PRIVACY POLICIES
– A COMPARISON BETWEEN LARGE AND SMALL ORGANIZATIONS

Bachelor’s thesis in Informatics
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Abstract

E-commerce and transaction on the internet is getting more and more common in every individual’s life. More than 40% of the worldwide Internet users have bought or made transactions through the internet. This means that there is more than 1 billion online buyers and these numbers will continue to grow. Due to the growth of E-commerce, organizations are searching and creating new technologies for obtaining and processing data regarding consumer’s privacy information. This tends to become a concern for the consumer about how the organizations treat and use the personal information about a specific individual, the purpose for this study is to examine and compare how big and small organizations works with privacy policies and personal information. The target group for this study is organizations that collects and obtain personal information.

This is a comparative study with a Qualitative approach. Theory and collected data from the organizations have been compared, the interview method conducted was Semi-structured interviews. One small and one big organization have been interviewed and the collected data from the two organizations has then been compared against each other to find differences and similarities about how a small and a big organization work with privacy. The selection of the respondents for the interviews have been selected through different criteria’s where one the organizations works with E-commerce.

The conclusion of this study is that there are no concrete differences regarding privacy policies between the two organizations that participated in this study although some small differences were found regarding the development of the privacy policies.

Keywords: privacy policies, organization, personal information
Acknowledgements

“Thanks to our supervisor Carina Hallqvist who has been supportive during the work with this thesis. Thanks to University of Borås that has provided us with Summon. We also want to thank Alvas Hus and Hemtex that has conducted and answered interviews with us.”

Sandro Dzananovic & Kicki Ly
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1 Introduction

The global growth of the Internet has contributed a lot to the transformation of store and trade transaction. E-commerce or electronic commerce means selling or buying products through Internet and are usually related to online shopping (Statista, n.d). Statistics on current e-commerce show that more than 40 percent of the Internet users worldwide have bought products online, which means more than 1 billion online buyers, and this growth will continue (Statista, n.d). Additionally, Flavian and Guinaliu (2006) argue that due to the tremendously growth of e-commerce, organizations are creating new technologies, aimed at obtaining and processing data regarding consumer’s privacy information which results in that consumers tend to become very concerned about the treatment, use and potential transfer of their private data.

Privacy has always been identified as an “uncertainty” to consumer trust in e-commerce (Malaga, 2014). According to Malaga (2014) plenty of studies have been done back in 1990s one of these (i.e. Culnan, 1999) highlighted that a lot of consumers are concerned about their personal information online. Other studies show that a large percentage of consumers are so concerned that they are unwilling to shop online or avoid shopping online as much as they can (Malaga, 2014). Culnan (1999) argues that privacy is an organizational issue, and that without an organizational policy leading to a fair use of personal information, a company may face the risk that private information is used inappropriately by a single employee or by a department, which can have a negative consequence for the entire company.

A written privacy policy statement is a common method that many websites use to increase the trust of their customers. The statement usually deals with two privacy components, stating how some certain personal data is being collected and how data will be controlled and used (Malaga, 2014). According to Peterson, Meinert and Chriswell (2007) the privacy policy is categorized into two categories: “highly restrictive” and “less restrictive”. A “highly restrictive” statement means that any personal data provided would only be used by the company and only for specific purposes. And a “less restrictive” statement means that the company share personal data with other companies, such as business partners or other units within the company etc.

1.1 Privacy Policy

Privacy policy is a document that is required by most privacy acts to make it clear how a company or organization collects, uses and manages personal information. Privacy policies are used as guidelines that help companies control their behavior and how to maintain data. Privacy policies are also used as a legal issue when a problem occurs to make investigations more lawful when it comes to keeping the privacy of people’s personal information (Halboob, Mahmod, Udizir and Abdullah, 2015). Privacy policies inform clients about which specific information is collected and how it is managed, stored, shared or sold to third part parties (Brock, 2009).

The content of privacy policies depends on laws and requirements, these will differ depending on geographical boundaries. International companies that collect and use personal data that can identify people and also transfer to different countries have to be
very careful for differences in laws and requirements for each country that they operate in (Hunter and Tan, 2009).

Privacy policies are something that is required by most, if not all companies and authorities to make it clear how data is collected and used. The privacy policy provides guidelines about how a company or authority should behave while managing the collected data (Halboob, Mahmod, Udizir and Abdullah, 2015).

There are critics about the efficiency and legitimacy concerning privacy policies on the Internet. In a report from 2000, the Federal Trade Commission (FTC) disclosed that a majority of websites do not meet the standard set in the FTC’s Fair Information Practices. Moreover, there are also some critics that argue that users do not understand privacy policies and that the privacy policies in that way do not inform the customers about their buying decisions (Fogg, Soohoo, Danielson, Marable, Stanford and Tauber, 2002).

1.2 Organizations that work with policies

A major organization, the Organization for Economic Co-operation and Development (OECD), has developed a concept about fair information practices. This concept has become to act like a recommendation for companies and authorities on how to ensure responsiveness and to help policymakers adopt strategic orientations. Moreover, the OECD has a big role in promoting good governance in the public service and in corporate activities. They produce instruments, decisions and recommendation to promote rules of how to do things in special areas where many-sided agreement is necessary (Peslak, 2006). OECD is an organization that has 34 countries as members. Sweden and the United States are two of the members. It started in 1980 with 18 European countries together with the United States and Canada. Their mission is to “promote policies that will improve the economic and social well-being of people around the world” (OECD, 2015) OECD is a forum where governments can share experiences, work together and work for solutions to common problems. They also set international standards on everything from agriculture to chemicals. Concerning privacy policies OECD has produced a document with Recommendations and Guidelines concerning protection of individual’s privacy. This document is known as “Fair Information Practices” and has played a big role in framing privacy laws in the world (Peslak, 2006). The guidelines and regulations that OECD has provided for privacy policies on the net are in some scale based on the privacy rules that the Federal Trade Commission has developed (Peslak, 2006). The Federal Trade Commission started in 1914 in the United States and their main mission is to promote competition and protect consumers (Federal Trade Commission, n.d).

In Europe, members have similar regulations to the Fair Information Practices including Regulation (EC) no 45/2001 of the European Parliament (Peslak, 2006).

Beside the regulations of the Fair Information Practices there are some rules that are specific for each country. In Sweden, the rule that concern the privacy of user information is called Personuppgiftslagen (PUL). In English it is called “the Personal Data Act”. Personuppgiftslagen was developed in 1998 with the aim to protect people from having their privacy violated. One term often used is “treatment” but it is a broad definition that includes recording, storage, processing, dissemination, erasure etc. Privacy laws in Europe are similar to this Swedish law (Datainspektion, 2015).
Fair Information Practices sets recommendations and guidelines for the protection of personal data. This document developed by the OECD has a significant role in framing privacy laws in the world. The U.S. Federal Trade commission began reviewing Internet Privacy issues in the 1990’s. In the FIP there are 4 core principles to follow and one more that has been identified later. These regulations and guidelines are believed to be followed by many big companies in the world with an active website (Peslak, 2006). More about this document will be explained in the theoretical part.

1.3 Problem discussion and Research objective

According to Malaga (2014) there have been plenty of studies done back in the 1990’s that have shown that a majority of consumers are concerned about their personal information online. It has also been highlighted that consumers can become so concerned that they are unwilling to shop online or avoid shopping online as much as they can. The same studies argue that consumers feel like they have no control and little knowledge about how information is handled for other purposes than the actual purpose for which the data was collected. These consumers are terrified that the information they provide to one source online can somehow unknowingly be provided to many other sources that will use it for unknown purposes. Consumers feel that companies that sell this information should ask for permission from the individuals before doing it (Malaga, 2014).

On the other hand, organizations are creating new technologies, aimed at obtaining and processing data regarding consumer’s privacy information. Regarding this issue, consumers are very concerned about the treatment, the use and potential transfer of their private data. Forty percent (40%) of consumers thinks that their privacy is jeopardized and more than forty-five percent (45%) think that the laws on the Internet do not go far enough (Flavian and Guinaliu, 2006).

Although new technologies are intended to make new business opportunities, they also create an uncertainty about consumers trust when it comes to the use of their personal information. Flavian and Guinaliu (2006) emphasize, that there is little research focusing on the marketer’s perspective. The problem that this thesis wishes to address is that, although several studies have been examined about privacy issues, the majority of these studies are limited to the users on Internet and not to how companies work with their privacy policies and the privacy of people (ibid.).

Given the increased focus on privacy policy in general and consumers concerns in particular, we find it relevant to contribute with an empirical study regarding the marketer’s perspective. To get the marketers perspective we believe that making a comparison of the privacy policy between a large and a small company in the E-market business, is the right way to go. The purpose of this research is: to give a better understanding of similarities and differences between how a small and a larger company works with privacy policies.
1.4 Research questions and Research purpose

On the basis of the purpose of this research and the theoretical assumptions above the following research questions have been formulated:

The overall research question is:

*How do privacy policies differ in a large company versus a small company?*

The specific research questions are:

- How important are Privacy Policies in a large company versus a small company?
- Do companies, depending on their size, follow any kind of framework for developing their privacy policy?

With these questions we wish to direct attention towards how people often do the same thing when shopping online independently of if it is via a small company’s or a big company’s online marketplace. This research will look at the marketer’s perspective in order to find differences and similarities, depending on the size of the company, regarding how they work with privacy policies.

1.5 Limitations of research questions

In order to answer our research questions, interviews were performed with only two companies, Hemtex and Alvas Hus. Therefore, the results of the research can only reflect to these two specific companies, and do not cover all companies in Sweden.
2 Theoretical framework

In the Introduction, the concept of privacy policy was introduced and some general information about different organizations that oversee the development of the biggest frameworks regarding privacy policies. The purpose of the study was also presented together with the problem discussion and research questions where there was concluded that a majority of studies are limited to the users of internet. Therefore, the researchers have chosen to examine the differences regarding privacy policies between a large company and a small company.

This chapter will represent the theoretical framework that this research is based upon. It will go deeper into knowledge regarding privacy policies and different factor that affects the development of privacy policies, such as different frameworks and laws.

