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**The future of privacy in Latin America's largest economy:
insights from Brazil**

Introduction

Serving as a catalyst for change across the world, the introduction of the European Union's comprehensive data protection legislation in 2018 laid the foundations for a new era of privacy-centric business practices. Since the [GDPR](#) first came into effect, economies around the globe have sought to emulate its standards, with leaders in Latin America enacting new laws modeled on the robustness of the European counterpart.

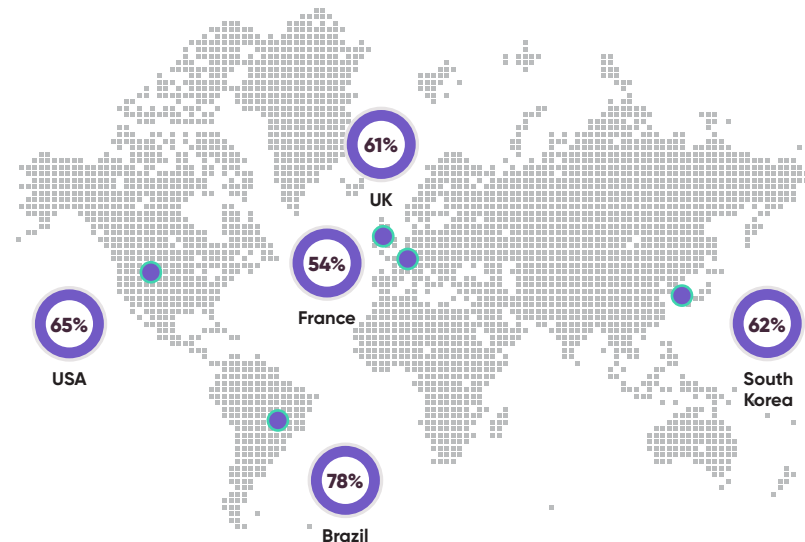
Following on from the introduction of Brazil's Lei Geral de Proteção de Dados (LGPD), both [Paraguay](#) and [Ecuador](#) have become the latest Latin American countries to introduce national privacy laws that will require businesses to rewire the way they work with data—and the way they interact with consumers. With revenues, reputations and consumer trust reliant upon moving forward with a privacy mindset, the post-pandemic economy presents a real opportunity for Brazilian businesses to capitalize on data and pave the way for innovation, if they attune to shifting consumer sentiments and behaviors that are influencing the future of business.

The Brazilian Consumer State of Mind

Having momentarily de-prioritized privacy for the virtual freedoms presented by an unprecedented pandemic, global consumers are now expressing growing concerns over the amount of data they have shared online; they are seeking more transparency around how their data is being used and how their privacy is being protected.

This year's [Global Consumer State of Mind Report 2021](#) details the intentions of tech-savvy consumers to backtrack and retrace their steps in order to regain control over their expanding digital footprints; it also highlights increasing consumer calls for brands to move beyond compliance and demonstrate proactive accountability for their data practices. And nowhere are feelings surrounding data privacy as vehemently expressed as they are in Brazil, with the research pinpointing a consistent trend of higher-than-global averages regarding consumer insights surrounding the future of data governance and online consumer behaviors in Latin America's largest economy.

Consumers agreeing that data privacy is a key differentiator



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About Truata

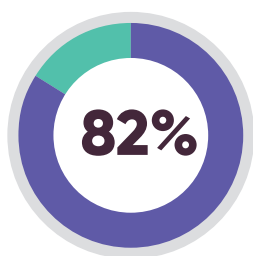
Truata specializes in privacy-enhancing technologies for privacy risk assessment, de-identification and the true anonymization of data. The company enables businesses to unlock powerful insights with its suite of proprietary solutions, while complying with the highest global data protection standards to build trust and transparency with their customers.

For more information visit www.truata.com.

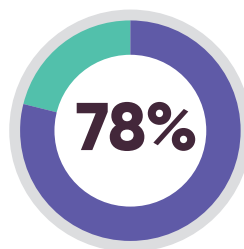
Data leaks, legislation and learnings

As data continues to fuel an interconnected world, power innovative technological advancements and feed a predictive future, consumers are becoming more knowledgeable and, consequently, more vocal about data governance and privacy rights. With the [largest personal data leakage in Brazilian history](#) having been discovered in January 2021, exposing 223 million Brazilians—a number greater than the country's population due to the exposure of the personal data of deceased individuals—it's little wonder that **82% of Brazilian consumers believe that more needs to be done to protect their online privacy.**

Despite the LGPD coming into force in September 2020, Brazilians are now gauging that the introduction of a law is a nascent step towards data protection, one which needs to evolve with enforcement and a crucial rewiring of business practices to ensure that the conscious implementation of privacy-by-design strategies are viewed as a business imperative in a post-pandemic, data-led economy. With **88% of Brazil's Gen X and Baby Boomers calling for stronger transparency around data governance from the brands they use**, digital trust is indeed at a tipping point, with the weight of the consumer activism set to clamp down on the revenue and growth potential of those who are slow to pivot and proceed with a privacy-first mindset.



