3rd FTC Conference on Marketing and Public Policy

• Demirci, Israeli & Ascarza (2025) • Cheyre, Leyden, Baviskar & Acquisti (2025) • Bairathi, Sisodia & Choudhary (2026)

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The Big Picture: A Common Thread

Common Thread

Current beliefs: *privacy and market participation are* **mostly substitutes**

Stronger privacy restrictions, e.g., GDPR, CCPA, ATT

- $\Rightarrow$ consumers share *less* data
- $\Rightarrow$ firms are hurt
- More nuanced literature: **heterogeneous** impact on consumers and firms

Key Finding

These papers suggest the privacy-market participation relationship is more nuanced. It can be **complementary** depending on the context, consumers' **privacy costs**, and institutional design

Common Thread

Demirci et al.
"In Privacy We Trust"

Finding: Privacy regulation *increased* consumer data sharing by $\approx 9\%$

Cheyre et al.
ATT & the App Ecosystem

Finding: ATT rules did not cause ecosystem collapse; developers adapted

Bairathi et al.
Consumer Value of Privacy

Finding: There is a *monetary margin* that switches consumers from not sharing to sharing their data

DOB $\approx$ \$0.10; mobile $\approx$ \$0.52; card $\approx$ \$0.54

Paper Summaries & Suggestions

"In Privacy We Trust" — Demirci, Israeli & Ascarza (2025)

Research Question

Does stronger privacy regulation *increase* or *decrease* consumers' willingness to share personal data?

Setting: Receipt-upload app; CA and VA Privacy Acts

Method: Synthetic DID on weekly user behavior

Key results:

Outcome	Effect
Receipt uploads (SDID)	+9.2%
Receipt uploads (DRDID)	+5.4%
CE Survey: expressed privacy concern	−5.0 pp

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Core mechanism: Protection ⇒ institutional trust ⇒ reduced anxiety ⇒ more sharing

Finance Analogy

Securities regulation → induces retail investors to *enter* markets they would otherwise avoid.

Suggestion 1: Intensive versus Extensive margin

- The main estimates describe the **intensive margin**: how much more do existing users share after regulation?
- Sample: **existing consumers on the platform** as of October 2022
- These are consumers already comfortable enough to upload receipts — a self-selected group

Policy-relevant measure:

The **extensive margin** — how many new users chose to join the platform *because* of the regulation.

Suggestion 2: Who shares more data

- The survey evidence (less expressed concern) is interesting
- But it cannot be matched to actual platform users — we cannot confirm whether less-concerned users are the ones sharing more

Two candidate approaches

1. *Platform clickstream data* (users read the updated policy)
2. *Ambient awareness* (media coverage, not the platform itself)

Suggestion 3: Supply-side value of data

- The paper documents that regulation increases consumer data sharing by $\approx 9\%$
- It establishes the **quantity** effect on the consumer side
- What it does not measure: the **value** of that additional data to the platform

Marginal value of data for
Advertising, pricing, targeting precision, revenue

Cheyre et al.: ATT & the App Ecosystem — Cheyre et al. (2025)

Setting: Universe of iOS and Android apps, 18 months around Apple's April 2021 ATT rollout

Method: DiD, synthetic DiD (Apple vs. Google Play)

Main outcomes: app entry, exit, update frequency, SDK usage mix, consumer ratings

Key Finding

- Prior work (Janssen et al.) documents significant app exit following ATT
- **Cheyre et al.** shows a **re-entry** effect: new apps entered the iOS ecosystem *after* ATT, offsetting exit

Why the pessimistic chain broke:

- Keeping an app listed costs \$99/yr regardless of revenue
- Developers substituted to payment & freemium SDKs
- iOS users remain disproportionately high-income, so CPMs had a floor

Suggestion 1: Entry composition

- Characterize *who* re-entered. Check for compositional shift in post-ATT entrants versus pre-ATT entrants

