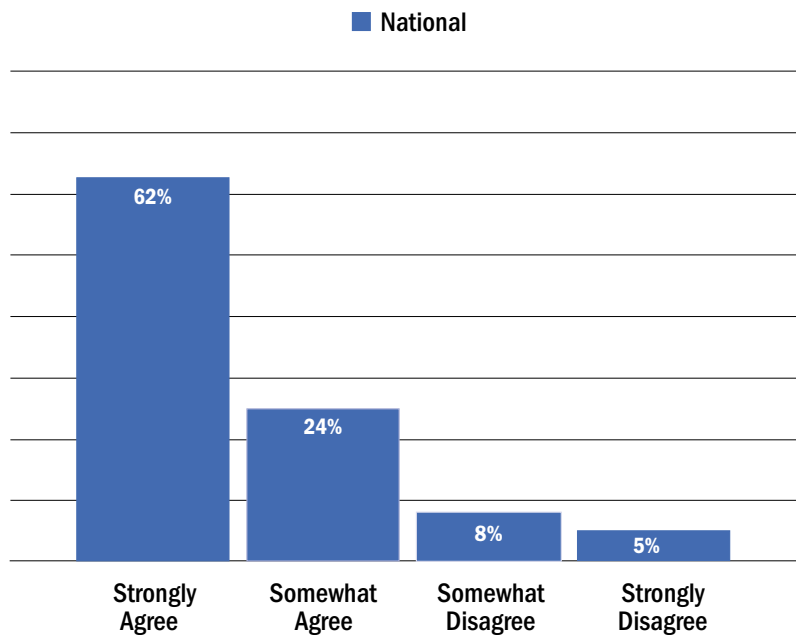
Privacy Policies

The overwhelming majority (86%) of Canadians agree that “if my financial institution did not have measurable and comprehensive privacy policies and procedures which restricted the release of my private information to other organizations, I would take my business elsewhere.” In fact, Canadians feel very strongly about this issue. Almost, two thirds (62%) of Canadians *strongly agree* with the above statement.

In the absence of a privacy policy, Canadians aged 18-34 (87%) and 35-54 (91%) are more likely than those aged 55+ (80%) to take their business elsewhere. Quebecers (75%) on the other hand are much less likely than residents of other provinces to agree that they would change their financial institution if it did not adopt a privacy policy.

Privacy Policies

If my financial institution did not have measurable and comprehensive privacy policies and procedures which restricted the release of my private information to other organizations I would take my business elsewhere.



n = 1500
November 1999