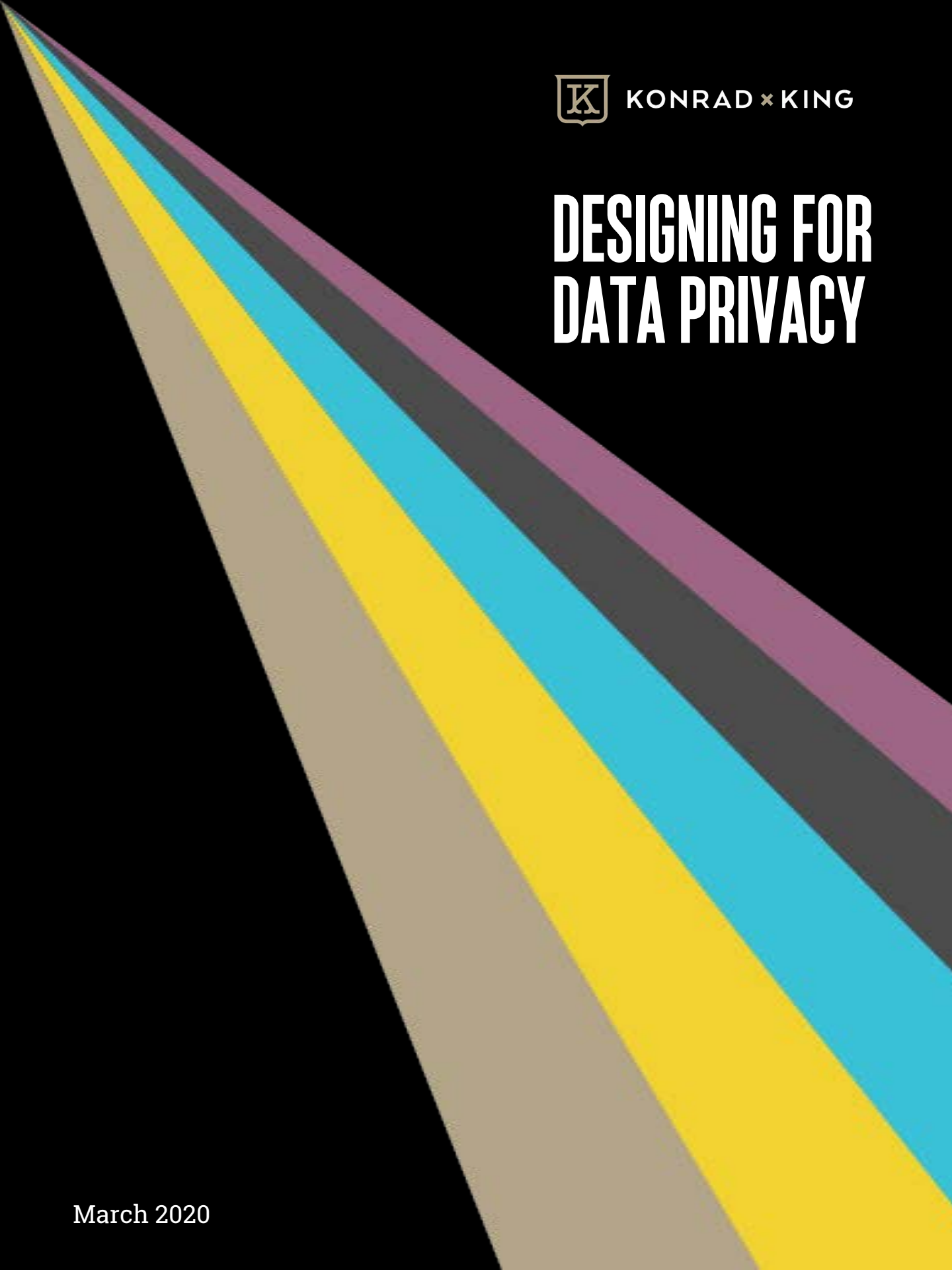

KONRAD × KING
DESIGNING FOR DATA PRIVACY
March 2020


# WHY SHOULD YOU CARE ABOUT DATA PRIVACY?

## Data Privacy is one of the most complex problems companies will face in the immediate future.

Personal information is playing an increasing role in business. More companies are collecting data, more data is available, more methods to collect and sell data are surfacing, and companies are sharing data with each other than ever before.