2.1 Privacy policy and privacy concerns

The article “The right to privacy policy” published in 1890 by Warren and Brandeis in Harvard Law Review considered the protection of privacy policy in the U.S and it is one of the most powerful law review articles of the American legal literature (Saldana, 2012). The right to privacy has a long history, but there are also other principles that got important and was approved as worldwide principles by the United Nations, 1948. The Universal Declaration of Human Rights states:

“No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, or to attacks upon his honor and reputation. Everyone has the right to the protection of the law against such interference or attacks.”

Numerous studies have been done in the past, which has analyzed Websites on the Internet (Peslak, 2006). Many studies have put their focus on random samples of commercial websites or the most popular websites. The U.S Federal Trade Commission performed one of many studies of Privacy Policy on Internet back in 1998, they found that only 15% of the companies had a privacy policy (Peslak, 2006).

Earp, Antón, Aiman-smith and Stufflebeam (2005) define privacy policies as “organization’s practices on data collection, use and disclosure”. Privacy policies protect the organization and the website visitors. The consumers use privacy policies to guide them through browsing and transaction decisions. They also point out that understanding and protecting personal information in information systems is hard because of the widespread use of the networked systems and Internet. In this study, (Earp, Antón, Aiman-smith and Stufflebeam, 2005) looked at privacy policies on nearly 50 websites and surveyed over 1000 users from the Internet. The study examined the major expectations about website privacy policies from internet users. The study has shown that many consumers make their valuation based on signals from the website/organization. With that means, the company that publishes privacy policies on their website may be considered to be more trustworthy than a company that has not published a privacy policy. If the privacy policies are clearly and obviously stated on the website, the visitors or consumers will perceive the company as more trustworthy.
This also helps the organization to attract more consumers and at the same time retain the existing customers (Earp, Antón, Aiman-smith and Stufflebeam, 2005).

A study done by Peslak (2006) about Internet privacy policies of the world’s largest companies, Forbes International 100 show that the Forbes international 100 websites do not follow the fair information practices and consumers centered privacy policies. Only 73% of the largest companies posted a privacy policy, and 27 of the world’s largest companies did not have any privacy policy. According to his study, non-U.S companies that do not have an Internet privacy policy do not either follow fair information practices. For the non-U.S companies that do have privacy policies, their privacy policies do not differ a lot from the fair information practices of the U.S companies. Peslak (2006) also found that large international websites do not provide a good level of protection of personal privacy for consumers. 87% of the consumers surveyed showed that they were concerned about privacy on the Internet. According to No (2007) 500 websites were analyzed and only 50% of these webpages provide a privacy policy, many companies who might have a privacy policy failed to cover all of the principles that was recommended by the US Federal Trade Commission as representing Fair information practices. The study also showed that by not having a good privacy policy it may increase risks for a company and having a good privacy protection can give the company a positive impact on the customers. A similar study done by Liu and Arnett (2002) examined web sites of the fortune 500 (the Fortune 500 represents traditional leadership in the use of technologies and business practices) and the study showed that more than 50% of Fortune 500 web sites provided a privacy policy on their page and only 25% of the Fortune 500 web who do not have privacy policy are in process of developing them. Most of the privacy polices tell their consumer how they use their information and how they collect the personal information, but a small number of privacy policies mention the opt-output, Access/correction and privacy protection. Liu and Arnett (2002) also claim that it is important for these companies to develop and post privacy policies, but also faithfully execute it. By posting privacy policies on websites it can ease customer’s privacy concern and build a more trustworthy environment for all online transactions.

Mayur, Desai, Thomas, Richards, Kiran and Desai (2003) examined a study for three years about Internet policies, from 1991 – 2001. The study shows that companies on Internet are slowly improving their policies to customers and they are becoming more concerned about their customers and are now reacting to their concerns and needs. Companies are more likely open in their communication about how data of their customers are being collected and shared, this somehow can gain more trust among customers and help them feel a bit safer with e-commerce. Mayur, Desai, Thomas, Richards, Kiran and Desai (2003) conclude that companies on Internet are putting more focus on their customers and their concerns and therefore increasing the communications of their Internet policies.

Privacy policies are important for reducing the risk of revealing other people’s personal information online (Wu, Huang, Yen, and Popova, 2012). Privacy policies are there to inform consumers about the company’s information practices and inform them how the personal information is being stored. This information should be helping user’s decision-making whether they do want or do not want to provide personal data to the website or whether they want to engage in the website at all. Research showed in public opinion surveys that most consumers are concerned about losing control over how
websites handle their personal information. 60% of the users who has provided false information would be willing to provide their real information if the website could show some kind of notice about how this information would be used (Wu, Huang, Yen, and Popova, 2012). Users also suggested that privacy concerns could be reduced if websites would present an understandable privacy policy, if not then it is less likely to be reviewed by the users. When users on the website perceive that they can understand the privacy policy, there are bigger chances that they will read the policy and trust it. But the research also showed that consumers do not read the privacy policies often. 54% showed that they read the privacy policy upon first visiting website and 66% are confident in the website that they have a privacy policy present (Wu, Huang, Yen, and Popova, 2012).

For a consumer to provide their personal information varies, it all depends on the level of privacy offered by the companies’ policy statement. According to Meinert, Peterson, Chriswell and Crossland (2006) research, respondents were most willing to provide their personal information if there is a strong privacy statement, as expected. Also based on the respondents, a lot of users on Internet, specifically younger and well educated consumers, are usually not willing to provide their personal information online, unless if the company offer a strong privacy policy.

2.2 Fair Information Practices

Privacy has been a significant problem since the introduction of international e-commerce since 1970’s (Earp, Anton, Aiman-Smith and Stufflebeam, 2005). The U.S Congress had a hearing in the 1970’s where people tried to forbid credit-bureaus of having centralized databases. This lead to the recognition that organizations has some responsibility for the individual people and that individual people have rights about the information collected about them. The result of all this lead to Fair Information Practice (FIP), which principles was developed in 1973 (Earp, Anton, Aiman-Smith and Stufflebeam, 2005). The Federal Trade Commission (FTC) started to review the issues of Internet Privacy and in the end they issued the core principles of FIP. FTC wanted and believed that all companies with active websites should follow these principles. FTC suggested that these principles should be self-regulatory. To obtain conformity with Fair information it is required that personal information is obtained openly and fairly and used only for a specific purpose. The information should not be excessive to the purpose. The information should also be accurate, available for correction and relevant. If the information fulfills these requirements companies are able to get a good conformity with Fair Information Practices. (Peslak, 2006)

The FTC principles consist of four principles which are Notice, Choice, Access and Security (Peslak, 2006):

Notice is about the consumer’s knowledge about the companies’ routines for collecting the personal information. The consumer must know the routines that the companies have around personal information before information is collected. Choice is about that the consumers have to be given a choice of how their personal information is allowed to be used for other purposes than the actual purpose. Access is about that consumers should be able to view, review and questions the accuracy of the data that has been
collected about them. **Security** is about the security level of storing the given information about the consumer, data collectors must take reasonable steps to be sure that collected data is accurate and kept away from unauthorized use.

These four principles are critical for Internet privacy but there is a fifth principal, **Enforcement** that also is noted as critical for Internet privacy. **Enforcement** is about using reliable mechanisms to make sanctions for noncompliance with help from the four principles mentioned before, these mechanisms are crucial ingredients to ensure a good privacy online (Peslak, 2006)

In 1980, OECD began working with developing guidelines regarding privacy and released an act called “Guidelines on the Protection of Privacy and Trans-Border Flows”. These guidelines are considered as the best standards for protection of people’s privacy and are the recommended model for all members of OECD and including all countries of the European Union and the United states. These countries have also implemented the recommendations of OECD but every country has implemented it differently because of different views on privacy (Earp, Anton, Aiman-Smith and Stufflebeam, 2005).

Peslak (2006) Notes:

“*Each of the solutions to the privacy dilemma embraces all or at least some of a set of core principals about privacy rights that have come to be known as ‘Fair Information Practices.’ Despite considerable differences in cultural backgrounds and governance systems, there is a remarkable convergence around privacy principals. The most well-known written form of the Fair Information Practices is the international guidelines published in 1980 by the Organization for Economic Cooperation and Development (OECD). The OECD Recommendations Concerning and Guidelines Governing the Protection of Privacy and Trans-Border Flows of Personal Data have played a significant role in framing privacy laws around the world.* “

OECD has stated eight principles in their FIP, these are described in table 1 below together with the five FTC principles (i.e. notice, choice, access, security, and enforcement).
### Table 1. OECD 8 Principles and connection to FTC 5 principles (OECD, 2013)

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Collection Limitation Principle (Choice)</strong></td>
<td>There should be limits to the collection of personal data and any such data should be obtained by lawful and fair means and, where appropriate, with the knowledge or consent of the data subject.</td>
</tr>
<tr>
<td><strong>Data Quality Principle</strong></td>
<td>Personal data should be relevant to the purposes for which they are to be used and, to the extent necessary for those purposes, should be accurate, complete and kept up-to-date.</td>
</tr>
<tr>
<td><strong>Purpose Specification Principle (Notice)</strong></td>
<td>The purposes for which personal data are collected should be specified not later than at the time of data collection and the subsequent use limited to the fulfillment of those purposes or such others as are not incompatible with those purposes or such others as are not incompatible with those purposes and as are specified on each occasion of change of purpose.</td>
</tr>
<tr>
<td><strong>Use Limitation Principle</strong></td>
<td>Personal data should not be disclosed, made available or otherwise used for purposes other than those specified in accordance with paragraph 9 except: a. With the consent of the data subject; or b. By the authority of law.</td>
</tr>
<tr>
<td><strong>Security Safeguards Principle (Security)</strong></td>
<td>Personal data should be protected by reasonable security safeguards against such risks as loss or unauthorized access, destruction, use, modification or disclosure of data.</td>
</tr>
<tr>
<td><strong>Openness Principle</strong></td>
<td>There should be a general policy of openness about developments, practices and policies with respect to personal data. Means should be readily available of establishing the existence and nature of personal data and the main purposes of their use, as well as the identity and usual residence of the data controller.</td>
</tr>
<tr>
<td><strong>Individual Participation Principle (Access)</strong></td>
<td>An individual should have the right to a. obtain from a data controller, or otherwise, confirmation of whether or not the data controller has data relating to him; B. have communicated to him, data relating to him within reasonable time; at a charge, if any, that is not excessive; in a form that is readily intelligible to him; C. To be given reasons if a request made under subparagraphs (a) and (b) is denied, and to be able to challenge such denial; D. To challenge data relating to him and, if the challenge is successful to have the data erased, rectified, completed or amended.</td>
</tr>
<tr>
<td><strong>Accountability Principle (Enforcement)</strong></td>
<td>A data controller should be accountable for complying with measures which give effect to the principles stated above. The draft convention seeks to establish basic principles of data protection to be enforced by member countries.</td>
</tr>
</tbody>
</table>

OECD and FTC has similar principles in their FIP but still FTC’s FIP do not include all the guidelines that OECD have, that is because of that EU is more broad in their view.
FIPs can be divided in the same way as a cake, somebody want a small piece while somebody want the whole piece, the result of it is still pretty much the same. However, some people add something to the cake or take something away and that also what each country or organization does with FIP. Some change the principles to suit their own interests. (Gellman, 2014)

In a study made by Peslak (2013) it showed that only 57% of companies had provided notice of what they do with the information given from the website user. The second highest principle is security. 47 of 100 companies mentioned something about security of storing data. 29 of the companies enabled access to the information for website users and 27 allowed the users to make a choice of what they want to be done with their information. The last principle was Enforcement which is about different mechanisms that companies have to make sanctions with help from the other four. The study showed that only 7 companies implements Enforcement in their work for privacy. This study also showed that only 5 of Forbes top 100 companies used all five principles and it showed that Large International companies is not following these five principles.

