

## ASPECTS REGARDING THE USE OF PERSONAL DATA ON THE INTERNET

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### Abstract

A major dilemma raises with the future link between the use of personal data and the electronic commerce environment. Practically, there is an acute need of delimiting the personal data (a right that each of us should have) and the use of it on the Internet by different organizations by a major reconstruction, against reform efforts. The organizations started to use the GDPR as a cliché for creating a better image worldwide and being more friendly. The real question is how far would an electronic commerce shop go in order to maximize their revenues. How much does the customer know about the processing of its personal data and how much does he or she want to know? In order to respond to some of these questions a survey has been conducted and the results are presented in this article. The people between 18-45 years old are more likely to give up on their personal data in order to receive the comfort of purchasing online or even just for some promotions. As anticipated, respondents over 45 years old are declining these type of offers. Still, there is a large percentage of people that are ready to give their personal information on the Internet for nothing.

### Keywords

Electronic commerce, personal data, consumer protection, digital consumer, electronic marketplace.

### JEL Classification

Q55, L81, M16

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### Introduction

There are nowadays many types of business models when you speak about electronic commerce. We concentrate in this article on the virtual shop e-commerce business model, as defined by Onete et al. (2018). "A virtual store is implemented through a website. In the first phase, the site is designed to promote the goods and services offered by the company. Additionally, you can add placement or take-over facilities, and the extended option also includes online payments (by card or other electronic options)." The most of these online shops use personal data in order to complete the process of purchasing and to deliver the selected goods or services. Other companies use the personal data in order to personalize the offer for its customer and to have a better marketing strategy by applying these info as a competitive advantage on the market.

The right to the protection of personal data as well as the right to private life, are considered at European Union level, fundamental human rights. Unlike the European Union, in the

United States of America, the right to the protection of personal data is considered a consumer right.

In the European Union, for all bodies (legal persons) and for those who offer goods and services on the territory of the European Union or to citizens of the European Union, the interpretation and implementation of the legal rules on the protection of personal data has become mandatory from 27 April 2016, the day on which the Regulation (EU) 2016/679 was adopted (C. Tikkinen-Piri, et al., 2018)

In this context, in which personal data of individuals are collected and processed in companies and institutions from European Union, awareness of individuals is a core element in the big data era and the data-driven economy: it is the optimal balancing between fostering innovation (through the free flow of data) and protecting individuals' human rights (Malgieri & Custers, 2018).

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of persons of these data and repealing Directive 95/46 / EC (General Data Protection Regulation), was published in the Official Journal of the European Union, series L 119/1.

### Research Methodology

The methodology chosen for this article is a quantitative one: a questionnaire based on the non-probabilistic snowball technique sample and the self-selecting sampling. The four stages of this process are: identifying the sample frame from research objectives, deciding on a suitable sample size, selecting the appropriate technique and checking that the sample is representative for our research.

To check the level of awareness with regards to e-commerce and how many consumers opt for buying online, a questionnaire has been applied. In order to calculate the right sample and to be sure it is correct for our research, the representative population is 3 Million people living in Romania, with a confidence level of 80% and a margin error of 5%. Applying the sample size formula on the current data, the minimal number of respondents is 164, so that we can produce accuracy on our results. In the end, a number of 165 people have responded from proper initiative.

The number of addressed questions was 19. The questionnaire has been auto administrated and it was shared on Facebook international groups (Europe, Romania) and on What's App personal groups.