Alexa, Apple Watch, Ring and other new devices collect personal data that is stored in the cloud. Uber, Credit Karma, MyChart, Strava and a number of new applications are being developed that depend on personal data to offer services that people want. Some companies wouldn't even exist if they didn't have access to your personal data.

Data privacy has become a more significant design problem for companies. Companies, like Microsoft, are attempting to provide end-users with control of their data while also attempting to apply policies and internal controls that limit the collection, access and use of private data. These policies will impact innovation, design and development.

We recently completed a project with a client whose product helps companies manage data privacy. Products like these are in the spotlight since the California Consumer Protection Act (CCPA) went into effect earlier this year, so we were eager to get caught up in this space.

What we found with this project was an extremely complex set of issues that nearly every enterprise company will face, yet few are addressing. During our customer research for the project, we were also surprised to find a tech industry that focuses more on compliance with current regulations, rather than proactive and preventative solutions for an area that will surely remain in flux as more laws are enacted.

## Data privacy needs to move from an afterthought to be a part of your product design strategy.


# WHAT IS PERSONAL DATA?

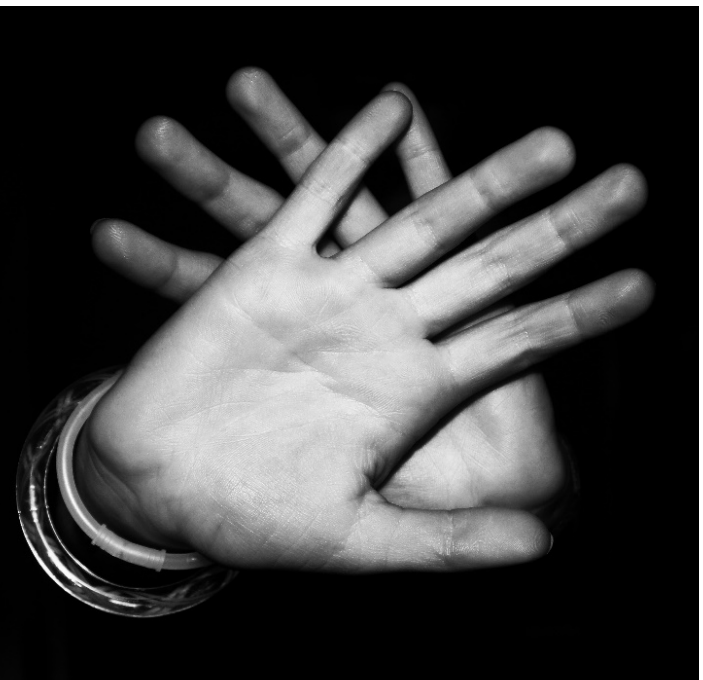
**Personal Data**
is any information that identifies or could reasonably be linked, directly or indirectly, with an individual consumer or household. Personal information includes name, email address, biometric data, IP address, geolocation data, professional or employment information, and other identifying information.

# WHAT DATA IS COLLECTED & HOW IS IT BEING USED?

## What are my rights?

Laws are being established such as the California Consumer Privacy Act (CCPA) and the General Data Protection Regulation (GDPR) that protect the use of your personal information. In the U.S. data privacy laws are being defined by States to protect their residents. These laws are intended to clarify what personal information is collected, why it is collected and how it is used. It is also intended to give you the option to opt-out of the data collection and sale of your data. You can say that you don't want your personal data collected or sold.

People don't take the time to prevent their data from being collected because it takes a considerable effort, and they don't have a good grasp of what's collected or the associated risks.



## What personal information is collected?

It depends on the company, products and features used. People need to read the privacy policy of each company, product, and website to learn what info is collected.

Information about people is directly collected by companies but may also come from other sources such as accessing a service using a third-party social media account such as Facebook then name, email address, friend list maybe collected and shared.

Information about people may be aggregated by combining personal information that was provided, information that is collected automatically, and information that is obtained from third-party sources, to infer or build additional personal information or behaviors. For example, a company may be able to infer what people are looking to purchase based on browsing behavior and past purchases, or IP address to estimate your general location.

