

Farronato, Fradkin and Lin
“Designing Consent: Choice Architecture
and Consumer Welfare in Data Sharing”

Discussed by

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University of Maryland & NBER

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What I love

- Clever research design to address an extremely important policy issue

Randomized field
experiment

(direct preference
and clean causal
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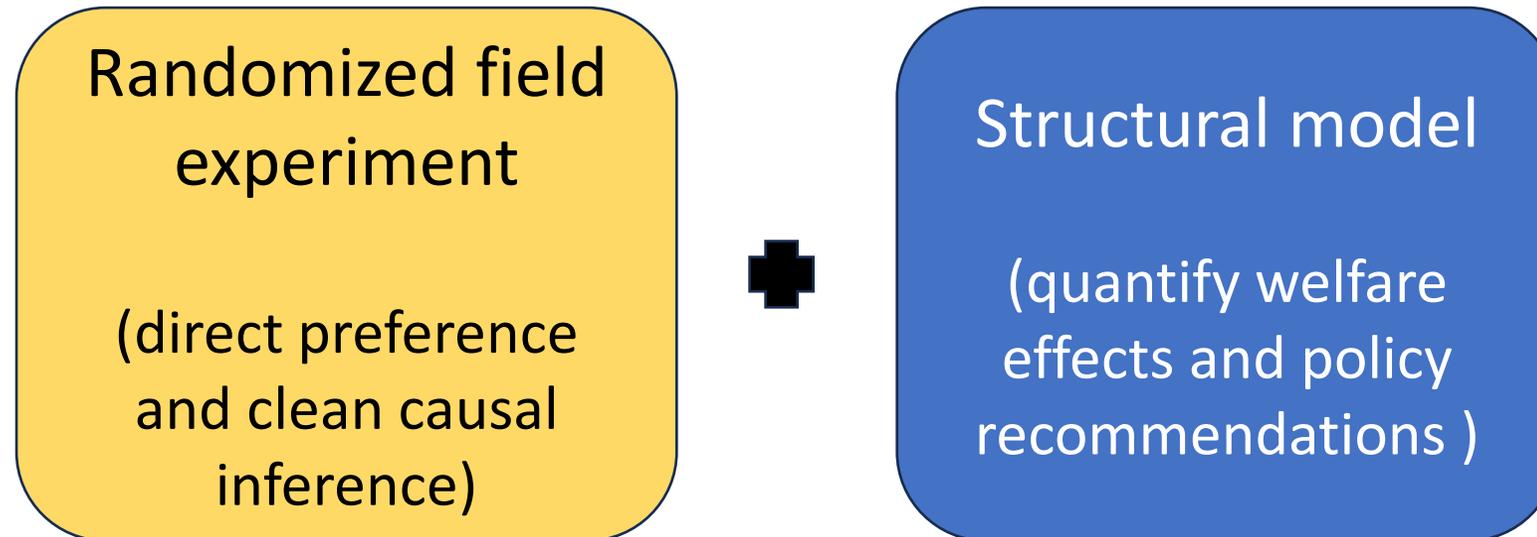


Structural model

(quantify welfare
effects and policy
recommendations)

