

# Data Privacy and User Welfare in India

A User Perspective Analysis

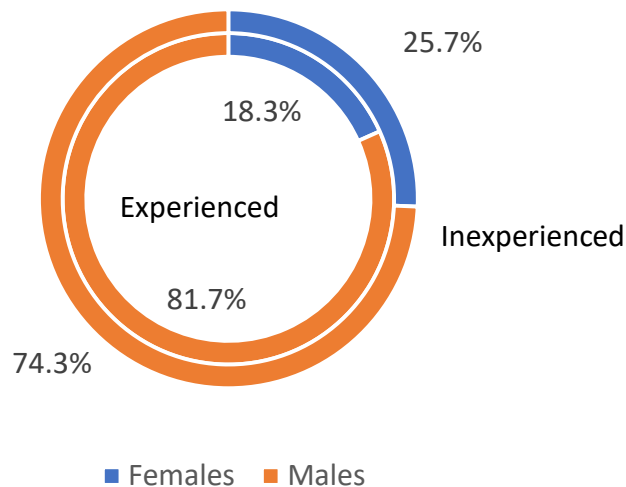
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## **Issue 1**

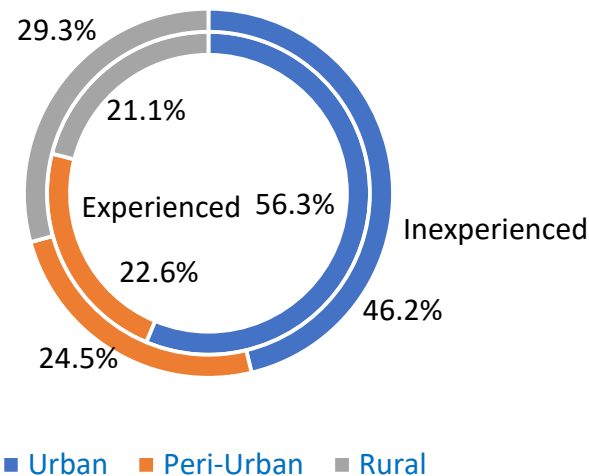
# **Rule 3(5) [Tracking of Originators] & Rule 3(9) [Deploying Automated Tools] of the Draft Intermediary Guidelines, 2018**

# WHO IS USING INTERNET?

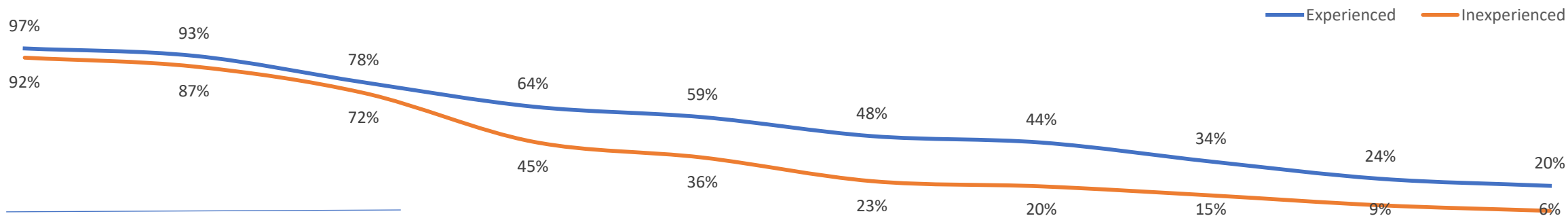
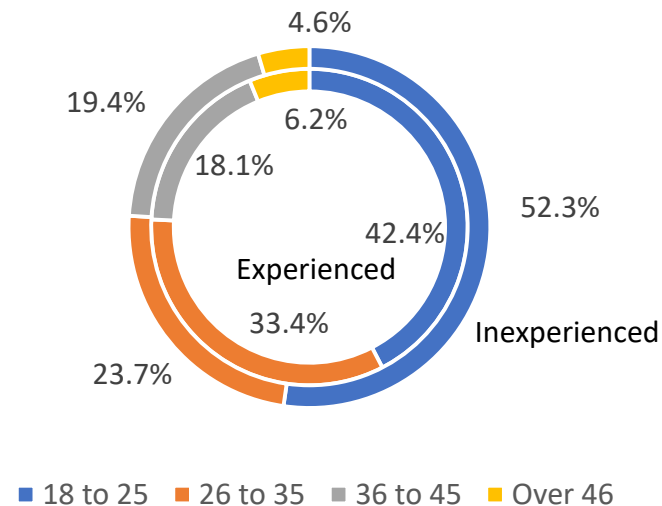
More female users are inexperienced users