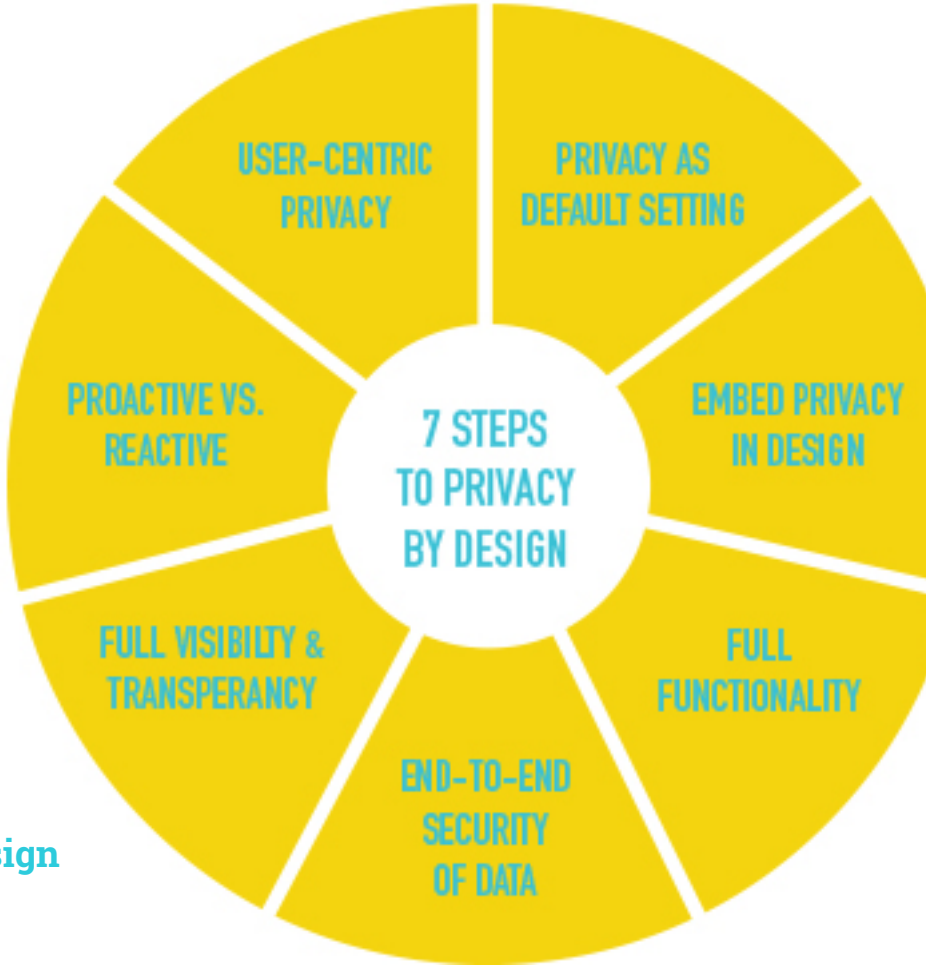
## How is my personal information being used?

Data about people is being used for a broad range of reasons. These are five common uses:

1) Provide, personalize and improve products and services. Improve your experience.
2) Provide customer service and technical support. Manage your account.
3) Process transactions and returns. Prevent fraudulent transactions and other illegal activities.
4) Advertise, market and communicate with you about products, services, offers, contests, promotions, sweepstakes, surveys.
5) Monitor and analyze trends, usage and activities.

These seem like reasonable business reasons, however, they're so general that you may not be able to make an informed decision on whether to provide the company with your personal data.

# LEARNING FROM GDPR'S PRIVACY BY DESIGN




## Seven steps that the EU uses to make users' privacy a core concern in product design

Since our client was customer-focused with a mature understanding of user-centered design, we wanted to provide them with design insights that could differentiate their product from the pack.

Luckily, we were not starting from scratch on these issues; CCPA follows in the footsteps of Europe's General Data Protection Regulation (GDPR) and the establishment of those stricter privacy regulations have led to a roadmap of innovative product practices for us to follow. The most notable of these practices, Privacy By Design, consists of seven straightforward steps that help us to think beyond just compliance, making our customer and users' privacy a core concern in product design.