FIPs are not self-implementing or self-enforcing and because of that, Implementation of FIPs can vary wide depending on which country, the data controller, what type of data or other affecting things. Through many different mechanisms organizations can reach responsiveness and accountability in privacy. For example, it can be met through criminal or civil penalties, various privacy policies, employee training and many other methods. The concept of FIP is not limited to either United States or EU instead these practices are supported and accepted internationally all over the world and are the main framework and guidelines for developing a good practice and a good privacy policy. (Gellman, 2015)

Even if the FIP principles are accepted internationally and implemented in many countries in the EU and United States there is some critics about Fair Information Practices. Fred (2006) states that modern privacy laws are expensive, bureaucratic, and burdensome and offers very little protection for the privacy. FIP has replaced the individual control of information to privacy protection. In our world where everything is becoming more global with help of information technologies, commerce and travelling, data privacy laws has grown to be more protective instead of enabling individual control of data (Fred, 2006).

”Implementation of FIPs in any context is often more a matter of art and judgment rather than a science or mechanical translation of principles” (Gellman, 2015).
2.3 The Swedish Personal Data Act “Personuppgiftslagen”

The Swedish law concerning personal privacy, Personuppgiftslagen (PUL) entered into force in 1998 with the aim to protect people from violation of their own privacy when personal data is treated. In this law, treatment is a wide term that includes collection, recording, storage, processing, dissemination, erasure etc. PUL is built on common rules that are adopted within the European Union that are known as the “Data Protection directive”. Other countries within European Union have similar protection laws, which make the flow of information go easier within EU (Datainspektionen, 2015). PUL contains rules for how personal data have to be processed and handled. The law is based on consent and information to data. Governments, companies and organizations often nominate a “Privacy Officer” to independently check that the data within the business is correctly processed and handled. What rule of PUL that is applies depends on how Personal data is structured. If the personal data is stored in a database or some type of register the data is considered as structured. If the data is contained in some kind of text or an email the data is considered as unstructured. For structured processing of personal data there are many more rules than for unstructured data (Datainspektionen, 2015).

PUL contains nearly 50 sections of detailed management rules, one example is basic requirements to meet when processing personal data, there is rules of what is permitted treatment and obligations about informing those that are registered. These rules are for structured data while for the unstructured data there is a more simplified description of the rules. This means that many of the rules do not have to be applied while handling personal data in unstructured material. The aim with the simplified rules for unstructured data is to simplify everyday handling of personal information that does not involve privacy risks (Datainspektionen, 2015). Simple structures such as lists of employees are also included in the more simplified rules but only if they are not inserted in some kind of database or management system. These simplified regulations mean that when handling everyday unstructured data, it can be done freely as long as it not violates the related data and the privacy. This means that violation on personal information still is not prohibited. To know if the treatment of the data is correct, the company, organization or government have to determine how sensitive the data is and in what context the data is used, for what aim, what spread they have on data and what the treatment will lead to. PUL applies only to those companies and organizations that are established in Sweden and then also the Swedish government. The law is also for companies and organization established in other countries but that use equipment for processing personal information in Sweden but this do not apply for those who use equipment for transferring data between a third country and another “third” country (Datainspektionen, 2015).

Violation of PUL of whoever is responsible of data protection can lead to six months of prison, not less but for at most two years if the offense was committed intentionally or in a large manner. In smaller cases violence is not punishable under the paragraph § 49 (Datainspektionen, 2015). According to Datainspektionen only some situations relates to criminal actions (described in table 2 below).
Table 2 - Situations related to criminal action

<p>| | | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>Who provides incorrect information in a notification of ongoing</td>
<td>management to the supervisory authority, or when incorrect</td>
<td>management to the supervisory authority, or when incorrect</td>
</tr>
<tr>
<td>personal task management to the supervisory authority, or when</td>
<td>information provided when the regulator requests information</td>
<td>information provided when the regulator requests information</td>
</tr>
<tr>
<td>incorrect information provided when the regulator requests</td>
<td>(49§)</td>
<td>(49§)</td>
</tr>
<tr>
<td>information (49§)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>When someone treats personal data in violation of §§ 13-21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The erroneous transfer to third countries,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anyone who fails to notify personal data processing according</td>
<td>anyone who breaks the abuse rule for handling sensitive data</td>
<td>anyone on the information covered by the abuse rule to a third</td>
</tr>
<tr>
<td>to §36 first paragraph,</td>
<td>(according to §13) or data relating to offenses,</td>
<td>country, if the country in question does not have an adequate</td>
</tr>
<tr>
<td>Anyone who breaks the abuse rule for handling sensitive data (</td>
<td></td>
<td>level of protection of personal data.</td>
</tr>
<tr>
<td>according to §13) or data relating to offenses,</td>
<td></td>
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<tr>
<td>Anyone on the information covered by the abuse rule to a third</td>
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<tr>
<td>country, if the country in question does not have an adequate</td>
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<tr>
<td>level of protection of personal data.</td>
<td></td>
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</tr>
</tbody>
</table>

PUL is not always used as a rule, sometimes there are other rules that are prioritized before PUL, laws that are prioritized are for example laws about how personal information will be managed and used in health care, social services or by the police. PUL also does not apply on pure private processing of data. Principle of publicity in Sweden is also one thing that is not affected by PUL (Datainspektionen, 2015).

2.4 Trygg E-handel – Certification for Safe E-commerce

Trygg E-handel (Safe E-commerce) is a certification for companies in Sweden that sells goods and has services online. Safe E-commerce claim on their website that E-commerce is based on the same principles as regular mail-order, but the difference is that the company with an E-shop concludes the contract directly with the customer on the website. In Sweden there is a lot of websites that sell goods and services online. Most of them are serious websites and companies but not all. There are companies that are well-known, unknown, serious and unserious companies and Safe E-commerce is there to show the buyer which websites that is secure with their certificate (Trygg E-handel, n.d).

The certification is there to provide knowledge to the customers about what kind of principles the company is following. The certification tells people that the company has a safe handling with sensitive information, but also that the company delivers in agreed time and that there is help when something goes wrong (Trygg E-handel, n.d).

Safe E-commerce was started by the Swedish Federation of Digital Trade which itself is a part of Swedish Trade. They started with the certification in 2007 with the purpose to increase the knowledge about the rights people have as consumers and to help the customers to choose the right E-shop. The goal with this certificate is that the customer
should feel the same safety when shopping online as in a regular store. To achieve the safe e-commerce certificate there is a series of demands to follow and among these demands the organizations also needs to be clear with their identity, have safe procedures for handling personal information and use secure payment solutions. Safe E-commerce also controls that the demands are followed by certificated companies through credit checks and test purchases. They also receive complaints from consumers and if it shows that the company did not act as it should the company gets a speck in Safe E-commerce’s register. If there is a serious shortcoming it will result in a take back of the certification. With all these procedures the consumer can feel safe when buying things online (Trygg E-handel, n.d).

Together with several major organizations in Sweden there were prepared 14 principles (see table 3) that companies are required to follow to get the certificate of Safe E-commerce.

The principles from Trygg E-handel are made for the total buying process where there is principles about company details, warranties, products, delivery, Manuals, Complaints, Financial Security, Payment solutions, web page design, requirements for subscriptions, complaints and warranty etc. (Trygg E-handel, n.d).

Even if all the principles do not touch the area of privacy on the internet there is some principles that are similar to the principles from FTC and OECD. Since Trygg E-handel has made guidelines or a framework for how companies should behave on the internet and these regulations needs to be followed to get the certification there is required to have some principles about privacy on the internet. Trygg E-Handel (n.d) writes this about Web Page Design:

“It should be transparent and adapted for the target audience. There must be a tab or similar information on payment options and possible supply constraints on the front and / or another place where the consumer buying process normally starts. You can link to its Terms of the tab but it will clearly contain the options available. The terms shall be collected in one place, making it easy for the consumer”

This paragraph is similar to the FIP principle Notice. Notice is about the consumer’s knowledge about the companies’ routines when collecting personal information. What Trygg E-handel says is that a company needs to link Terms somewhere that can make it easy for the customer to access them and read it.

Trygg E-Handel (n.d) writes this about Payment Solutions:

“It should be clear what kind of payment options available, what these mean, and what restrictions is in force every payment solution. This information should consumers find the initial stage of the order process. If the seller or a third party manages card information or information for direct transmission, the party handling the data meets the requirements of PCI DSS. The seller must also employ technology that allows the identification of the cardholder. An SSL Certificate is required by law to accept card payments through a website. Examples of secure identification is when the payment
solution uses either the Secure Code, CVC code on the card's reverse side or Tex-step authentication with the help of the PIN code to the mobile phone. If the seller stores the personal data of the consumer's consent is requested, personal information will be protected from external intrusion and handled according to the provisions of the Personal Data Act.”

In this regulation the researchers also find similarities with the FIP principles, Trygg E-handel claims that personal information need to be protected by the regulations of Personuppgiftlagen. In the FIP this is similar to Security where FTC and OECD claim that data-collectors must take reasonable steps to achieve good security. Trygg E-handel also claims that the party handling card information needs to meet the requirements of PCI-DSS. That is also a step to higher security.