More rural users are inexperienced users



More young users are inexperienced users

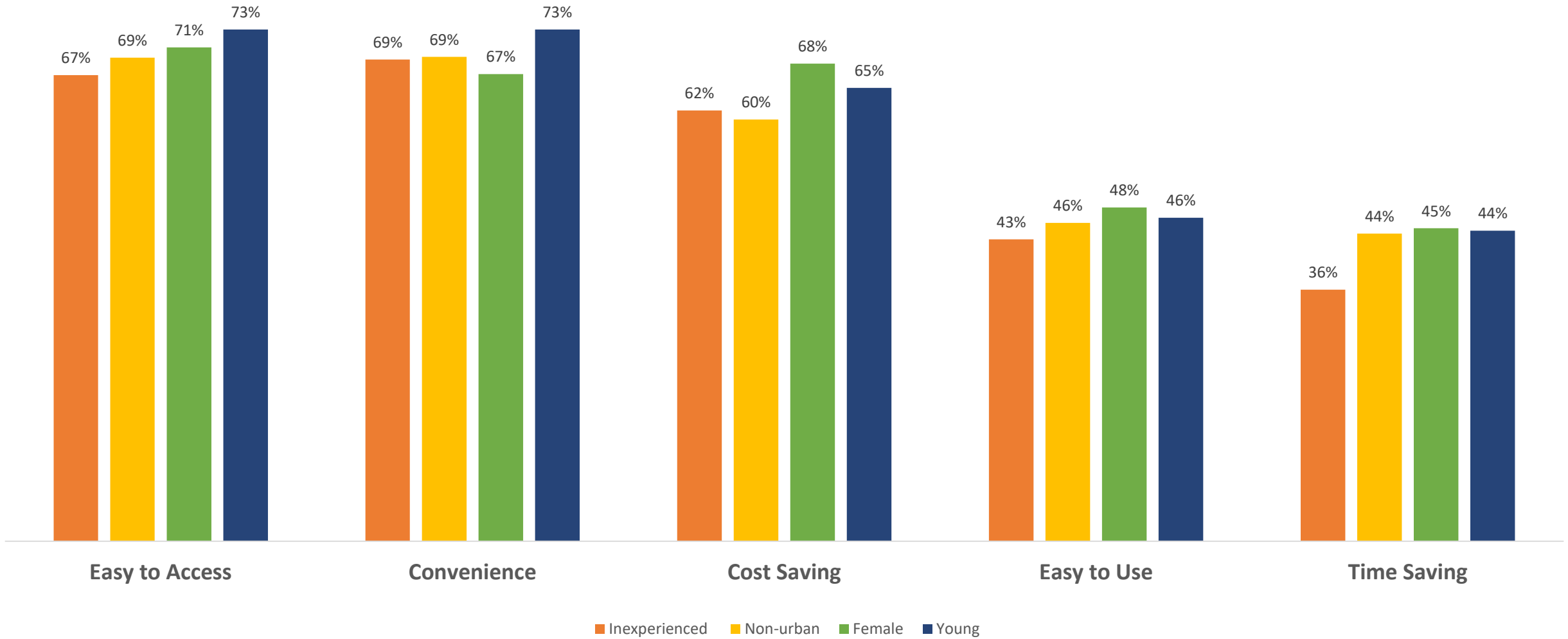


Parallel uptake of **Unsophisticated services** like Communication, Social media, Entertainment

Divergence in uptake of **sophisticated services** like Web search, Shopping, Navigation, Financial Service, Travel Booking