A quick search will provide you with tons of resources on Privacy By Design; here's a good place to start:

**For more information on the EU's Privacy By Design:**

**ENISA Data Privacy By Design**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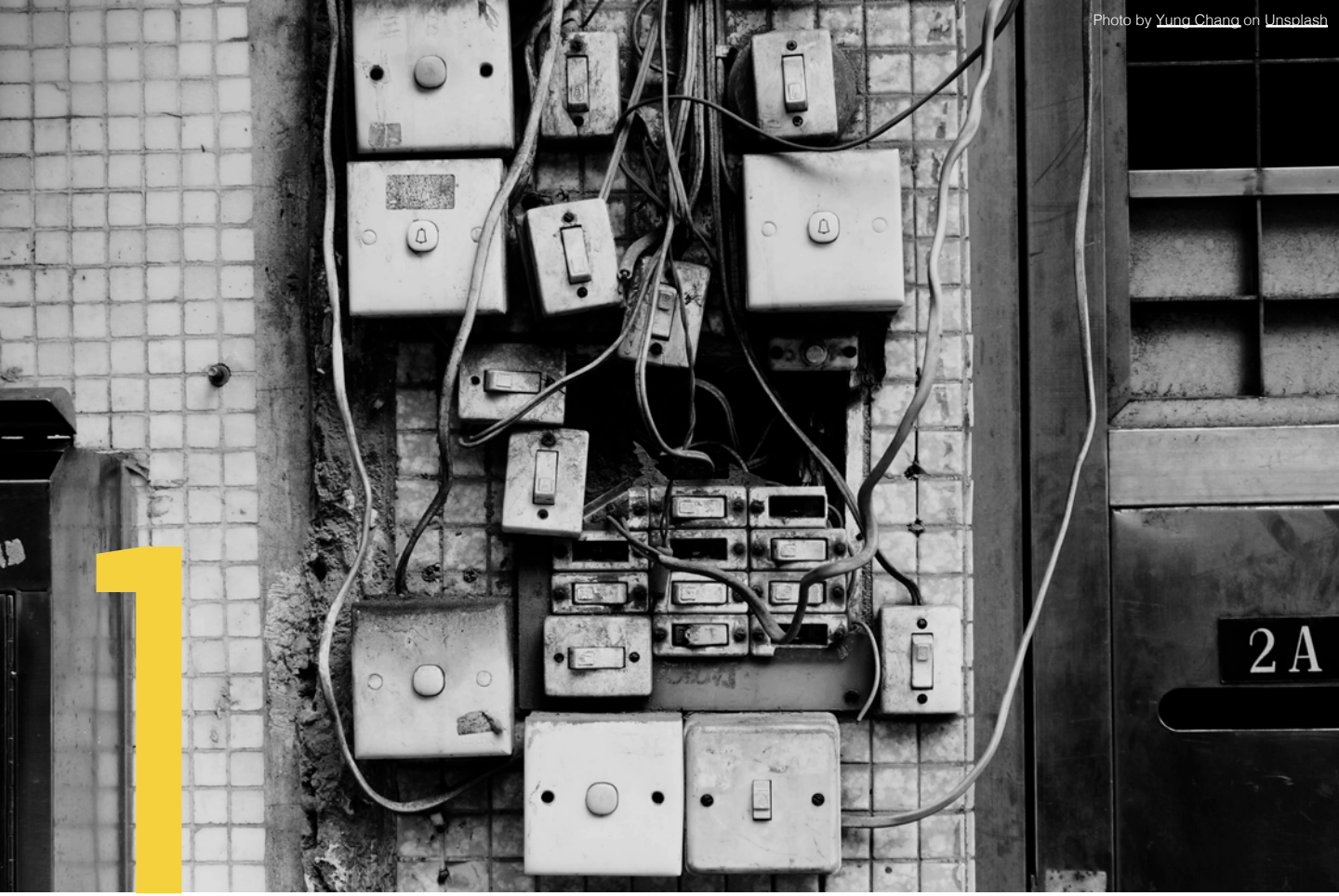
# 4 DESIGN PRINCIPLES FOR DATA PRIVACY

## Sharing Our Project Insights

For those of you who will be dealing with privacy issues in your product design, the following pages provide some additional insights based on our work.



