

icle

Privacy in electronic commerce and the economics of immediate gratification

Author:  [Alessandro Acquisti](#) | [Authors Info & Claims](#)EC '04: Proceedings of the 5th ACM conference on Electronic commerce • Pages 21 - 29
<https://doi.org/10.1145/988772.988777>Published: 17 May 2004 [Publication History](#)
3294,980

Abstract

Dichotomies between privacy attitudes and behavior have been noted in the literature but not yet fully explained. We apply lessons from the research on behavioral economics to understand the individual decision making process with respect to privacy in electronic commerce. We show that it is unrealistic to expect individual rationality in this context. Models of self-control problems and immediate gratification offer more realistic descriptions of the decision process and are more consistent with currently available data. In particular, we show why individuals who may genuinely want to protect their privacy might not do so because of psychological distortions well documented in the behavioral literature; we show that these distortions may affect not only 'naive' individuals but also 'sophisticated' ones; and we prove that this may occur also when individuals perceive the risks from not protecting their privacy as significant.

References

- [1] A. Acquisti, R. Dingledine, and P. Syverson. On the economics of anonymity. In *Financial Cryptography -FC '03*, pages 84--102. Springer Verlag, LNCS 2742, 2003.

This website uses cookies

We occasionally run membership recruitment campaigns on social media channels and use cookies to track post-clicks. We also share information about your use of our site with our social media, advertising and analytics partners who may combine it with other information that you've provided to them or that they've collected from your use of their services. Use the check boxes below to choose the types of cookies you consent to have stored on your device.

- [4] G. A. Akerlof. The market for 'lemons:' quality uncertainty and the market mechanism. *Quarterly Journal of Economics*, 84:488--500, 1970.

[Show all references](#)

Cited By

[View all !\[\]\(6a9b39b98eb945faa14c645ec99e4eaa_img.jpg\)](#)

Koziuk V, Ivashuk Y and Hayda Y. (2024). CBDC, Trust in the Central Bank and the Privacy Paradox. *ECONOMICS*. 10.2478/eoik-2024-0025. **12**:2. (219-242). Online publication date: 24-Jun-2024.

<https://doi.org/10.2478/eoik-2024-0025>

Korneeva E, Salge T, Cichy P and Antons D. (2024). How Users Assess Privacy Risks in the Internet of Things: The Role of Framing, Comparing, and Educating. *Business & Society*. 10.1177/00076503241255082. **63**:8. (1794-1841). Online publication date: 23-Jul-2024.

<https://doi.org/10.1177/00076503241255082>

Sprigman C and Tontrup S. (2024). Privacy decision-making and the effects of privacy choice architecture: Experiments toward the design of behaviorally-aware privacy regulation. *Journal of Empirical Legal Studies*. 10.1111/jels.12391. Online publication date: 12-Jun-2024.

<https://doi.org/10.1111/jels.12391>

[Show More Cited By](#)

Index Terms

Privacy in electronic commerce and the economics of immediate gratification

Applied computing

Security and privacy

Computing / technology policy

Privacy policies

Recommendations

The Effect of Consumer Privacy Empowerment on Trust and Privacy Concerns in E-Commerce

'eValues'

Privacy concerns and a lack of trust have been shown to reduce consumer's willingness to transact with an online vendor. Understandably, firms are searching for methods to reduce consumer privacy concerns and increase trust. In this study, we...

[Read More](#)

Understanding and predicting electronic commerce adoption: an extension of the theory of planned behavior

This paper extends Ajzen's (1991) theory of planned behavior (TPB) to explain and predict the process of e-commerce adoption by consumers. The process is captured through two online consumer behaviors: (1) getting information and (2) purchasing a ...

[Read More](#)

A trust-based consumer decision-making model in electronic commerce: The role of trust, perceived risk, and their antecedents

Are trust and risk important in consumers' electronic commerce purchasing decisions? What are the antecedents of trust and risk in this context? How do trust and risk affect an Internet consumer's purchasing decision? To answer these questions, we i) ...

[Read More](#)

Comments

[View Table Of Contents](#)

Join

- Join ACM
- Join SIGs
- Subscribe to Publications
- Institutions and Libraries

Connect

- ✉ Contact us via email
- f ACM on Facebook
- X ACM DL on X
- in ACM on LinkedIn
- i Send Feedback
- i Submit a Bug Report

The ACM Digital Library is published by the Association for Computing Machinery. Copyright © 2024 ACM, Inc.
[Terms of Usage](#) | [Privacy Policy](#) | [Code of Ethics](#)