Choice is another FIP principle founds in this principle from Trygg-Ehandel. Trygg E-handel claim that it needs to be clear what kind of payment solutions there is available. In this case the consumers are able to choose what kind of information they want to give to the company because each payment solution requires different personal information.

Trygg E-handel:s regulations is something that companies need to follow to get the certificate, if the company do not follow these regulations Trygg E-handel can withdraw an existing certificate or decide to not approve it for a company. If companies follow the regulations from Trygg E-Handel they will indirectly follow some of the principles of the FIP framework (Trygg E-handel, n.d).
3 Methodology

In the previous chapter the theoretical framework was presented which described and explained knowledge regarding privacy policies and different factors that affects the development of privacy policies, such as different frameworks and laws. The theoretical framework and our research questions were used as basis in the development of interview questions that are related to the study.

This chapter will present the research design and methods chosen to examine the research problem in detail. The researchers introduce how the study has been done and explain which method has been used to collect data. The researchers also explain the use of sampling, the process of analysis and trustworthiness of the study. Last part is the case description where the organizations in this study are described.

3.1 Research Approach

The purpose of this study was to acquire knowledge about the privacy policies in a large scale company and a small scale company. Existing studies showed that there were not many studies done about how companies work with privacy policies.

Because the researchers wanted to get a closer connection to the companies that participated in this research, the research questions of this study were investigated in a qualitative approach. A quantitative approach would not help the researchers to acquire the needed information since a questionnaire is best built on short and concise questions. The Qualitative approach made it able for the researchers to meet people in the participating companies that are relevant for the study and through semi-structured interviews acquire all the information that is needed and also ask follow up questions that were suitable for each company. The researcher’s expectations of this research were to see the differences in how a small and a big company work with their privacy policies.

Qualitative research is an approach that usually is associated with the social constructivist paradigm. It is about to get to the deeper meaning and significance of behavior and experience. When conducting a Qualitative Research, researchers are interested to get a deep understanding of people’s experience, the researchers are not interested of getting information that could be generalized to other larger groups (Alzheimer Europe, 2009)

The researchers gathered relevant information about the subject to achieve a good grounded knowledge for the study. By gathering all the relevant information, the researchers were able to formulate a strong theory for the study. Close contact with the subject and field of research where gained through interviewing with companies that makes business through the web, what the researchers thought with choosing companies that works on the web is that the companies probably will have a privacy policy.
3.2 Research Process

In the first beginning the researchers discussed what kind of subject they wanted to write about. When the subject was decided, the researchers started to search for relevant information to construct research questions. When the subject was identified the researchers started to review scientific literature in form of books, articles, websites and other documents to achieve a grounded theory about what to conduct in the study.

When some research had been made the researchers decided on what kind of approach that was the most suitable for this kind of study, the most suitable approach of this study was a qualitative approach, this because they needed to get close to the people they would need to get contact with. They also decided that they have to interview some companies that have some kind of business on the internet, this because these companies probably would have some kind of privacy policies.

While the work of this study continued the researchers could not see so much literature about how companies work with privacy policies. They also noted that there was a lot of literature about consumers concerns on the internet, about their privacy when shopping online. What the researchers decided to look at specifically is how companies work with their privacy policy’s and then compare the privacy policy of a small company with a big company to check whether the small company or the big company has a better privacy policy.

When the researchers got some grounded knowledge about the subject that they wanted to investigate they started to develop research questions. Based on the problem found about privacy policies they started to create temporary research question as guidelines, this to be clear about which direction they wanted this study to go.

After the collection of some literature that helped the researchers to achieve knowledge about what is needed for a company to create a good privacy policy they started to prepare to interview some companies. One big multinational company was contacted and one very small company was contacted (cf.section 4.1) The requirements for the companies that they wanted to interview was that both of the companies need to have some kind of business on the internet, the researchers also wanted that both of the companies should operate in the same business, so because of the location and the two companies that the researchers had founded they decides that e-shops is a good branch.

When the researcher decided which kind of companies they want to contact they started to look for different options. Some requirements were that the companies need to be in the same city as where the researchers operate or an another city named Karlskrona, the researchers also wanted to meet representatives from the companies that have the relevant knowledge about the subject and how their company works with it. Later on there was some difficulties with time since it were close to Christmas holiday. The authors felt that the study would stand still too long if they did not get any interviews before Christmas. At least they got two companies that suited the study perfect. One of the organizations were a big company with 750 employees and the other was a very small organization with only one employee, still both of the companies were e-shops and well-functioning.
When meeting times were decided together with the companies the researchers started to develop an interview schedule. The questions for the interview were based on the decided research questions, the researchers decided that they wanted to conduct a semi-structured interview. This because of the ability for the researchers to ask further questions and also for the interviewee to be able to talk around the question (cf. section 3.3.1). Some of the questions were designed to be answered immediately while some of the questions were designed to force the interviewee to explain and talk around the question.

When the interviews were conducted the researchers started to transcribe the collected data, this to get all the data into similar format. When the transcriptions were finished they started to review the collected data (cf. section 3.3.3). While reviewing they were also looking for similarities and differences between the two companies that participated in the study. The researchers did also see a pattern of how the questions were answered and through that they could see some main categories. To get a good structure of the answers they decided to categorize the interview. The outcome was three different categories.

The researchers begun to search for more information through different scientific articles, documents and webpages when the interviews were conducted and summarized. There was some new information that they got from the different companies that the researchers felt was important to conclude in this study.

At this moment all the material that was needed for this study was collected. The researchers started to compare the answers of the interviews against each other and also against the theory found in scientific articles, documents and webpages. By comparing the interviews against each other it made it able for the researchers to see what similarities and differences there was between a small organization and a large organization. With help from scientific literature the researchers had collected knowledge about different regulations and frameworks about how to develop a good privacy policy.

There were also some articles found about people’s concerns and what people worries the most about, by having semi-structured interviews both of the organizations that participated in this study were able to give their opinions about what they think is important about privacy policies. By getting answers about this the researchers were also able to compare the companies’ opinions against regular people’s concerns when shopping online.

When this work was finished the researchers were able to discuss and conclude this study, and also able to answer the research questions for this study.

3.3 Research Design

The theory in this study was found by using Googles Scholar search engine and University of Borås online search engine tool “Summon”. Google Scholar is a search engine tool that makes it easy to search for scientific literature, additionally Google
Scholar generates peer-reviewed papers, books, thesis, articles and abstracts from academic publishers, preprint repositories, professional societies, universities and other scholar organizations (Google, n.d). According to Arvidsson (2014) “Summon” is a search engine tool made for students at University of Borås. Summon makes it able for students to get searchable material that is provided from University of Borås library and their catalogue and also from a product called Serial Solutions.

To collect relevant articles and information for this study the researchers have used an amount of key-words: “privacy policy”, “privacy policy framework”, “privacy policy in big companies”, “privacy policy in small companies”, “privacy policy regulations”, “privacy policy concerns”, “Fair Information Practices”, “Personuppgiftslagen”, “privacy concerns”.

The researchers claim that these phrases have been used in the search of relevant information that has generated context to this study. According to Bryman and Bell (2015) there is many ways of how you can identify new suitable search phrases and keyword outside the initial search phrases to find the relevant information that is needed for the research.

According to the researchers in this study, there has not been any relevance in changing search phrases or using synonyms, but on the other hand sometimes combining different search phrases has developed new search phrases, one example is “privacy policy regulations and frameworks”.

The articles that the researchers have chosen to use has been viewed and discussed in detail by their relevance to the study. In the beginning the researchers found a lot of studies regarding privacy policy concerns but only a few of the articles was about how organizations works with privacy policies therefore the researchers decided to do a further study about privacy policies in an organizational perspective. Regarding accuracy of the articles and websites and documents used in this study has been reviewed by the researchers. Articles, documents and websites with a publish date or update date earlier than 2005 has been viewed more accurate by the researchers because of the long gone time since the articles and documents were published. These articles and documents have been compared with some newer articles and documents to see relevance.

Bryman and Bell (2015) discuss three different areas when evaluating the reliability of a source on the internet. The first criteria are, what is the authors motive for publishing, the second criteria are about where the site is located, is it a governmental site, academic site, non-commercial or commercial site, and the third and last criteria is about when the last update of the page has been done.

### 3.3.1 Data Collection

The study was conducted through semi-structured interviews. According to Bryman & Bell (2015) this technique is one of the most common interview techniques within
A semi-structured interview is structured in a way where the researchers have a list of questions regarding different categories of topics that they want to discuss which can be called as an interview guide. Semi-structured interview means the interviewer has a series of questions in general form of an interview schedule but interviewers are allowed to change the sequence of the questions, and also able to ask further questions when they pick up something from the interviewees replies (Bryman & Bell, 2015).

The reason why the researchers chose to conduct semi structured interviews in this study is motivated by the flexibility and the structure of this type of interview. To be sure that research subject gets the full coverage the researchers felt that certain flexibility was needed to be able to follow up questions and cover up interesting topics that the respondent discusses about during the interviews. The researchers believed by doing a semi-structured interview it could provide the most important informational answers without the valuable information go missing. The choice of semi-structured interviews was also based on the underlying questions that were formed for this study, it helped to develop the interview guide and to achieve the purpose of this study.

Interview is the most and possibly the widest method in qualitative research (Bryman & Bell, 2015). What makes interviews so attractive is the flexibility. When you conduct a qualitative interview your greatest interest is to get information from the interviewer’s point of view and the researchers can ask new questions that follow up interviewee’s replies and can vary the order of questions and as well wording of questions (Bryman & Bell, 2015). And as researchers, we wanted rich and detailed answers.

Denscombe (2009) describes the benefits of interviews as chosen method, it can generate more deep and detailed data, which gives the interviewer deeper insights and knowledge in a specific area. An interview may also generate high flexibility and validity (Denscombe, 2009). Disadvantages of the interview is that they can be time- consuming, it is also described as a method where reliability can be poor but also that the interview is based on what the respondent says and maybe says not what that person really do, this is not always consistent (Denscombe, 2009).