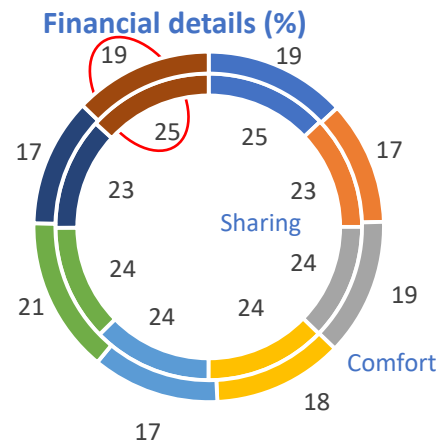
# WHAT ARE THE KEY BENEFITS OF INTERNET USAGE?

Unreasonable restriction may cause discomfort



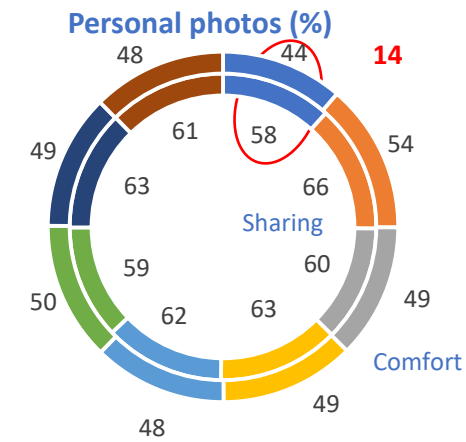
# WHAT DATA IS SHARED BY USERS AND ARE USERS COMFORTABLE IN DOING SO?

Many users are not comfortable in sharing sensitive information, possibly to prevent misuse and attribution

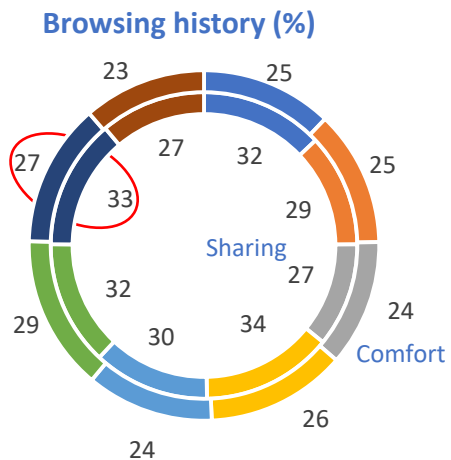


- not young
- young
- inexperienced
- experienced
- male
- female
- urban
- non-urban

Users are least comfortable in sharing financial details

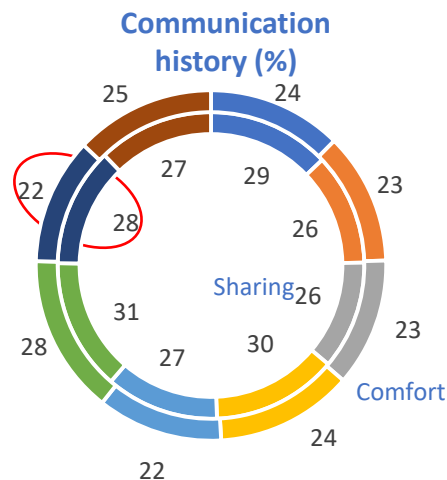


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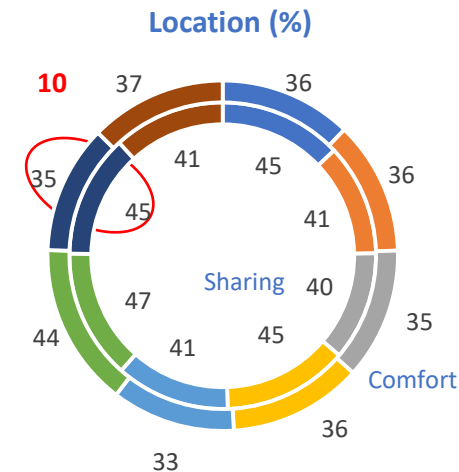


Despite being not comfortable in sharing personal photos and browsing history, many users are sharing them

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# WHAT FACTORS GIVE CONFIDENCE TO USERS IN SHARING THEIR DATA?