**Table no. 1 General info about the respondents**

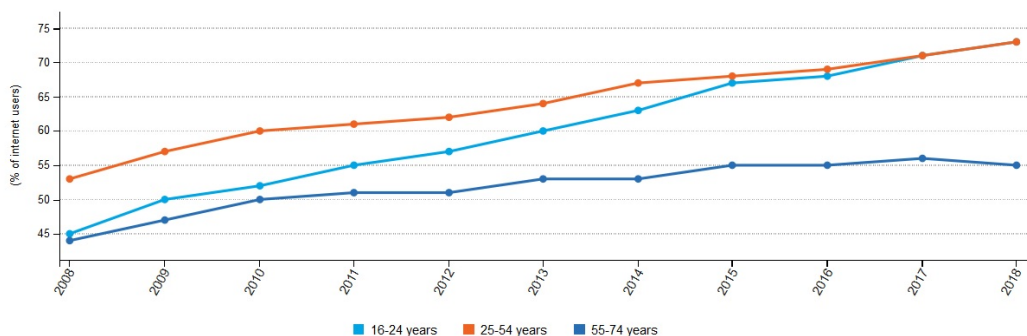
Average Income Age	Gender		Total
	Female	Male	
<b>&lt;1000 RON</b>	<b>14</b>	<b>2</b>	<b>13</b>
18-25 years	10		8
> 45 years	1		1
< 18 years	3	2	4
<b>1001-2500 RON</b>	<b>23</b>	<b>6</b>	<b>26</b>
18-25 years	19	3	21
26-35 years	3	2	3
36-45 years	1		1
> 45 years		1	1
<b>2501-4500 RON</b>	<b>29</b>	<b>11</b>	<b>34</b>

18-25 years	8	2	9
26-35 years	15	7	17
36-45 years	5	2	7
> 45 years	1		1
<b>No monthly income</b>	<b>10</b>	<b>8</b>	<b>18</b>
18-25 years	10	6	13
> 18 years	3	2	5
<b>Over 4500 RON</b>	<b>38</b>	<b>23</b>	<b>51</b>
18-25 years	9	4	11
26-35 years	12	11	21
36-45 years	11	3	8
< 45 years	6	5	11
<b>No response</b>	<b>1</b>		<b>1</b>
< 45 years	1		1
<b>Total</b>	<b>115</b>	<b>50</b>	<b>165</b>

Source: Own processing

### Results and Discussions

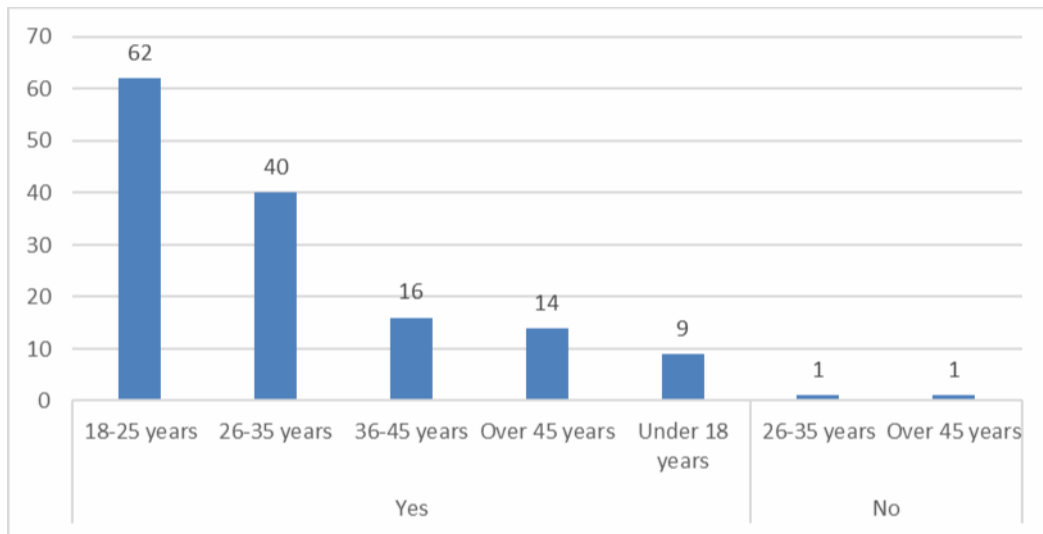
Buying goods or services over the Internet is a very popular activity nowadays, according to the Eurostat. The e-commerce sector created a new way on how businesses should act and react to the populations' need. The organizations aligned to the new desires of their consumers and created platforms in order to meet their need for comfort, but also efficiency. (Vargas, Budz, 2019) The electronic market sector is one of the impacted areas, where companies started at first just to have a page in online, but in the last years also to sell their goods over the Internet. This sector is the one that keeps the hybrid commerce at the top. Almost no offline store gave up on their physical store in order to keep only the online form of the shop. The pure play concept (meaning they sell exclusively through the Website) is not an option for this sector (Onete et al., 2018).