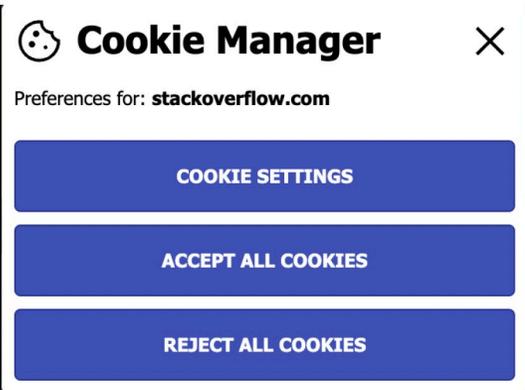
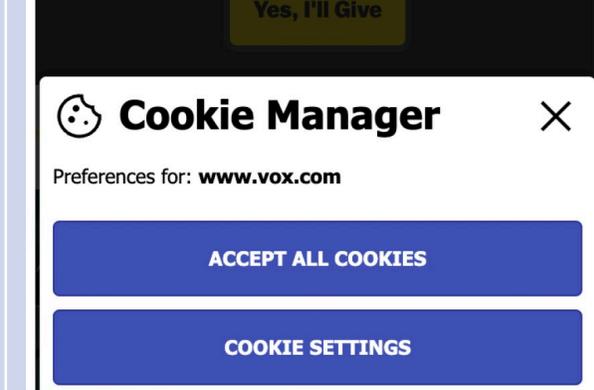
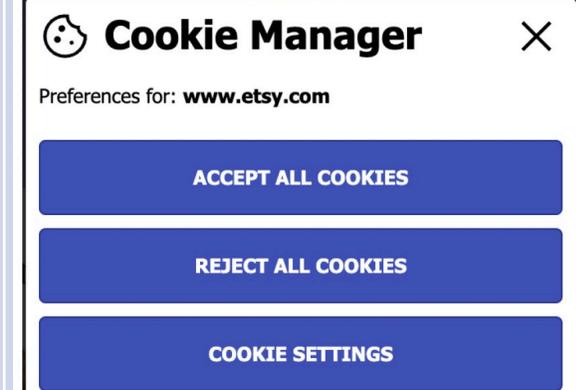
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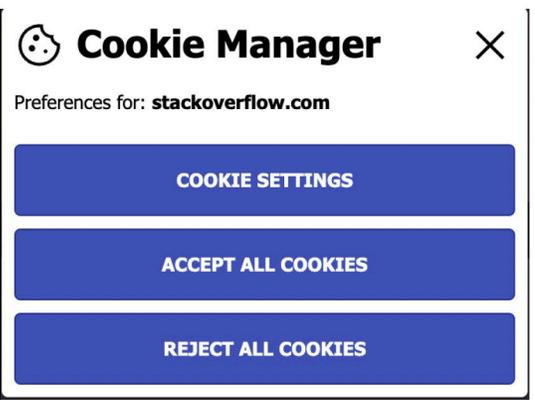
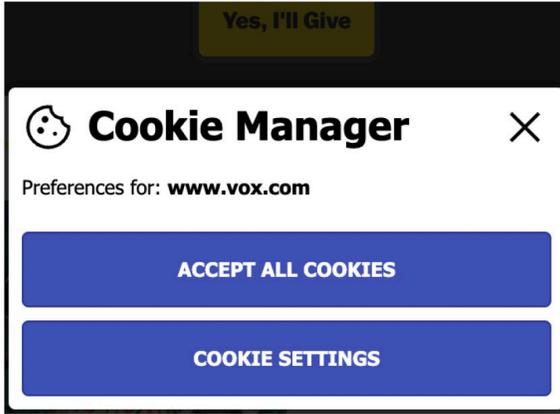
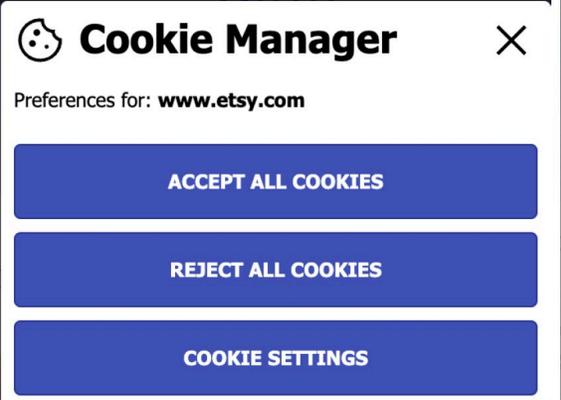
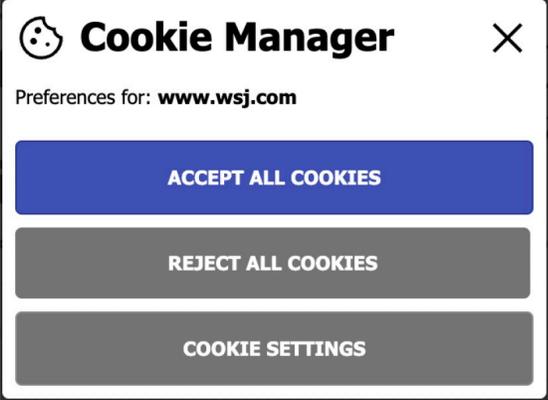