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78% of Brazilian consumers have already taken one or more steps to reduce their digital footprint.

A call for transparency and accountability

Just as sustainability became an influencing factor in purchase intentions over the past few years, privacy is set to do the same as Brazilian consumers seek out products and brands that align with their personal values. **Over three-quarters (78%) of Brazilian consumers agree that data privacy is a key differentiator when choosing to engage with a brand or product**, signalling that a proactive approach to protecting personal privacy is now critical for data-driven organizations who wish to maintain trust and retain long-term loyalty.

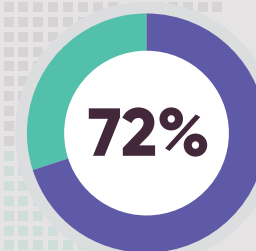
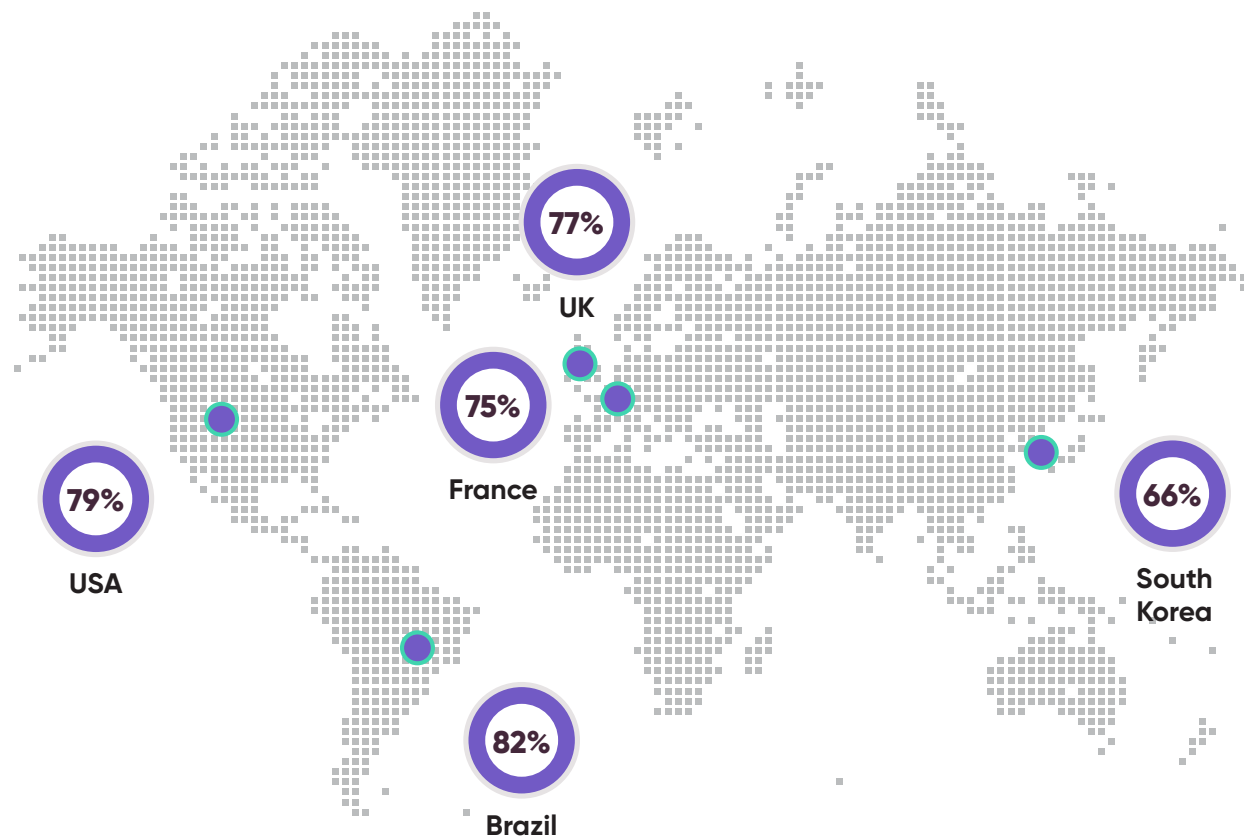
However, it's important to note that Brazilian consumers aren't just signalling future intentions; they are already acting on data privacy concerns having felt the loss of control and data deluge driven by the accelerated pace of digital transformation that was triggered by the COVID-19 pandemic. 79% of Brazilian consumers agree that their usage of technology has increased and their digital footprint has expanded as a result of forced pandemic behaviors and, in an attempt to counteract the impact, **78% of Brazilian consumers have already taken one or more steps to reduce their digital footprint.**

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61% of Brazilian consumers think that companies do not yet believe in the importance of data protection and see it more as a regulatory 'tick-box exercise'. However, with companies relying on data to drive growth, those who step forward with consumer foresight will accelerate ahead with a competitive advantage. **Just under 7-in-10 (69%) of Brazilian consumers agree that 'the onus should be on companies to look after personal data responsibly rather than on the consumer to read legal policies'**, highlighting the need for increased transparency and accountability from brands that intend to keep their consumers onside. In fact, 72% of Brazilian consumers are warning brands that 'if you're careless with my data, I will stop buying from you'.