The Semi-structured interview helped the researchers with their comparison and discussion of the research topic, this made it able to compare the different answers that interviewers got of both companies and from that, point out the differences in their work with the organizations policies, if different questions would have been asked to both companies the researchers would not be able to see the differences for each company. If the interviewers strictly followed an interview-schedule they would not be able to extract the small details in their work. With this type of interview-method the researchers were able to get a good discussion of what they have learned about each company and from the answers and discussions they were able to extract deeper details. From those answers the researchers will be able to discuss what each company should adapt from each other and what small and large companies could learn from each other in their work with privacy policies.
Other methods, as for example structured interview and self-completion questionnaire that could have been used for this study were not included for this study. “Self-completion questionnaires” is an interview form based on the respondents fill in a pre-arranged questionnaire form from the interviewer, and structured interviews is an interview form were the interviewer need to follow a specific question form that she or he pre-arranged. Structured interviews are not allowed to have follow up questions in a discussion (Bryman & Bell 2015). These interview methods were not suitable for this study because of their inflexible structure and the difficulty to not be able to have follow up questions. To gain more understanding of how these organizations work with privacy policy, the researchers find semi-structured interview most suitable for this study. Another interview method, unstructured interview, which is more like a discussion form where the interviewer and the respondent discuss about one specific topic (Bryman & Bell 2015). This was not an option for the researchers because an unstructured interview could have been too misleading.

3.3.2 Sampling

The segment of the population that is chosen is a set of relevant persons who may participate in the research. It is a subset of population. According to Bryman and Bell (2015) there are a several methods to use when choosing subset. A convenience sample is a sampling method that is used by the researchers for the advantage of its accessibility, in this study by the advantage of the geographic accessibility to the organizations. The issues with convenience sample in a selection process of studies, respondents are the main issue of generalizing the study to a larger scope. The findings with the use of convenience sampling is that it cannot stand as representative for the whole section of the subject area.

The criteria that the researchers had were to locate organizations that were a small and a large organization. Small-scale organizations are defined as companies with less than 10 employees and large-scale organizations are defined as companies with over 250 employees (Statistika Centralbyrån 2010). The second criteria were that these organizations had an online shop.

Requests was sent through email to these organizations marketing departments to see if there were any possibilities to meet the potential respondents and have a face-to-face interview with them to achieve the most professional and suitable answer from the respondent to this study.

The respondents of the interviews had more than 5 years’ background in the respective organizations and they both have had the same positions within these organizations for their entire time working there, their respective positions within their organizations were CEO and marketing and sales manager responsible for digital medias. With all these experience we saw these respondents as knowledgeable and trustworthy enough to conduct interviews with.
3.3.3 Analytical Framework

To be able to achieve a qualitative data analysis it is important that the data are ready to be analyzed. This is completed through converting all your data material into similar formats (Oates, 2006). Oates (2006) explains that audiotape interviews may have to be transcribed and this will help the researchers to gain a better view and structure of their material. The researchers completed the above stated criteria by Oates regarding audiotaped interviews and therefore made it easier for the researchers to compare the two cases and execute the analysis.

After the researchers completed the interviews this study was ready for analysis through a literal transcription of all interviews. As Oates(2006) mentions audio-taped interviews have to be transcribed to help the researchers to gain a better view and structure of the material, through the transcription all of the collected data had been converted into similar material to help the researchers to gain a more substantial ground for analysis.

The analysis of this study is based on a comparison between two cases, the small organization and the big organization and the similarities and differences between them concerning privacy policy. The researchers analyzed the collected data and after the data were transcribed the researchers began to search for patterns of similarities and differences between the big organization and the small organization.

While transcribing the interviews the researchers saw three main concepts in the answers from the organizations. This made it able to build a structure around the interview and made it also easier to analyze the collected material.

The first concept was “Organizations efforts in privacy policy”, which showed how these organizations work regarding privacy policies. The second concept “Management of Personal Information” shows how these organizations handling their own customer’s personal data. The third concept “Organizations view on Privacy Policy” shows the organizations own view on Privacy Policies and whether the organizations thinks that it is important or not with privacy policies. The researchers used these concepts to categorize the data from the interviews to make it more suitable for the analysis.

3.3.4 Method reflection

According to Bryman and Bell (2011), the trustworthiness of qualitative research has four criteria. These criteria are credibility, dependability, transferability, and conformability.

In terms of credibility, it is about the enquiry accuracy. How well are the investigated documented and did the research followed the investigation criteria (Oates 2006). The researchers believed that they had the accurate respondents, which was described and remained true to the criteria and therefore achieved a certain level of credibility.

As to transferability, it is about concerns to whether the result of a qualitative study can be generalized to another context (Bryman and Bell, 2011). Our study is focused on two different sizes of organizations in Sweden and therefore the researchers believe that
there is a limitation regarding transferability since the study cannot transfer to another context.

Lincoln and Guba (1985) established the idea of *dependability*. They stated that the researchers should examine and investigate the research when it is being conducted. This means that all the following processes should be involved, such as formulating problems, selecting indicators, noting the fieldwork, interview transcripts and analyzing data. The researchers believe that they have achieved a certain level of dependability through a well-explained and documented research process and believe that the study can be redone.

In terms of *conformability*, it is how findings flow from the raw data to the analysis and results (Oates, 2006). The researchers believe that the study was well explained, had a clear description of how interviews was conducted and the study was well analyzed which made the study easy to follow. Therefore, the researchers believe that a certain level of conformability was achieved.
4 Result & Analysis

In the previous chapter the researchers explained their research design and choice of methods to complete this study. To make it able for the researchers to answer the research questions and to fulfill the purpose of the study the result needed to be based on the semi-structured interviews.

The result of the interviews made for this study has been structured through different categories, where the questions have been categorized by finding similar areas for different questions. The presentation of the interview is presented below by a summarizing story with an analysis at the end of every part, for each category of our analytical framework. This structure has been chosen to easier get an understanding of how each organization were chosen for this study, Hemtex which is seen as the big organization and Alvas Hus that is the small organization. Both of the organizations will be presented in this chapter to make the result and analysis of the interviews clearer.

4.1 Participating companies

Hemtex is a company that sells home textiles and home furnishings. The company started 1973 in Sweden and until 2008 they only had psychical stores where people could buy their products. In 2008 Hemtex started an E-shop. At the beginning the E-shop was a very small part of the company and still is, but it is growing for each year and has today become an important part of the company. Sweden is the main market for Hemtex with 135 psychical stores, other markets are Finland where they have 20 stores and Estonia where they have 5 stores. Hemtex is the leading company of home textiles in Sweden and has around 700 employees within the chain. The company mainly designs their own products and has only some external brands that they cooperate with. 95% of their products are produced by themselves.

In Borås, Hemtex have their headquarters and it is from the headquarter they serve all stores around in Sweden. They are around 80 employees at the headquarters. Marketing department, IT, HR, Logistics and finance department are all located at the headquarters. Their E-shop is managed by a special group at the marketing department that always and only work with the E-shop. There is 18 people working at the marketing department and 5 people are the “online team”, their focus is exclusively on E-commerce but also to integrate all channels and make sure that the flow of information is good. They use Omni-channel thinking to integrate all the channels together.

Hemtex were on the stock before with ICA as main owner (67%) but in 2015 Ica became full owner of the company. Since ICA became full owner of Hemtex they have decided to draw back Hemtex from the stock. Since then a lot of new cooperation’s has begun with ICA and the biggest is to integrate Hemtex into the assortment of products that ICA has in their own stores. Another thing is that ICA and Hemtex now has a common purchasing channel in Asia. The purchasing staff that worked at Hemtex has now become members of a new started company called ICA Global Sourcing. Hemtex buyes most of their textiles and products from Asia.

Alvas Hus was founded in 2006 in Karlskrona by Sandra Digbo. From the beginning they were a furnishing store. Alvas Hus were among the first stores in Sweden to start
selling furniture that goes with the trend shabby-chic, a trend that is very white and frayed furniture. This trend was very popular in 2011 and then Alvas Hus was among the biggest with this trend. Today they don’t sell anything with shabby-chic because of the trend is not popular anymore.

In 2008 they started their E-shop and in the same time they started to sell clothes also and today Alvas Hus are categorized as a lifestyle store. At the company there is one employee and the owner that works. The E-shop is not managed by Alvas Hus entirely. They use servers from a provider called Jetshop and the platform is from a company called E-shop, so what Alvas Hus does is providing offered services and updates with new products, everything else is handled by the provider. Alvas Hus has one psychical store and their E-shop, they do not design or create their products but still they have products from more local designers but also from well-known designers. In that way they communicate to a wide audience but also to those who likes to buy products that not everybody has.

4.2 Organizations efforts in privacy policy

The interviewee (see 7.0 for information about interviewees) at Hemtex has not been involved with the work with privacy policies from the first beginning, Hemtex began working with their privacy policies in 2008 and the interviewee was involved with this work from 2010.

“We have worked with it on different occasions and I have been in the recast on a couple of occasions, first when I started in 2010 when we launched a new online store” (Hemtex, 2015-12-11)

Together with a hired lawyer Hemtex developed their new privacy policy for their new webshop but the lawyer is not responsible for the policies, Hemtex is still responsible for what the policies says, the lawyer was only there as a helping hand and to tell them what to do and how to write it. Later on Hemtex got certificated by Trygg E-handel and then they had to rework their policies because of the demands from Trygg E-handel. Roughly Hemtex updates their policy every second year. Trygg E-handel is an organization that has developed a certification, to get this certification Trygg E-handel has some demands that they want the companies to follow and obtain. Hemtex is a certified company and has been for 5 years. This brand was very popular to put on the webpage before but Hemtex claims that it is not that important for them today, because their brand is big enough and well-known in itself now but the interviewee still believes that this certificate is good for small e-shops who might have more problems with trust issues.

“They had certain requirements that we did not really follow. So we had to rework it a bit more back then.” (Hemtex, 2015-12-11)

Then further on Hemtex has rewritten their privacy policy one more time where they highlighted the most important parts for the customer to make it easier to read. The interviewee at Hemtex is the person that is most involved with the work about privacy policy but this person also claims that it is not the highest focus of his assignments to
work with privacy policy. Hemtex do not follow any framework and do not have any knowledge about any Fair Information Practices (FIP) but they do follow the demands from Trygg E-handel and also the Swedish personal act. But the interviewee does not know if the people that work with the customer-club maybe have knowledge about FIP. Hemtex do not put too much effort on the privacy policies, they write those things that they are required to follow and by checking how other companies have written their privacy policy, Hemtex have then made their own policy in a similar way. Changes are made when it is required and when a new important thing comes up. Through twitter, they follow different organization that works with things around privacy and if they pick up on something that is interesting or important they implement it in their own privacy policy, still this is followed up by the staff through own personal interest and is not something that is included in their work-assignments. They also take a little help from their company lawyers and expect that they will tell them when something important occurs.