**Fig. no 1 Internet users who bought or ordered goods or services for private use in the previous 12 months by age group, EU-28, 2008-2018**

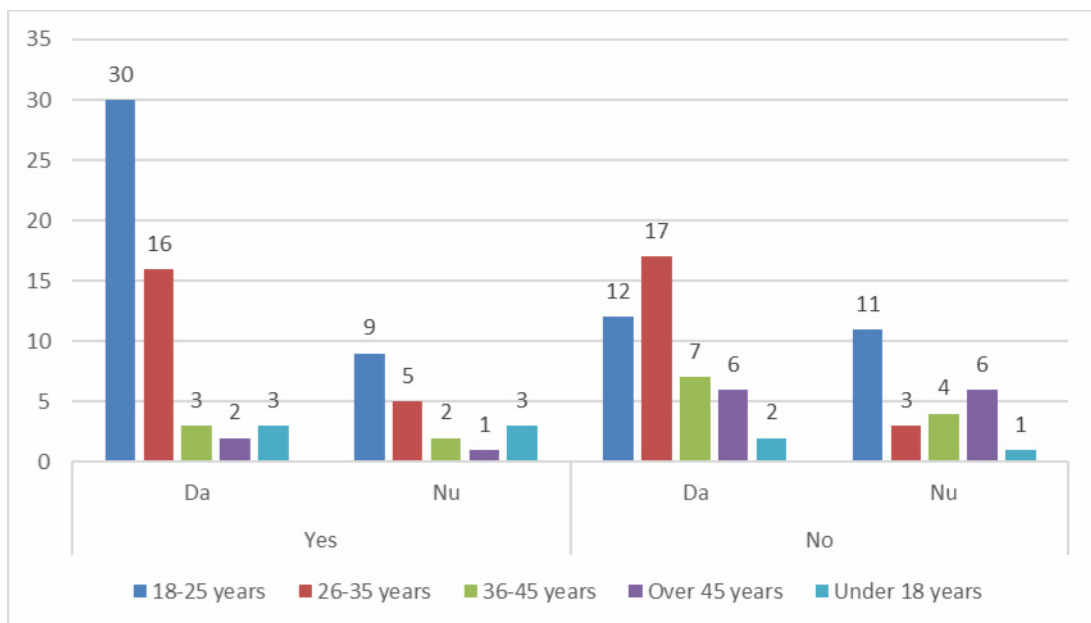
Source: Eurostat - [https://ec.europa.eu/eurostat/statistics-explained/index.php/E-commerce\\_statistics\\_for\\_individuals](https://ec.europa.eu/eurostat/statistics-explained/index.php/E-commerce_statistics_for_individuals)

Analyzing the results of the questionnaire, only 1.39% of the respondents have never purchased good or services from the online stores. Surprisingly, one of the two respondents that never bought online is aged between 26-35 years old.



**Fig. no. 2 Number of respondents that bought online**  
*Source: Authors' processing*

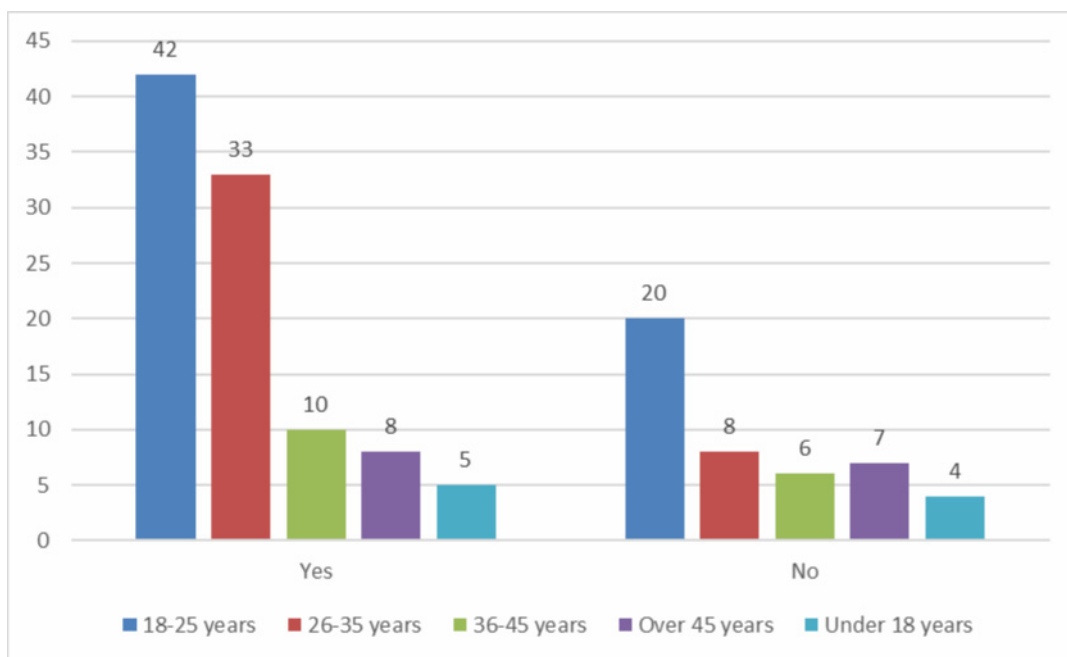
We gathered an interesting database of what online services are most common in requesting personal data upon the customers. Intriguing is the discovery for what platforms are the customers more willing to give their personal information. One good example is HBO Go or Netflix. As seen in the graphic below, customer agree on giving up on their name, e-mail, phone number and even the information from the credit card for one free month on these platforms. The comfort that these types of services is providing to its users is worth all these personal data according to the figure 3, plus the data they are gathering during the use of these platforms.



