

# FACIAL RECOGNITION: A NO-GO FOR THE MAJORITY OF CONSUMERS

Survey shows that consumers would avoid supermarkets that use facial recognition.

Düsseldorf/Berlin 5/10/17 – When consumers shop online, many suppliers analyse their data for marketing purposes. But most consumers say that if a supermarket were to scan their faces for similar purposes, they would shop there less frequently or stop going there at all. This was the finding of a representative online survey by the Market Watch 'Digital World' team of the consumer association in North Rhine-Westphalia (Verbraucherzentrale NRW) on the use of facial recognition in supermarkets, on social media, and for security purposes by private individuals.

Four out of five (78 percent) of those surveyed had already heard that facial recognition is being used in everyday consumer situations. The system's software identifies personal features and analyses facial patterns using a database of images or video footage. However, the majority of respondents object to the use of this technology: Consumers were asked to imagine their face being automatically captured by a camera while they were shopping and being analysed for a variety of purposes. The analysis of facial features for targeted advertising was strongly objected to by three-quarters of respondents (76 percent "absolutely not"/"not really acceptable").

### SHOPPERS UNCOMFORTABLE WITH FACIAL RECOGNITION IN SUPERMARKET

"Consumers are very concerned and unsettled by the idea of marketing that uses images of their faces without their consent. After all, a person's face is a biometric marker that they can't change and that can clearly identify them," warns Ricarda Moll, policy officer at the consumer association in North Rhine-Westphalia in the Market Watch "Digital World" team. 71 percent are also opposed to analysis for the purpose of offering targeted discounts. The analysis of facial expression to improve advertisements attracted mainly criticism from respondents (83 percent). All three of these possible uses were objected to mostly strongly by the over-60 age group.

#### CONCERN ABOUT LOSS OF CONTROL OVER PERSONAL DATA

The disapproval felt by the majority of respondents is also reflected in their fears about data protection. The majority of respondents were concerned that use of automated facial recognition in supermarkets would enable information to be collected without their knowledge (84 percent). They worried they would have no control over the information collected (82 percent). Only a quarter (24 percent) trusted that the information collected would not be shared with other companies without their consent and that the wish for data protection would be respected. More than two-thirds (69 percent) said that they would shop less frequently or not at all in a supermarket that used facial recognition technology. "Consumers are generally prepared to take action if they think their privacy is at risk," says Moll.

#### FACIAL RECOGNITION ALSO A NO-GO IN SOCIAL MEDIA

Consumers are also sceptical about the use of facial recognition in other contexts: almost all users of social media platforms\* (90 percent) are opposed to the use of facial recognition by the platform providers – for example for friend suggestions. Those surveyed objected least to the use of the technology by private individuals. The majority felt it was acceptable if a surveillance camera (for example at the front door of a private home) was used to analyse faces for security purposes (56 percent).

## IMPLEMENTATION AND APPLICATION OF DATA PROTECTION RULES A MUST

"Existing data protection legislation and the General Data Protection Regulation that will come into force in May 2018 must be consistently implemented and applied to the use of facial recognition technologies," says Lina Ehrig, Team Leader Digital and Media at the Federation of German Consumer Organisations (Verbraucherzentrale Bundesverband – vzbv). In addition to facial recognition, vzbv points to surveillance via other offline tracking methods. For example, Wi-Fi on smartphones enables users to be identified in the offline world and shown targeted advertising. "From a consumer's point of view, this should only be possible with consent," continues Ehrig. "The ePrivacy Regulation currently being negotiated in Europe needs to be improved respectively."

For further information on the reform of the ePrivacy Regulation, click here.

**Method**: The survey was carried out via online interviews using a structured questionnaire. A representative sample of 1,001 German-speaking internet users aged between 18 and 69 were questioned. \*Basis: 'Users of social networks': 571 respondents. The survey was carried out between 9 and 18 August 2017. The results were analysed by the online panel of the forsa Institute. Statistical error tolerance: max. +/- 3 percentage points.

#### Digital World Market Watch:

Digital World Market Watch is an early warning system used by vzbv and the German consumer associations to monitor and analyse the digital market from the consumer's perspective. Its work is based on consumer complaints, empirical studies and an interactive online portal. The Market Watch "Digital World" project also supports the work of supervisory and regulatory authorities such as the German Federal Network Agency (BNetzA). Digital World Market Watch is made up of five focal consumer associations, each of which focuses on a specific area of the digital market: Bavaria – digital services, Brandenburg – digital purchasing, North Rhine-Westphalia – user-generated content, Rhine-land-Palatinate – digital goods, Schleswig-Holstein – telecommunication services. The Market Watch "Digital World" project receives funding from the German Federal Ministry of Justice and Consumer Protection (BMJV). http://www.marktwaechter.de/digitalewelt (in German only)

#### Für weitere Informationen

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