The question about how Hemtex do to make their customers read their privacy policy, the answer is that they are passive with that. They do as most of the other companies, they have a link on their payment page where people can click and access to their privacy policy. Their belief is that most of the people do not read privacy policy when they are buying stuff on their webpage because they have some kind of knowledge about what there is in the privacy policy but still if someone do want to read it, it is easy to find and access. They still do believe that it is important to have a privacy policy because of the legal aspect and to make clear for the customers about what kind of requirements and rules that they have when someone want to buy something but it is not something that they want to highlight or give too much space for at their website because of their believe that the interest for privacy policy are low. But still they have chosen the most important things of the privacy policy and put them in the sidebar of the webpage to make sure that people can see it even if they are not interested.

“Those who want to find it can easily find it, and those who do not care about it can easily skip it. But we have no ambitions to highlight it even clearer.” (Hemtex, 2015-12-11)

At Alva Hus it is clearer about who has written and who is responsible for the privacy policy than at Hemtex. The owner of the company is also the one who is responsible and who has developed it. With help from their website-provider and other providers they have got knowledge about different rules and demands that exists for privacy policies. The platform that the company uses has also their own requirements and demands for a company to follow and be allowed to have an E-shop based on their platforms. Alvas Hus does not have any knowledge about any other frameworks and especially not about Fair Information Practices. Their goal is to follow the rules that exist and they claim that they cannot do any more than that. They do not reformulate more than when something is required to add, in the beginning when they first started their E-shop they worked with their policies more often but now they only change when it is required by their providers, when there is changes in existing rules or if they find anything in the news. Alvas Hus don’t put any special effort to make their customers read their privacy policy, they have a link at the payment page where people can read the policy if they are interested but they always have to confirm that they have read the policy.
“Often one can look to yourself, how often do you really read a privacy policy when shopping online? It is not often. We have a link in the checkout where the completion of the purchase, there you can read them and you have to accept that they have read them. But I can say that 98-99 % never does it.” (Alva Hus, 2015-11-20)

Still Alva Hus thinks that the privacy policy is important for the legal aspect and when some problems occur they feel safe to have their privacy policy to lean on. But even if they think that the policy is important they do not put too much effort to develop them or to update them. The most important thing for them is that everything around their privacy policies works and is accurate and true.

As Hemtex explained before they got certificated by Trygg E-handel, which is an organization that has developed a certification and to get this certification Trygg E-handel has some demands that they want the companies to follow and obtain. Hemtex believes that having this certification will gain more trust for their consumers and according to Earp, Antén, Aimansmith and Stufflebeam (2005) their study has shown that many consumers make their valuation based on signals from the website/organization. With that means, the company on the website publish their privacy policy may be seen as a trustworthiness of a company. If the privacy policies are clearly and obviously stated on the website, the visitors or consumers will perceive the company as more trustworthy. This also helps the organization to attract more consumers and at the same time retain the existing customers. Not do Hemtex just have a privacy policy but also this Trygg E-handel certification to make them even trust worthy, Hemtex explained that this certificate is good for small e-shops that have more problems with trust issues. On the other hand, Alva Hus does not have anything other than a privacy policy and have not considered acquiring Trygg E-handel for now.

4.2.1 Analysis of Organizations efforts in Privacy Policy

As the researchers can tell both organizations do not put a lot of effort on their privacy policy. The interviewee at Hemtex is the person that is most involved when it comes to privacy policy and he claims that it is not the highest focus of his assignment to work with privacy policy. Alva Hus respond the same, even though she is the CEO of the company she do not put a lot of effort into their privacy policy, she claims that as long as they follow the rules that exist then they are content with it. Both organizations add, only when something is required to add that’s when changes are made. As Peslak (2006) explains large international websites do not provide a good level of protection of personal privacy for consumers. The researchers will not assume that these organizations have a good or bad privacy policy, but the researchers will claim that these organizations do not put enough effort into their privacy policy. As according to No (2007) by not having a good privacy policy can increase risk for a company and having a good privacy protection can give the company a positive impact on the customers. As Liu and Arnett (2002) also mentioned before it is important for these companies to develop and post privacy policy but also faithfully execute it. By posting privacy policy on Web sites it can ease customers’ privacy concern and build a more trusting environment for all online transactions.
When it comes to the customer’s access to the organizations privacy policy there is a small difference between these organizations. Hemtex have a link where their customers can click to access to their privacy policy if they want to read it. Alvas Hus also has a link for their customers to read if they are interested but the only different is that the customers always have to confirm that they have ready the privacy policy before the payment goes through. As Mayur, Desai, Thomas, Richards, Kiran and Desai (2003) mentioned previously in the theoretic chapter, companies are more likely open in their communication about how data of customers are being collected and shared, this somehow can gain more trust among customers and help them feel a bit safer with e-commerce. And both organizations do believe that it is important to have a privacy policy because of the legal aspect and to make it clear for the customers about what kind of requirement and rules they have.

According to Hemtex they believe that most of the people do not read privacy policy when they are purchasing on their website because the customers have some kind of knowledge about what there is in the privacy policy. Therefore, they do not believe that it is something they need to highlight or give too much space on their website because they believe that the interests for privacy policy are low. As showed in the study by Wu, Huang, Yen, and Popova (2012) consumers do not read the privacy policies often. 54% showed that they read the privacy policy upon first visiting website and 66% are confident in the website that they have a privacy policy present. While Alvas Hus believes that as long as they have a privacy policy and that everything around their privacy policy works and is accurate and true then that’s all that matters. And as according to Wu, Huang, Yen, and Popova (2012) Privacy policy is important for reducing the risk of revealing other people’s personal information online. Wu, Huang, Yen, and Popova (2012) future explained that Privacy policies are there to inform consumers about the company information practices and inform them how the personal information is being stored. This information should be helping users decision whether they want or not to provide personal data in the website or whether they want to engage in the website at all.

Hemtex and Alvas Hus do not follow any specific framework and they do not have any knowledge about Fair Information Practices. As according to Peslak (2006) OECD and FTC claims that every big organization should follow these frameworks to achieve a good privacy policy. Hemtex which are the big organization in this research does not have any knowledge about Fair Information Practices and neither does the small organization in this study, Alvas Hus. But still there are two points in the privacy policy of Hemtex and one in Alvas Hus privacy policy that can be related to Fair Information Practices, Security and Choice.

Security is one principle in the FIP: s that can be found in the privacy policy of Hemtex, where they explain how they keep personal data secure. But still there is one principle of eight. As Peslak (2006) shows in his research 47 of 100 of the world’s biggest companies had mentioned Security in their policy which means that Security is a part that is usual to be presented by companies. Every company pick different parts of the FIP: s principles and write something about them but still OECD and FTC claims that big multinational companies as Hemtex should use all principles. The researchers believe that the FIP principle security is found in the privacy policy of Hemtex because of that Hemtex present Personuppgiftslagen in their Privacy Policy, Personuppgiftslagen is something that both Hemtex and Alvas Hus have to follow and
all organizations that collects personal information. Still the principle security in FIP cannot be found in the privacy policy of Alvas Hus even if they also follow Personuppgiftslagen. Choice is mentioned by both organizations, where they mention that the personal information will not be sold to third party. As mentioned previously by OECD (2013) choice is one principle of the FIP and claims that the consumer should be given choice of how their private information is allowed to be used for other purposes. Neither of the organizations needs to give a choice of what the consumers want to be done with their personal information since they claim that the information will not be sold or used in third party. But the organizations do not give a choice if the information is allowed to use for other purposes within the organization. So still Choice is one principle that both of the organization have mentioned but not in its full purpose.

What the researchers can see there is no knowledge about Fair Information Practices in any of these organizations in this study and that will be a result of poorly formulated privacy policies. With these privacy policies people do not get any information about how their private information is handled even if laws are followed. Especially for a small organization like Alvas Hus where trustworthiness from the consumers is not as big as the trustworthiness for a well-known organization as Hemtex. Therefore, these organizations should aim to follow these principles to have a well-developed privacy policy.

According to No (2007) their analysis of 500 companies showed that 50% of the companies provide a privacy policy but many of them failed to cover the principles that were recommended by FTC and OECD. As another study done by Peslak (2006) also shows that by not having a good privacy protection increase risks for the company and a good privacy policy can give a positive impact. Neither Alvas Hus nor Hemtex do have well formulated privacy policies and do not cover the principles in Fair Information Practices. There is a lot of information left out in both organizations privacy policies that could increase the trustworthiness for both organizations. Neither Hemtex nor Alvas Hus have a detailed privacy policy and do not provide any information for their consumers on how they handle and what they do with their consumers’ personal information. Following the principles and recommendations of FIP would generate a much more detailed and concise Privacy policy for both organizations.

Neither of the organizations mentions anything about their routines about collecting personal information. As according to FIP, the consumer must know about the routines around collecting personal information before the information is collected. This thing is called Notice in the FIP and cannot be found in any of the two organizations privacy policies. In the study made by Peslak (2006) Notice is the most common FIP principle presented by the companies in that research.

Access is not mentioned in either of the organizations privacy policies which mean that a customer that want to buy something from the websites will not know the abilities about how they can change or view the data that has been collected about them. The principle Access is about that the consumer should be able to view and review and also question the accuracy about the data collected about them. Neither of the organizations in this research presents anything about this in their policies.
4.3 Management of personal information

According to Hemtex they do not want to give too much information about how they store information about their customers. But Hemtex states that they encrypt all the personal information about a customer. When customers want their personal information to be deleted from the customer-club they do as the customers wants. But Hemtex also claims that when it comes to e-commerce it is a little more complex since there is a buying history from every customer so they are not 100% sure about how it works when deleting personal information. What they do know is that when customers want to be removed, all the information that can be linked with a specific person should be removed but information that can be useful to the company will be saved.