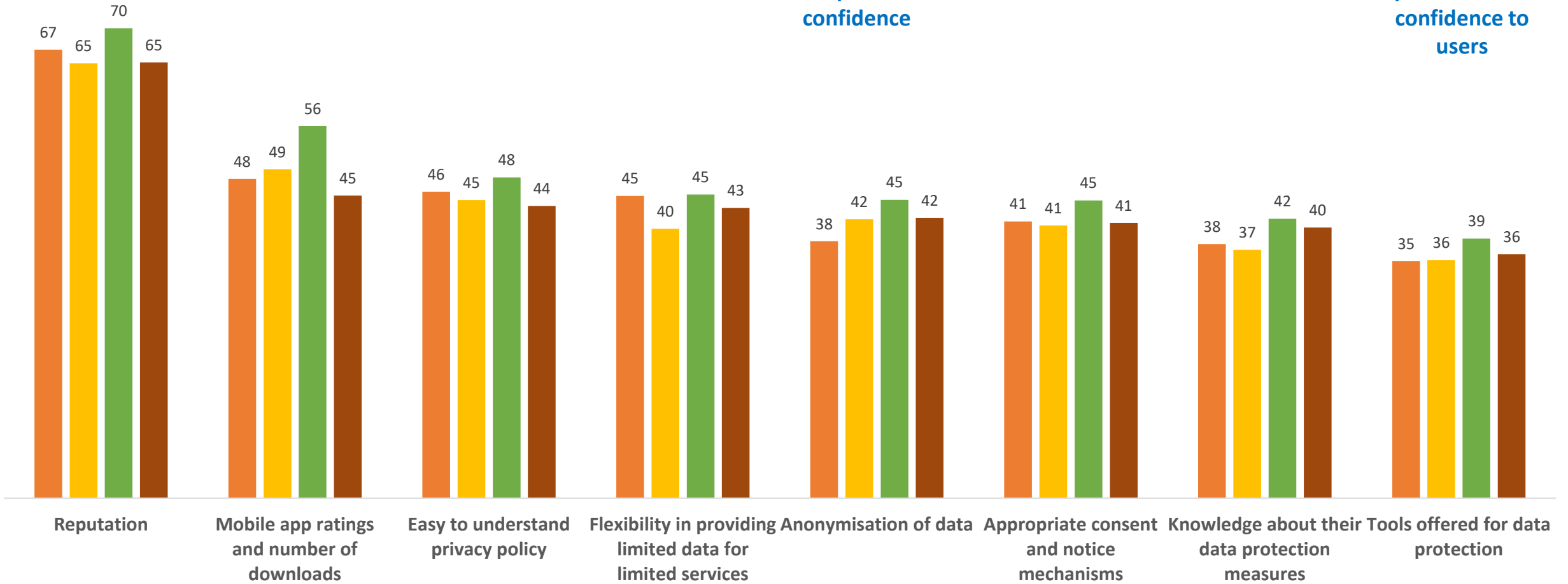
Reputation is the most important factor while data sharing

