

Paying with your data. Privacy trade-offs in the ride-hailing services

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Abstract

We test for users readiness for co-financing ride-hailing service with their personal data applying a Discrete Choice Experiment. We design an experiment in which respondents are asked to choose between hypothetical app-based taxi rides which offered discounts as a compensation for intruding their privacy and a regular service. Our analysis compare how awareness of rights stemming from GDPR affects respondent's privacy preferences. Cross-group analysis indicate that reminding users about their rights stemming from the GDPR significantly increases their valuation of personal data. The results of WTA analysis suggest that there is a market for "pay with your data" business models.

Keywords: economics of privacy, mobile apps, DCE, mixed logit, WTA

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