

Nudging with Framing and Defaults in the Context of Privacy Decision-Making [Working Title]

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Language: German or English

Motivation:

Firms on the internet often rely on the collection, usage and sharing of personal data to generate revenues, for example, through targeted advertisements. However, the European General Data Protection Regulation (GDPR), which has come into effect in 2018, requires explicit user consent for the use of their personal data in applications and online services. Consequently, the design of users' consent choices and permissions are now crucial for online firms to persuade a maximum number of users to give their consent for the use of their personal data. Research on decision-making shows that individuals can be nudged to take a desired choice by framing the question in a certain way or setting the desired choice as default. Thus, firms and also regulators use these instruments to nudge users towards privacy decisions that they deem desirable. Understanding these mechanisms and nudges as well as the underlying behavioral effects is, therefore, crucial to recognize and design them effectively.

Goal:

First, this thesis should give an overview of the literature that studies nudging with framing and defaults in the context of privacy decisions. The goal is to describe both these instruments and their use in various decision-making situations, understand their effect on human decision-making and summarize the factors which affect their effectiveness. Second, real-world cases of nudging used by regulators and firms in the privacy-context should be presented and analyzed in light of the theoretical findings of the first part.

References and Related Literature:

- Acquisti, A., Adjerid, I., Balebako, R., Brandimarte, L., Cranor, L. F., Komanduri, S., ... Wilson, S. (2017). Nudges for privacy and security: Understanding and assisting users' choices online. *ACM Computing Surveys*, 50(3), Article 44.
- Adjerid, I., Acquisti, A., & Loewenstein, G. (2019). Choice architecture, framing, and cascaded privacy choices. *Management Science*, 65(5), 1949-2290.
- Angst, C. M., & Agarwal, R. (2009). Adoption of electronic health records in the presence of privacy concerns: The elaboration likelihood model and individual persuasion. *MIS Quarterly*, 33(2), 339-370.