- Take consumers' behavioral bias and misbelief seriously

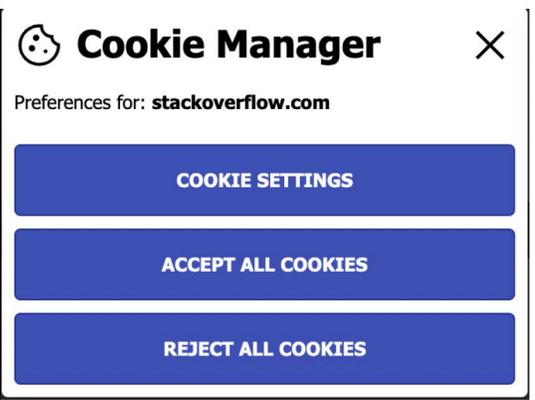
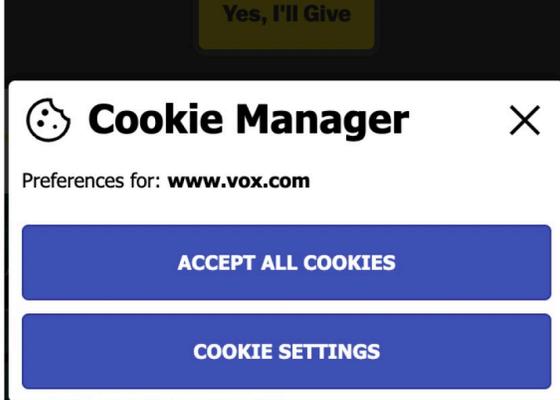
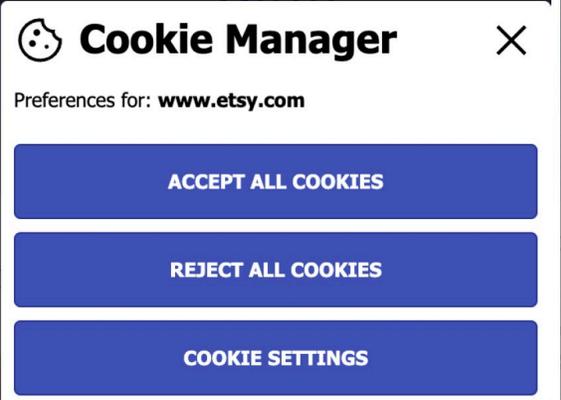
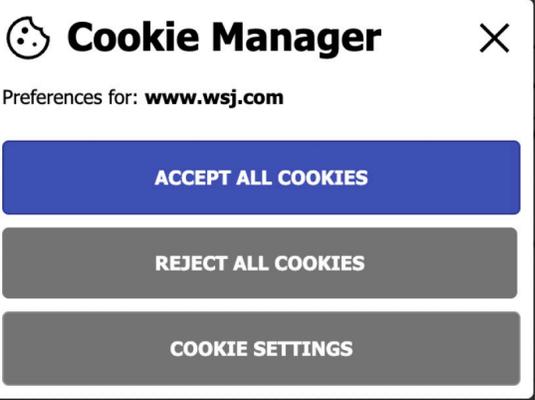
Key finding #1: incentive works but the market fails!

Baseline	Deliberate Obstruction	Reordering	Differential Highlighting
 <p>Cookie Manager</p> <p>Preferences for: stackoverflow.com</p> <p>COOKIE SETTINGS</p> <p>ACCEPT ALL COOKIES</p> <p>REJECT ALL COOKIES</p>	 <p>Yes, I'll Give</p> <p>Cookie Manager</p> <p>Preferences for: www.vox.com</p> <p>ACCEPT ALL COOKIES</p> <p>COOKIE SETTINGS</p>	 <p>Cookie Manager</p> <p>Preferences for: www.etsy.com</p> <p>ACCEPT ALL COOKIES</p> <p>REJECT ALL COOKIES</p> <p>COOKIE SETTINGS</p>	 <p>Cookie Manager</p> <p>Preferences for: www.wsj.com</p> <p>ACCEPT ALL COOKIES</p> <p>REJECT ALL COOKIES</p> <p>COOKIE SETTINGS</p>

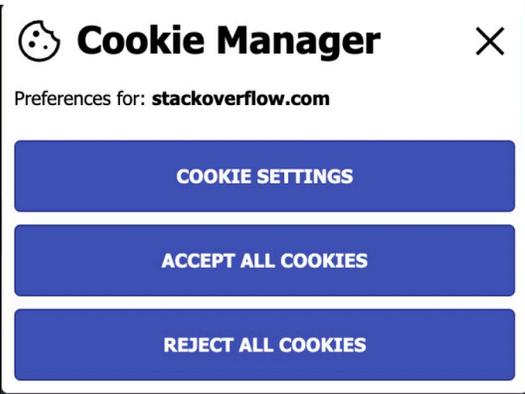
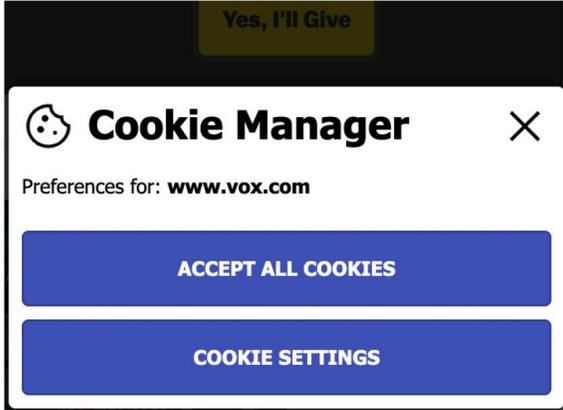
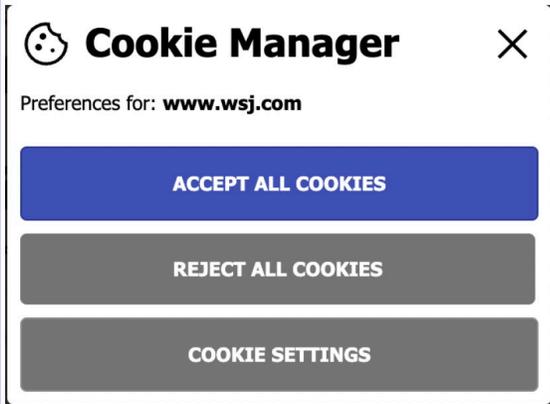
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Baseline	Deliberate Obstruction	Reordering	Differential Highlighting
			