About the question how the company makes their customers feel secure when shopping on their website they claim that using well-known companies is a thing that makes the customers feel secure. What they also claim is that their brand in itself is something that creates a secure feeling, and together with famous payment providers, famous transportation companies and Trygg E-handel there is nothing for the customers to feel unsecure when buying from them.

“Trygg E-handel is to get customers to feel secure, encryption is another matter, the encryption is something that everybody does not understand, but Trygg E-handel is something that is very clear for everybody” (Hemtex, 2015-12-11)

Hemtex claims that privacy policies should have the same importance for a big company as for a small company, there should not be any difference. But they also claim that a small company has a bigger responsibility to communicate their policies than a big company to make the company trustworthy. A big company is a well-known and trusted brand from the beginning. But still the privacy policy should have the same importance because the customers still do the same thing, which is buying on the Internet.

Alvas Hus on the other hand does not have any particular security around personal information that they handle by them self as Hemtex. Alvas Hus has their e-shop on a provider’s server and they handle everything that has with personal information to do.

“When it comes to address and things like that so it is stored on our server providers” (Alvas Hus, 2015-11-20).

The staff at Alvas Hus can never see or change for example passwords or other information. The only thing that they can see is the information that is relevant for them to fulfill an order.

“I can never tell a client what their password is or change it for them. I never see the passwords. We only access the information that is relevant for us to so we can perform the service offered” (Alvas Hus, 2015-11-20)

Alvas Hus does not store information about credit cards and payments, that is handled by their payment providers and Alvas Hus do not get in contact with that information either. Still they think that they have a secure system since nobody can access the data about customers if they don’t have the correct password to access their webpage.
servers. No data is stored physically on the computers in the company. By using well-known companies as providers for different stuff Alvas Hus believes that this will make their consumers feel secure in any aspect when shopping in their e-shop.

Alvas Hus do what they can and what they are capable of to make their customers feel safe but they also believe that a small company cannot be able to keep the same high security as a big company but that still a small company has to follow the rules in the same way as a big company.

“But it will still be the same in the sense that everyone must follow applicable rules. But that a customer will expect that everyone has the same high security beyond what laws and regulations say. It is not possible, at least not for us” (Alvas Hus, 2015-11-20)

Alvas Hus claims that they follow the rules but that they cannot do more than that even if they wanted to. However, she believes that bigger companies should maintain a higher security since they have a lot more customers and in that manner they become a lot more vulnerable to be attacked.

4.3.1 Analysis of Management of personal information

The researchers believe that there are differences when it comes to how these organizations store information about their customers. Hemtex are really strict when it comes to revealing their storage of customers’ information but they stated that they encrypt all the personal information about a customer. On the other hand, Alvas Hus does not have any particular security around personal information that they handle themselves as Hemtex. And as mentioned before Alvas Hus has their e-shop on a provider’s server and they handle everything that has with personal information to do. The researchers can claim that Hemtex are knowledgeable within their security system and have control of it. Hemtex can adjust the customer information if that requests from the customer, for example if the customer want to be deleted from their customer-club. But Alvas Hus does not have any control of their security system or payment system since their server providers handles everything that has with personal information to do. The only thing Alvas Hus can see is the information that is relevant for them to fulfill an order. According to Alvas Hus they believe that a small organization cannot be able to keep the same high security as a big organization. As Malaga (2014) mentioned previously consumers feel like they have no control and little knowledge of how information is used in situations beyond the one that is required. These consumers are terrified that the information they provide onto one source will somehow unknowingly provide it to many other sources that will use it for unknown purpose. 76% of consumers are “somewhat or very concerned” about the total of personal information collected by the organizations. And at the same time understanding and protecting personal information in information system is hard because of the widespread use of the networked systems and Internet (Earp, Antón, Aiman-smith and Stufflebeam, 2005) Alvas do not communicate how they handle personal information at all, they only claim that they follow the regulations of Personuppgiftslagen.

Personuppgiftslagen is about treatment of personal data. As Datainspektionen (2015) mentions the law does not tell organizations in what way they should treat personal information, only that it must be protected from violation. Hemtex communicate a
small part of their protection when they write in their privacy policy that they encrypt all the information, Alvas Hus do not communicate anything. Still neither of the organizations writes about how, where and how long they store information. In the FIP principles by OECD (2013) they claim that there should be a general openness about developments, practices and policies according to personal data, the Openness principle. Neither of the organizations is open about their practices and policies when they store data.

The law has a paragraph where there is an obligation to inform those that are registered about how their information is treated, and in neither of the organizations privacy policies there is information about this found. Hemtex writes that the information is encrypted but not how it is treated further on, while Alvas Hus only writes that they are following Personuppgiftslagen. Every organization that collects personal information must follow this law. The organizations in this research follow this law and communicate it but still they do not feel forced to communicate their routines around privacy.

Alvas Hus explain by using well-known companies as providers for different stuff that this will make their consumers feel secure in any aspect when shopping in their e-shop and Alvas Hus also believes that they can make their consumer feel secure by having a secure system since nobody can access the data about customers if they do not have the correct password to access their webpage servers. Hemtex have different answer to how they make their customer feel secure when shopping on their website. According to Hemtex using well-known companies is a thing that makes the customers feel secure and they also highlight once again that their brand in itself is something that creates a secure feeling too. And also with famous payment providers, famous transportation companies and Trygg E-handel there is nothing for the customers to feel unsecure when buying from them. A research done by Wu, Huang, Yen, and Popova (2012) showed in a public opinion survey that most consumers are concerned about losing control over how websites handle their personal information. 60% of users who has provided false information would be willing to provide their real information if the website could show some kind of notice about how this information would be used to feel more secure.

As according to the study made by Peslak (2006) Notice is the most common principle of the FIP that is presented in company’s privacy policies. Still neither of the organizations in this research has presented anything about notice in their privacy policy. Notice is about the company’s routines around personal data and the purpose of collecting personal data and how they use it to the fulfillment of the purpose. Neither Hemtex nor Alvas Hus has presented this in their Privacy policies.

The researchers can see a big difference regarding privacy policies and their opinion considering the size of the organizations. Hemtex claim that a small company has a bigger responsibility to communicate their policies than a big organization to make the small organization trustworthy and as Alvas Hus believes that bigger organization should maintain a higher security since they have a lot more customers and in that manner they become a lot more vulnerable to be attacked.
4.4 Organizations view on Privacy Policy

According to Hemtex the privacy policy is more important for a small company than it is for a big company because of trust-issues. They claim that a big company can afford to not be so specific and accurate in the privacy policy while a small company should be very clear and detailed in their privacy policy. But still it should be of the same importance for a big and small company that the customer can trust that their personal information will not be sold to third part. They also claim that a big company with lot customers is more vulnerable to hacker-attacks than a small company and because of that they should have a bigger security-level than the small company. A small company maybe has more simple security solutions while a big company has more complex security solutions but still they claim that routines around security do not have to be more complex. They don’t believe that it is okay that a small company can have a less good privacy policy than the big company; the requirements should be the same for all E-shops not depending on size. Everybody has to follow the existing rules but a big company with a lot of customers probably has more demands from different sides about the security-level.

When it comes to the question about who is responsible of developing privacy policies to make them even better in the future Hemtex claims that the big companies mainly are responsible for that work since they are capable to affect more than the small company is.

They do not believe that small companies have anything to say in this question but still the big companies can affect in a greater way.

“We don’t say that the small companies cannot affect anything at all, but big companies with many customers should take bigger responsibility about this” (Hemtex, 2015-12-11)

Alvas Hus on the other hand thinks that the privacy policy should have the same importance for both a small and a big company. Both small and big companies haveto follow existing rules and there it should be the same but then a big company has a lot more information to protect and because of that they should also have more security and more complex privacy policies than a small company. They also said that they have lot of customers that expect that Alvas Hus have the same security level as a big company but according to Alvas Hus they do not have the capability for that. They fulfill the demands that existing rules demand but more than that they cannot do.

“it is clear if there is a strong investor in the back that can pump money in to the company, then the company can have a better security and better policies” (Alvas Hus, 2015-11-20)

At Alvas Hus they think that all companies should follow given rules but then a big company can probably affect and contribute more in the development of higher security and better policies than a small company, but they do not have a higher responsibility for that. Alvas Hus thinks that it would be great with even higher security and better rules if it is possible and in that manner the big companies are those who are able to be leading.
4.4.1 Analysis of Organizations view on Privacy Policy

The researchers can see that the organizations have different opinions when it comes to the importance of privacy policy for a small or big organization. Hemtex believes that it is more important for small organizations to have a privacy policy because of trust issues. A Privacy policy should have the same importance for both small and big organizations according to Alvas Hus. And that both have to follow existing rules and therefore it should be the same. However, Alvas Hus also mentioned that a big company has a lot more information to protect and because of that they should also have more security and more complex privacy policies than a small company. While Hemtex explains that a big company can afford to not be so specific and accurate in the privacy policy while a small company should be very clear and detailed in their privacy policy. What the organizations have in common is that it is very important that the information is not sold to third part.

Because Hemtex is a big company with lot customers they believe that they should have a bigger security level than a small company, which Alvas Hus agrees. They stated that a big company could probably affect and contribute more in the development of higher security and better policies than a small company.

Both believe that all organizations regardless it size should have a well-developed privacy policy, the requirements should be the same for all E-shops not depending on size. Still none of the organizations has a well-developed privacy policy. Both organizations claim that nobody read the privacy policies and that is why neither of the organizations feels that it is needed to develop their privacy policies more.
5 Discussion and Conclusions

In the recent chapter the researchers presented the result and in the same time analyzed it. The analysis is made by comparing the answers of the organizations in this study. Analysis is made separately for each different category of the interview.

In this chapter the analysis of the interviews will be discussed. The discussion will help the researchers to state conclusions and to answer the research questions. In the discussion the researchers own opinion will also be presented from a consumer’s point of view.

Concerning privacy policy, the two organizations that participated in this study shows conflicting opinions regarding privacy policies. Both organizations think that it is important to have a privacy policy and to follow laws but what we can see none of the organization has any knowledge about the importance of a privacy policy.