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# FLIP THE CURRENT PRIVACY SETTING MODELS

It's time to consider making privacy setting models an attribute of product design and strategy and not an afterthought.

First, treat privacy settings as a global setting within your product. Regardless of how many product suites, partner apps, or add-ons your product contains, users should only have to look at/edit their settings once. If you're B2C, embed that in your product DNA; if you're B2B enable your clients to do the same. Think of it this way - what if the browser managed privacy settings rather than individual sites. The browser would set the standards and sites would have to comply to interact with you. How much better would that be than the hundred times we have to edit individual settings.

Additionally, when sharing with your partners or services, user data should transfer and maintain these global settings. If your partners are not in compliance then they should not have access, nor should they ask the user to conform to their policy.

Second, and this should be a no-brainer, we need to follow the example set by GDPR and make "Opt-Out" our default privacy setting rather than starting with "Opt-In". If you are providing enough value or an enhanced experience, users will choose to share their data with you. If you cannot define the value of sharing their data with you to the user, or tell them how you will use their data, then you probably shouldn't have it...and you need to pay attention to this next section.


# 2 DIFFERENTIATE YOUR PRODUCT BY HUMANIZING DATA

Even for smaller enterprise companies, the sheer amount of user data being stored, used, or shared is larger than you can imagine. When you get into financial companies the amount of data is completely mindboggling. It is no surprise then that products in this space tend to have interfaces and functions rife with data overload. To get around this, products often visualize more consumable information like percentages or trends.

What we found while researching our latest project was that this approach seems to desensitize the user to perhaps the most important part of this data - there are actual human lives on the other end of it. Our participants who were managing data risk at a higher level viewed most information through a single lens, Risk Assessment.

If risk was shown only as the numerical amount or penalty that was associated with the data they were managing, they would often compare it against the profitability of the business unit - if profit vastly outweighs penalty, guess which side wins? When we changed the penalty number to the actual number of people associated with the data at risk, our participants tended to care more, or at least were bothered more.

It is easy to ignore monetary risk, but it is not as easy put other humans at risk. Consider these human interactions as differentiators to your product; If you want your customers to pay attention to your product, humanizing the data you are presenting is a good way to start.


# 3

# MAKE BEING A GOOD CORPORATE CITIZEN A SELLING POINT

Right now, most end-users don't truly understand the value of their personal data, much less how much of it is out there and how it is being used. There are companies looking to use CCPA as a springboard for consumer data products that increase user understanding of their data and how they can use (monetize) it. As understanding increases, you can bet users will punish data offenders.

You have an opportunity to show users that you are concerned about their personal data and how you will use it. Users will come to expect this. If you make this a core principle to your product design and development, you will be at the forefront of the industry proving that you can be a good corporate partner and citizen. Not only is it the right thing to do, it may be the best thing to do for your business.

In a Boston Consulting Group Study, they found that investing in social responsibility is becoming mainstream in corporate America, and that companies that invest in environmental, social and governance areas outperform those that do not. The Good Corporate Citizen scope is broad and data privacy and security is just one newer piece of the puzzle, but, as users become more aware of their rights, their expectations for data privacy will increase.

Companies who focus on data privacy head-on and provide transparency to the end users will be the trusted commodity, while those companies who don't will face a backlash. This was the case when GDPR was implemented in Europe, and you are beginning to see it closer to home with declining opinions of once vaunted social media companies.



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# 4

# CREATE FOR SCALE & CONTEXT OUT OF THE GATE

There are three major components to keep in mind when creating products that can keep up with data privacy: **People**, **Policy** and **Risk**.