female non-urban young inexperienced

Figures in %

Data anonymisation also provides confidence

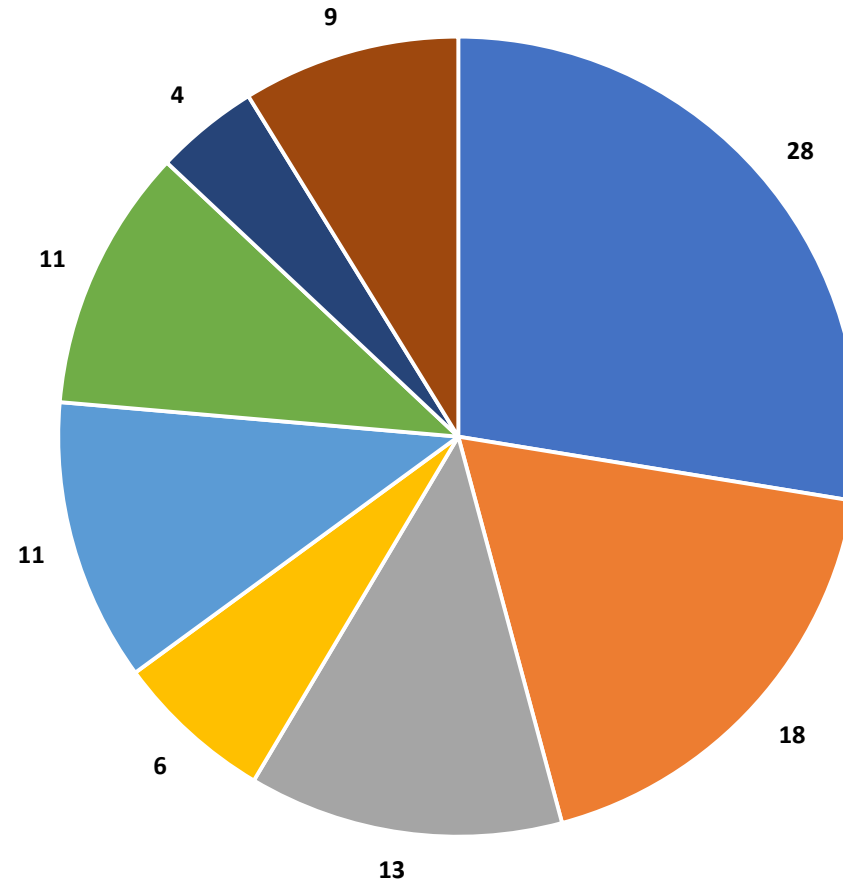
Data protection tools do not provide much confidence to users



# WHAT DO USERS EXPECT FROM DATA COLLECTORS?

Figures in response %

Users expect service providers to use data for purposes it was collected, ensuring privacy and data anonymisation, thus they may not be comfortable with attribution



Unauthorised data collection is the highest risk perceived

- Purpose limitation
- Ensure data anonymisation
- Flexibility in data sharing
- Service provider has strong data protection tools

- Ensure data privacy
- Provide data control tools
- No collection of sensitive personal data
- Easy to use data control tools

## Issue 1: Rule 3(5) [Tracking of Originators] & Rule 3(9) [Proactive Content Monitoring] of the Draft Intermediary Guidelines, 2018

1. Will the new measures reduce trust and confidence of users? Do they ensure appropriate checks and balances are put in place to safeguard users?
2. Is the government justified in delegating moral/ethical policing onto the intermediaries? Do they have the requisite capacity? Who will be liable for injustice or infringing the rights of the citizens under the new regime?
3. Liability and accountability are important facets to safeguard the ecosystem. What kind of tools, measures should be engaged by the actors, without suffocating either innovation or growth, as one energises the other?
4. Should India explore customising its structural approach, factoring in diverse nature of intermediaries and consider graded classification for unlawful content as per variable degree of threat?
5. Can we borrow some of the best practices/global standards followed internationally, and look at different models of regulation- self regulation, or co-regulation?