**Fig. no. 3 Netflix/HBO Go free access vs. personal data**  
*Source: Authors' processing*

Almost 70% of the respondents are ready to give up on some of their personal data in exchange of one free month on Netflix or HBO Go. Most of these are between 18-25 years old. The people over 45 years old are in majority when declining this type of offer.

Even more people are willing to provide the personal identity card if the company requires it by changing or returning a good. This measure is illegal according to the GDPR because such an action is not proportionate to the requested service. The company has no right of requesting such a document and doesn't need to have a copy of your ID card only to change or to return a purchased good. Nevertheless, consumers are not aware of these changes and don't understand the value of their personal data. As seen in the figure 4 below, 69% of the respondents will submit the identity card for this action being unaware that they have the European right to decline it. The results demonstrate that those who are more likely to uncover personal data declare a greater disposition to use privacy controls (C. Prince, 2018).



**Fig. no. 4 Returning online goods vs ID card**

*Source: Authors' processing*

### Conclusions

The e-commerce is based on the idea that online purchasing has the potential to reduce the cost of an offline store and increases equity in the community (for example, by supporting communities that are performing less economically efficient but delivering local benefits). This concept relies more on the comfort of the contemporary individual and his lack of time, but a thing is for sure, everyday people generate and share personal data (Schudy & Utikal, 2017).

The study shows that most of the respondents up to the age of 45 have higher incomes but tend to shop more online because of the lack of time, but also because it is more convenient. There are several advantages by purchasing online like comparing features of more products or a much bigger transparency regarding the prices. However, the real "price" we pay by providing such essential information about ourselves is nowadays unknown. Maybe in the future, the personal data will have an economical value and this type of shopping will be more carefully chosen.

**Table no. 2 Internet Influence over personal choices**  
Influence Google vs Social Media on purchasing decision  
dependent on Gender

Sex		Influence of Google	Influence of Facebook/Instagram
Feminin	Mean	3.46	3.52
	N	97	97
	Std. Deviation	1.225	1.200
Masculin	Mean	3.17	3.13
	N	46	46
	Std. Deviation	1.198	1.310
Total	Mean	3.37	3.39
	N	143	143
	Std. Deviation	1.220	1.245

Source: Authors' processing

The table shows us exactly the fact that consumers are more influenced than ever on their shopping decision from platforms like Google through the Google Ads systems, but the tendency is to influence the decision though Facebook, Instagram and other social media platforms.

An anticipated result is that the women are more likely to be influenced by social media and Google because they are more responsive to the emotional stimuli from the ads and enjoy them even more.

This new approach of e-commerce is a novelty for both the consumer who does not know the real value of price they are paying when buying goods and services online but is willing to pay any amount for a more comfortable shopping. On the other hand, many of the electronic commerce providers have no idea about the value of the personal data they are gathering from its customers and even after the GDPR was established most of them doesn't have secure databases or an instructed data protection office. Still, the desire of more convenient products has become an increasingly important consideration for consumers leading to several innovations (European Commission, 2014).

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