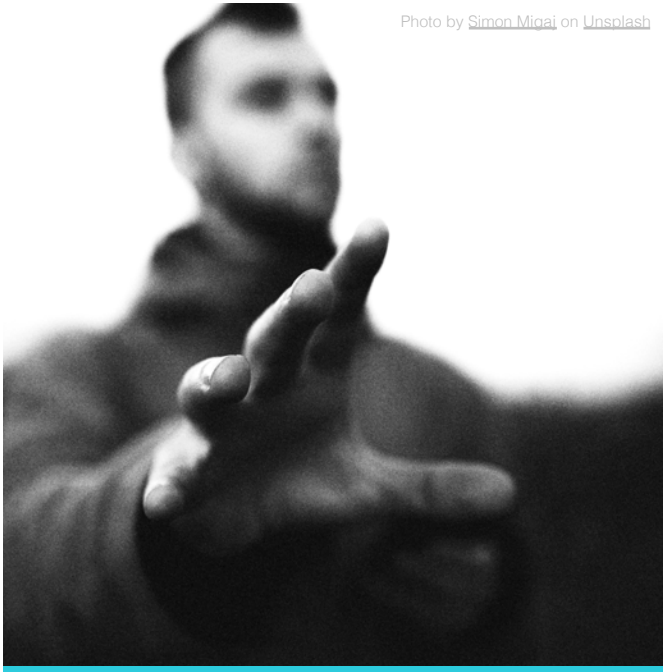
Many **People** in your organization will need visibility and access to some function of data privacy. Organizational roles will have unique needs such as IT managing access to data, Programmers and DevOps understanding privacy policy limitations during development, CSOs and CPOs monitoring and mitigating compliance, Legal setting policy, or Analysts creating reports.

You will need to design for the context of use and the context of data for different roles within your organization . Get started by outlining those data privacy touchpoints and mapping your product complexity.

Your next problem is **Policy**. GDPR and CCPA are just the tip of the iceberg; laws are changing rapidly, and they probably will be for some time. Until there is some form of standardization, your product will have to be scalable to ebb and flow with an environment in flux. Know the answers to these questions to deal with market and policy changes:· Whose data do I have?· How much data do I have?· Where does the data reside?· How is the data being processed and shared?

Let's talk **Risk**. You may have clients in California and the EU. How about Nevada and New York? They are initiating privacy laws too. Consider that at any time your customers are using your product, they are at risk. The way you visualize, predict, and mitigate that risk, the more successful you can be with your customers.

# BEING IN CONTROL OF YOUR PRIVACY



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## Are you in control of your data?

Probably not. What does it mean to be in control of your privacy?

### Being in control of your privacy means:

- It is obvious to you what specific personal information is being used directly or indirectly about you.
- You exercise your rights. One of those rights is to opt-out from your data being collected. You need to know that the benefits of providing your data significantly outweigh the risks.
- You can easily know who collected the information, know what they know, in all its detail, and what is being inferred about you based on information that's been collected directly or indirectly.
- Companies tell you in quantifiable terms and with greater detail how your specific information was used.
- You know you are benefiting and getting a measurably better experience when you allow your personal data to be used for the reasons specified.
- Companies make it extremely easy for you to have access, change and erase any of your personal data. There are no absolutely no barriers.
- You prevent or approve the sale of your data. You can know who and when the data was sold. You can prevent the sale of your data if you don't trust the buyer. You have an easy way to access, change and erase any personal data with the new owner.

*We will put you in control of your privacy with easy-to-use tools and clear choices.*

MICROSOFT

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# AN OPPORTUNITY

## Make data privacy part of the product design strategy

Companies and governments are waking up to solve these privacy problems, but they have a long way to go. Data privacy is a business opportunity that designers can help solve when it becomes a part of the product design strategy.

After reading this, we hope you have more insight into the complexities you will face with data privacy in your products. It may be time to go get that ulcer checked.

KONRAD × KING

We are a high-caliber product strategy and design firm with dangerously sharp skills honed by years of experience. We partner with the world's most innovative companies, like yours, to create product experiences that improve people's lives.

Contact us at info@konradking.com

CEO

## CHRISTOPHER KONRAD

After over 25 years in the trenches with the likes of Microsoft, Intuit, and Artefact, Christopher founded the company so that people can enjoy doing what matters with the help of well-designed technology.

MANAGING PARTNER

## BENNETT KING

With 10 years embedded in product R&D and another 15+ years in design, Ben creates product strategies and concepts by merging his knowledge of technologies with a deep understanding of the people who use them.