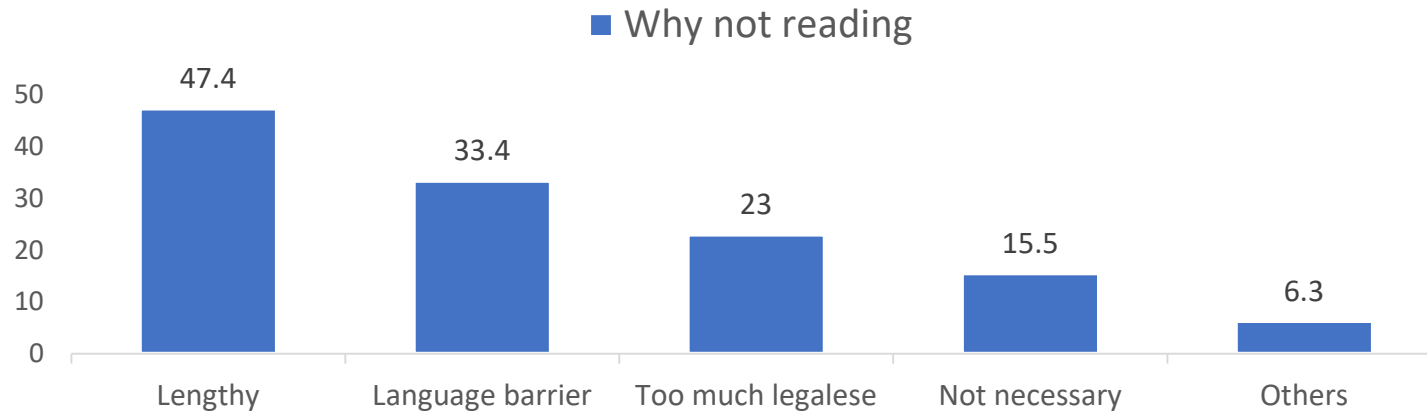
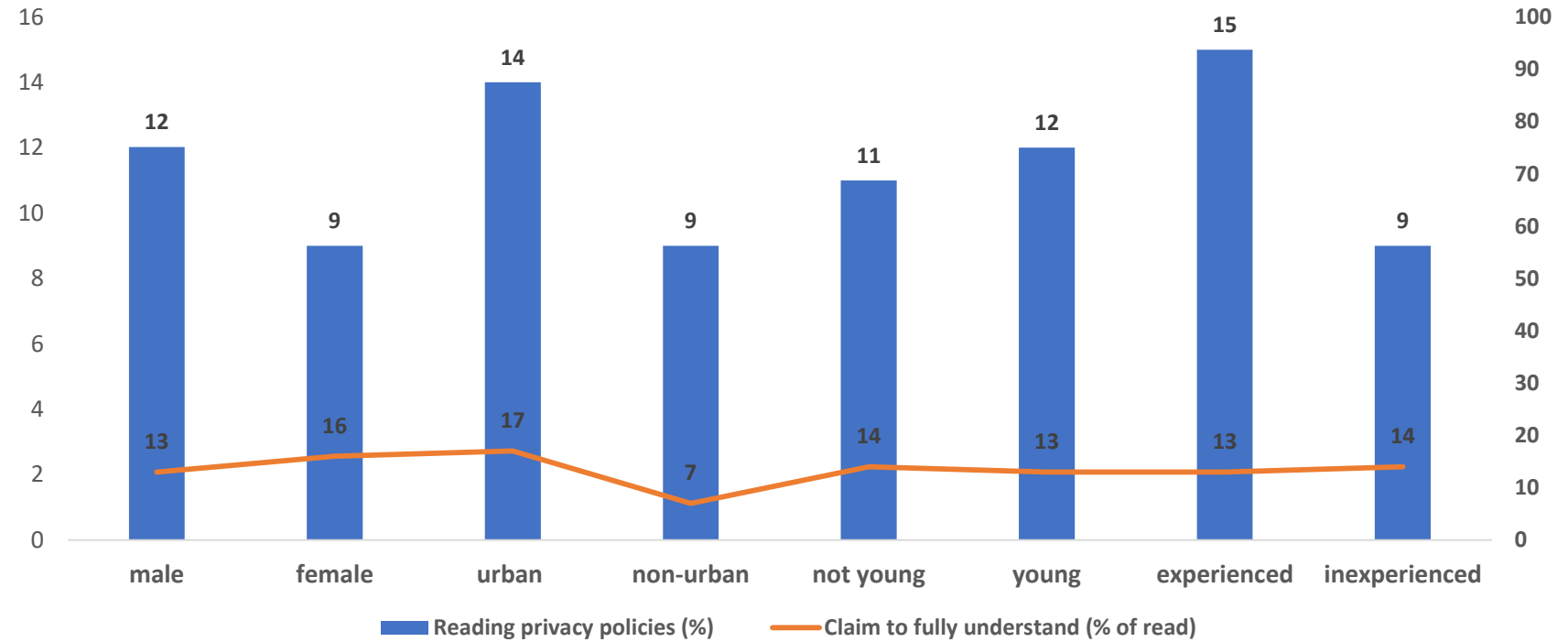