Effect on "accept all"	+5.4%	+ 3.8%	+ 3.1%
Effect on "close window"	≈ 0	- 4.1%	- 2.0%
Effect on "reject all"	- 9.4%	≈ 0	≈ 0

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4. Can browsers offer browser-level protection and choice?

- Footnote 8 implies that Mozilla started browser-level choice as early as 2021/10 but other browsers do not offer similar choices.

Browser-level cookie settings

(ChatGPT's summary as of 2026/2/17)

Feature	Safari	Firefox	Chrome
Third-party cookies default			
Tracking protection system			
Granularity of user control			
Approach to advertising ecosystem			
Cookie lifespan restrictions			

Browser-level cookie settings

(ChatGPT's summary as of 2026/2/17)

Feature	Safari	Firefox	Chrome
Third-party cookies default	Blocked		
Tracking protection system	ITP (ML-based)		
Granularity of user control	Moderate		
Approach to advertising ecosystem	Restrictive		
Cookie lifespan restrictions	Yes		

Browser-level cookie settings

(ChatGPT's summary as of 2026/2/17)

Feature	Safari	Firefox	Chrome
Third-party cookies default	Blocked	Isolated/blocked	
Tracking protection system	ITP (ML-based)	ETP + Total Cookie Protection	
Granularity of user control	Moderate	High	
Approach to advertising ecosystem	Restrictive	Restrictive but flexible	
Cookie lifespan restrictions	Yes	Limited (focus on isolation)	

Browser-level cookie settings

(ChatGPT's summary as of 2026/2/17)

Feature	Safari	Firefox	Chrome
Third-party cookies default	Blocked	Isolated/blocked	Historically allowed (phasing out)
Tracking protection system	ITP (ML-based)	ETP + Total Cookie Protection	Privacy Sandbox (API replacement)
Granularity of user control	Moderate	High	High
Approach to advertising ecosystem	Restrictive	Restrictive but flexible	Transition-oriented
Cookie lifespan restrictions	Yes	Limited (focus on isolation)	Limited

Browser-level competition in cookie setting?

Apple's
Safari

Mozilla's
Firefox

Google's
Chrome



Privacy by default,
paternalistic

Balances privacy and
flexibility

Historically permissive for
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gradually moving toward
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Began restricting third-party
cookies in 2013;
Began Intelligent Tracking
Prevention (ITP) in 2017

Rolled out enhanced tracking
protection (ETP) in 2018

Began privacy sandbox
rollout for consumers in 2024

Key finding #2: How should policy makers intervene?

- Optimal consent choice design (no manipulation + default of “accept all”)
 - ↑ CS 23.5% because 60+% U.S. consumers prefer “accept all”
- Even better: browser level choice ↑ CS 150%
 - because of time costs (\$4/week)

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Two questions:

1. Can consumer preference change if we ban consent choice manipulation?
 - Could go both ways
 - Data: granular choice ↑ when it hides “accept all” or “reject all”
2. Can websites circumvent browser-level choice by finger printing, new pop-ups, etc.?
 - We have seen these changes after Apple introduced App Tracking Transparency (ATT)
 - If so, they can affect the gains from browser-level choice

What surprised me

- 61-65% of subjects are willing to “accept all” if not frustrated
 - Is it **too high** relative to general survey results on consumer privacy concerns?
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- What subjects say and their demographics do not correlate strongly with what they do
 - My guess: **both attention and context matter**

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- Consumer education

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- How does website functionality depend on consent choice?

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 - Minimum quality standard?
 - Or find ways to promote browser competition for differentiated offering?

Great paper,
cannot wait to see real policy changes!