Use AppMonsta data to compare post-ATT entrants to pre-ATT entrants on

- Genre mix (e.g., shift toward paid/utility, away from ad-supported free)
- Whether the app has an Android twin (correlated with developer sophistication)
- Whether the developer has multiple apps (portfolio diversification)

Even if total counts recover, a shift toward low-ad-dependency categories would tell a very different story for the advertising ecosystem

Suggestion 2: Robustness to Android changes

- The SDK analysis runs through the full post-period, including months 6–9
- Android 12 (released October 2021) made the Google Advertising ID an opt-in identifier — **functionally analogous** to ATT
- If Android developers proactively reduced ad SDK usage in anticipation of Android 12, the Google Play *control group* is itself trending toward fewer ad SDKs during the post-ATT window

Concern could be that

- DiD *underestimates* Apple's true shift (control group also trending down)

Research question:

How much do consumers **actually** *value their personal data?*

Setting: Indian online fashion retailer
Mechanism: Tiered loyalty program

Consumers offered fixed loyalty points for disclosing:

- Date of birth — 10–30 pts
- Mobile number — 30–50 pts
- Payment card details — 20–50 pts

Key Insight

Fixed nominal points $\neq$ Fixed effective value

Extra points matter more near the Tier Upgrade cutoff

Key Results:

Data type	Mean cost
Date of birth	\$0.10
Mobile number	\$0.52
Payment card	\$0.54

Suggestion 1: Choice Architecture versus Privacy Preferences

- Proximity to a tier threshold increases disclosure — is as much a story about **choice architecture** as about privacy preferences
- Goal completion framing, loss aversion near thresholds, and round-number salience all distort choices

Direct test

Compare disclosure rates for consumers whose threshold distance makes the offered points *exactly* sufficient to cross the tier versus those who would land just below.

A discontinuous jump at the exact crossing point — beyond what the rational model predicts — is evidence of behavioral distortion.

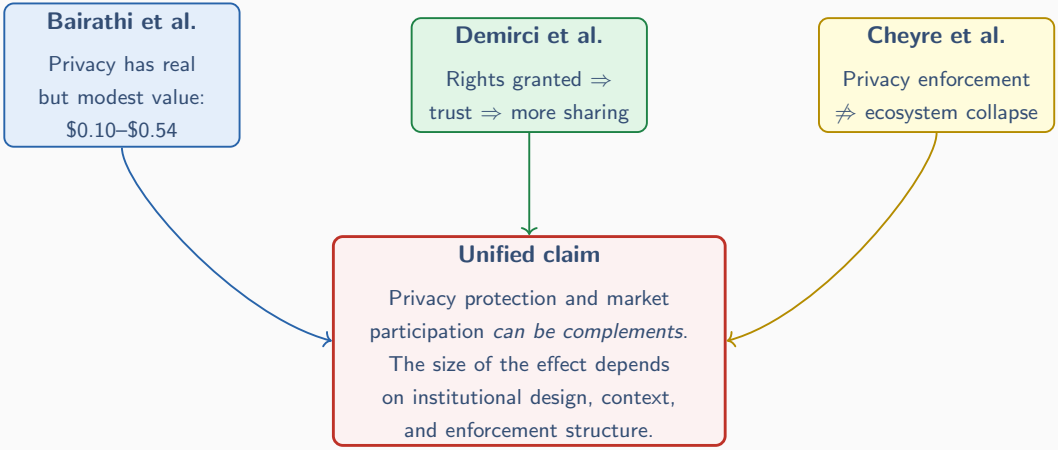
Suggestion 2: Non-disclosure population

- Results are for the **privacy-elastic minority** — the small share of consumers who actually disclose during the campaign

Policymakers may want to see the entire cost distribution

- Clickstream data: among non-disclosing consumers, can you identify those who were close to disclosing

Reading the Papers Together: A Unified Picture



Open Questions

1. **Does sensitivity of data matter?**
   Do the complementarity findings survive for health, location, or financial data?

2. **Who captures the value of privacy protection?**

3. **How much do consumers care versus privacy regulation salience?**

Thank you!

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