## **ISSUE 2**

### **Rule 3 (2) [Inform Users through Privacy Policy] of the draft Intermediary Guidelines, 2018**

## DO USERS READ AND UNDERSTAND PRIVACY POLICIES?

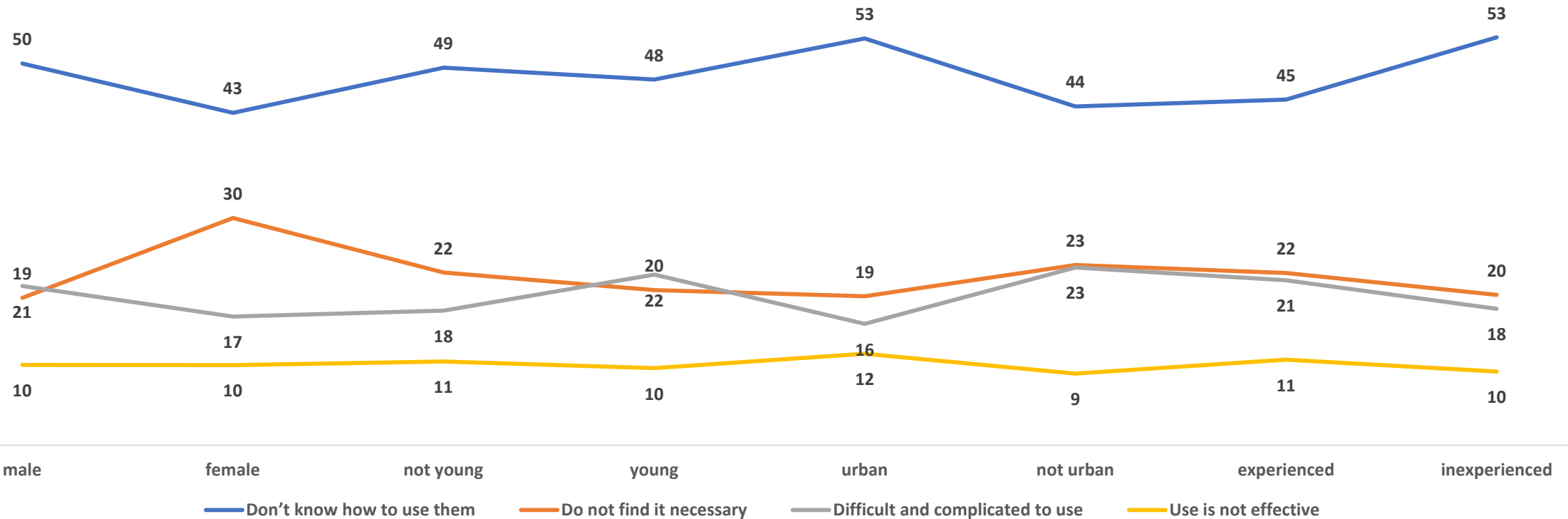
- Only around 11% of all internet users are likely to read privacy policies, of whom only around 13% (<2% of all users) claim full understanding
- Vulnerable groups like females, non-urban and inexperienced users are significantly less likely to read privacy policies than male, urban and experienced counterparts
- Non-urban users are significantly less likely to understand privacy policies



Key impediments in reading privacy policies were length, language and legalese

A common reason among vulnerable groups like females, non-urban, young and inexperienced users for not reading privacy policies is they find it unnecessary and trust the service provider

## Capacity constraint is the biggest reason for users who are aware of data protection tools but still don't use them



## **ISSUE 2: Rule 3 (2) [Inform Users through Privacy Policy] of the draft Intermediary Guidelines, 2018**

1. Will the objectives of the government be met when users don't read privacy policies? How can we bridge information asymmetry? What are the alternatives? How can we synchronize commercial practices, user beliefs, and regulatory assumptions?
2. With regard to new obligations and implementability, do the potential benefits out-weight the potential costs?
3. Shouldn't the government take the responsibility of building capacity to optimally regulate the space?