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Consumers across the globe agree that more needs to be done by brands to protect their privacy



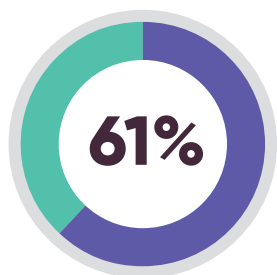
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The economics of privacy

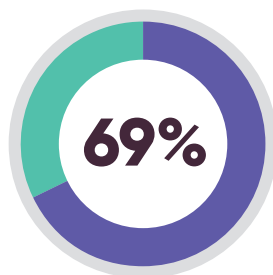
Given that 61% of Brazilians believe that data governance is stronger now in Brazil than it was a year ago, prior to the introduction of the LGPD, the latest consumer insights around spend, loyalty and personalization speak to the progress that still needs to be made if data-driven commercial strategies are to be successful in a privacy-conscious economy.

Statistically, consumers have shown they are ready to pay more for a personalized experience and, as a result, organizations are developing hyper-personalization strategies to meet their heightened expectations in a digital world. However, while leveraging omni-channel data from the multiple devices of modern-day consumers enables organizations to personalize experiences right across the buyer journey, a paradox is now at play. Consumers want personalization and privacy; they want innovation but not invasiveness. There now exists a point of no return when consumers feel that brands have crossed 'the creepy line' with their personal data. **53% of Brazilian consumers say that they stop using brands if those brands 'stalk' them online** with too many personalized offers, and **1-in-2 (50%) Brazilians say they would rather not have personalized offers from brands if it means that brands can't track them or their shopping behaviors.**

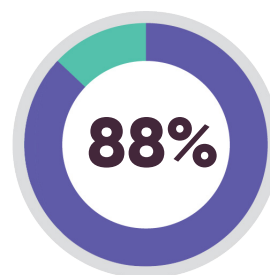
With 88% of Brazilians in agreement that their 'data privacy is essential' to them, it is fast becoming apparent that a pivot towards privacy is a pivot towards profit in the consumer-led data economy. In fact, **almost three-quarters (74%) of Brazilians are 'more likely to be loyal to a brand' if they trust them to use personal data appropriately**, and **69% of Brazilians 'would spend more money' with those that take a responsible and ethical approach to data privacy.** With prolific levels of data and advanced technology at their fingertips, brands have the ability to lose or leverage consumer loyalty in the way that they choose to move forward.



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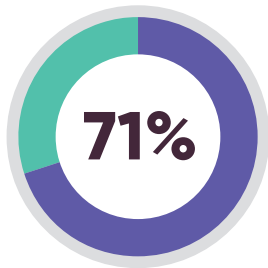
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Leading with loyalty: leveraging privacy-driven analytics in Latin America

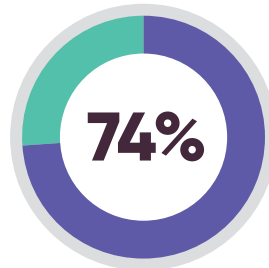
In a privacy-centric, post-pandemic world, it will be those that look towards emerging technologies and automation that will be able to cut through the torrent of consumer concerns, shake off the privacy paralysis and begin to take advantage of the data opportunity ahead of them.

71% of Brazilian consumers agree that they would feel more assured if a brand was officially certified to a set data privacy standard and, knowing that an emerging market exists for solutions that can assist with the privacy assurances that consumers are demanding, forward-thinking organizations are tapping into privacy-enhancing technologies (PETs) to gain ground at pace. In fact, **1-in-2 (50%) Brazilian consumers agree that they would be 'happy for [their] data to be tracked or analyzed as long as it is anonymized first'**, a number that is predicted to rise as consumers become more familiar with the emergence of privacy tech.

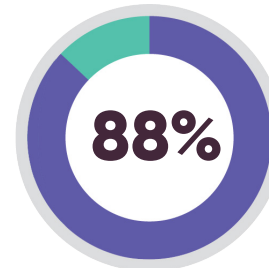
As privacy becomes a fundamental differentiator for purchase intentions and brand loyalty, Brazilian organizations that understand the power of pivoting to privacy-driven analytics will be the ones that gain a competitive edge and have the ability to maximize business value. The opportunities that await in a redefined, data-driven market are limitless when you lay the boundaries of privacy with consumers at the core.



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Tap into the full [Global Consumer State of Mind Report 2021](#) for more insights from leading economies around the world.

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Methodology

Arlington Research, an independent market research agency, conducted 1,000 consumer interviews in Brazil. A nationally representative sample was achieved; this was based on gender, age, region and employment status. Age ranges referred to in the report are defined as follows: Generation Z (those born between 1994–2001), Millennials (those born between 1980–1993), Generation X (those born between 1965–1979), Baby Boomers (those born between 1946–1964) and the Silent Generation (those born before 1946).

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