According to the organizations in this study they claim that privacy policies should have the same importance for a big organization as for a small organization, there should be not be any differences. We can see through the interviews that both of the organizations always add something to take away the responsibility from themselves. As consumers ourselves we consider it is worrying that both of the companies do not put enough effort on their privacy policies and as the organizations also confirmed that they do not put any effort into their privacy policy unless it is required and as long as they fulfill the regulations of law. Many people make their valuation based on the signals from the website, which means that the privacy policy is seen as trustworthiness of a website (Earp, Antón, Aiman-smith and Stufflebeam, 2005). We believe that both of the organization takes their size as an excuse to why their privacy policy is not developed enough. Hemtex claims that they are a big company, with a well-known brand and therefore they believe that they can afford to not have a well-developed privacy policy. In this case we do not agree with Hemtex because we as consumers expect a well-developed privacy policy even if it is a big and well-known organization and especially if they are a well-known organization they definitely should have a well-developed privacy policy, which we do not agree that they have and regarding Earp, Antón, Aiman-smith and Stufflebeam (2005) it do not produce trustworthiness to the company. Based on this result the following conclusion is: We believe that both of the organization takes their size as an excuse to why their privacy policy is not developed enough.

On the other hand, Alvas Hus believe that they do not have the resources to do anything more than just follow given rules, which we also do not agree on. We notice during the interview that the respondent at Alvas Hus did not have any idea what was included in their privacy policy since it was provided to her through her service provider nor does she know what is included in Personuppgiftslagen, even if she claims that her organization follow the law. As several studies previously shown in the theory part, consumer are concerned about how organizations collect their personal information and in this scenario this is what consumers always are worried about. Malaga (2014) claim that people are are concerned about their privacy online and that some people are so concerned that they are unwilling to shop online. We as researchers feel that this is bad for an organization that has a responsibility to take care and manage personal information correctly, which we feel that they do not do.
A study made by Peslak (2006) show that companies do not follow the Fair Information Practices, only 73% of the largest companies of the world posted a privacy policy. This result shows the lack of knowledge that companies have about the importance of Privacy Policies.

Another conclusion of this result is: To have this lack of knowledge concerning privacy policy can be seen as unprofessional and unserious towards their customers.

What we can see is that neither of these organizations considers that privacy policies are important for them. Both have excuses to not develop their privacy policies. And therefore we cannot see that they provide any security for their consumers’ personal information when they shop online. We do not agree that a well-known brand and big size of an organization can make consumers feel secure enough, unless the privacy policies are well-developed and detailed. 60% of the users who has provided false information would be willing to provide correct information if they knew or if the website could show some kind of notice about their treatment of personal data (Wu, Huang, Yen, and Popova, 2012). Therefore, one conclusion is that Neither can an organization just have a well-known service provider to make their consumer feel more secure, there are more factors required to achieve more security for the consumers.

Regarding the collection of new information and updates concerning privacy policy, both of the organizations claim that they collect new information through news and social media during their free time at work or when they are off duty. What we as researchers can see is that there is a lack of interest about privacy policies in both organizations, since they do not put any active working hours into collect new information. This makes their method of collecting new information highly doubtful, since it requires the organizations to have interest in looking things up. Considering the organizations view of importance regarding privacy policies this can be another result of their lack of interest. As consumers we see this as highly unprofessional to not have standardized routines for retrieving new information regarding privacy policies. OECD and FTC both claims that it is recommended to follow the principles of Fair Information Practices (Peslak, 2006). This would make it easier to both keep the security level high, keep their Privacy Policies up to date, relevant and also accurate. If the companies in this study followed all of the principles, they could much easier follow new standards and make their Privacy Policies available for correction.

The companies in this study do not follow any framework and does not either have any knowledge about existing frameworks. OECD and FTC have developed internationally agreed frameworks considering privacy policies (Peslak, 2006). Hemtex claims that they use well-known providers for different operations but do not have any knowledge when it comes to the most known frameworks regarding privacy policies. If other organizations have similar view as Hemtex and Alvas we can see a big concern regarding people’s private information. Gellman (2014) states that FIP can be considered as a cake where somebody want the whole piece while someone else just want a part of the cake. Both Hemtex and Alvas Hus states that they follow Personuppgiftslagen where we have found some similarities to the FIP principles. This means that they do have a piece of the cake in their privacy policy. Still this piece is a piece that they have not chosen by themselves, it’s a piece that they must follow because it is the law. We as researchers believe that Personuppgiftslagen is not enough to bring
the trustworthiness that Earp, Antón, Aiman-smith and Stufflebeam (2005) mentions. Trustworthiness is the most important thing for a website to gain from a consumer.

FTC and OECD want and believe that all organizations with active websites should follow the principles of FIP. Even if FTC and OECD has suggested that the principles should be self-regulatory to obtain conformity (Peslak, 2006) we consider that all organizations should follow the regulations of Fair Information Practices to make sure that privacy policies of all organization follow a similar pattern and that security level is as good as possible. There is guidelines provided in the FIP that helps organizations to get the knowledge about how personal information should be collected, treated, managed and stored and if all organization followed these it would be easier to find errors in the principles and also develop them to achieve a higher and better security for the consumers of all companies. We do not personally believe that every organization has to follow every principle of FIP but at least have some knowledge regarding what it is and what is included in the FIP framework. We strongly believe with that knowledge several organizations would develop their privacy policies even further and also see the values of following the principles of FIP.

The purpose of this research was to make a comparison of the privacy policy between a large and a small company in the E-market business. In order to fulfill the purpose of this research, following research questions are listed:

The overall research question is:

*How do privacy policies differ in a large company versus a small company?*

The specific research questions are:

- How important are Privacy Policies in a large company versus a small company?
- Do companies, depending on their size, follow any kind of framework for developing their privacy policy?

To conclude the research questions in this study, there are no concrete differences regarding privacy policies between the large and the small organization. Both organizations follow existing laws and work with their policies in the same way. Their policies do also have similar formulation at each organizations website. Although there are some small differences, the large organization has developed their own privacy policy and they encrypt personal information while the small organization has taken help from their e-shop providers regarding privacy. The small organization do not formulate anything in their privacy policy beside that they follow law.

The researchers claim that the organizations do not see the privacy policy as an important factor for their organization neither for the security for their consumers. Because of this view, the organizations in this study do not either feel that it is necessary to develop their privacy policies further.

The companies do not follow any frameworks for privacy policies and because of this, many important parts will be excluded from the organizations privacy policies.
Hemtex follows Trygg E-handel as a framework when it comes to their development of their privacy policy. Alvas Hus does not follow any specific framework regarding the development of their privacy policy. However, both companies’ follows the law regarding personal information but this law is not considered as a framework for privacy policy according to the researchers.

### 5.1 Future Research

Consider the amount of companies in this study, the result cannot represent all companies across Sweden as a whole. As our companies are based in a specific country (Sweden), further studies may conduct their research in other geographic places across Europe, or to use a bigger amount of companies in Sweden. The result may differ, as it is highly possible that other companies work with privacy policies in another way. It is also highly possible that companies in other countries do not have to follow similar laws to those in Sweden. Also companies in different businesses may have different perception or attitude toward privacy policies. Consequently, another possible addition for future research is to conduct research on different companies or similar companies in another country.

Each company may pay attention to different principles regarding privacy, some brands and companies are liked by the larger part of the population and some are greatly disliked. For future research it will be interesting and useful to obtain more knowledge about the consumers’ trustworthiness of certain companies and/or industries in relation to their privacy policies. By using this knowledge, it can help a certain company in a specific industry to identify whether privacy policies are a suitable tool to reach a higher trustworthiness.

Since our research revealed that there is a lack of interest toward privacy policies, further research can be conducted based on this perspective. Future research can investigate reason about why there is a lack of interest from companies regarding privacy policies. Also, our researches showed that consumers do not get any notice about what companies do with their personal information. As addition, further research may conduct a study about what consumers think is important parts in a privacy policy. The result can help companies improve or adjust their privacy policies in a way that consumers perceive the privacy policies as more trustworthy.

In conclusion, it is possible and feasible for further researches to conduct a study consisting out of organizations from different backgrounds, such as different countries across Europe, or respondents in organizations in different business categories. Studies can focus more on the improvement of privacy policies in order to attract consumers to read privacy policies and be trusted by them.
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Oecd (2015) History


7 Appendix

1. Vem verkställer er privacy policy?
   a. Vem verkställer er privacy policy?

2. Vem verkställer er privacy policy?

3. Följer ni något generellt ramverk? Eller har ni ett eget?

4. Fair Information Practises (FIP) – är det något ni känner till?

5. Hur gör ni för att få era kunder att läsa er Privacy policy?
   a. Har ni någon gång försökt mäta hur många läser den?

   a. Om det händer något med en kund, hänvisar du då till köpvilkoren?
   b. Om det kommer en lag imorgon, hur får du reda på det?

7. Är privacy policyn viktig för er? Hur mycket fokus lägger ni på den?

8. Hur länge lagrar ni kunduppgifterna och vad lagrar ni?
   a. Lagrar ni olika saker olika länge?
   b. Hur lagrar ni kunduppgifterna?

9. Hur ser säkerhetsrutinerna ut kring användaruppgifterna?

10. Många studier visar att konsumenter ej vill lämna ut personliga uppgifter pga. att dem inte har något förtroende för företaget, hur motarbetar ni detta? Hur gör ni för att kunderna ska lita på er?

11. Hur viktigt tycker du en privacy policy ska vara för ett stort respektive ett litet företag?

12. Vem bär ansvaret för att utveckla en privacy policy det stora eller lilla företaget? Är det okej att ett litet företag har en sämre privacy policy än ett stort företag?
   a. Tycker du dem stora företagen ska vara mer ansvarfulla när det gäller just hantering av användaruppgifter?
Intervju med Alvas Hus

- **Kan du berätta lite om Alvas Hus?**

- **Hur många anställda har ni?**
  Vi har en 1 anställd

- **Jag vet att du sagt att ni var störst i Sverige på något, vad var det?**

13. **Vem verkställer er privacy policy?**

   Det är jag som verkställer den, Sandra Digbo.

- **Har du bara tagit reda på det själv eller har du haft någon IT kunnig som hjälpt dig?**


14. **Följer ni något generellt ramverk? Eller har ni ett eget?**

   Vi följer distanshandels och personuppgiftslagen och det som klarna och E-butik kräver.

15. **Fair Information Practises (FIP) – är det något ni känner till?**

   Nej det har jag aldrig hört om. Finns det något i din privacy policy som skiljer dig från andra på nätet?
   Det är jättevärt att svara på, jag vet inte hur dem andra gör. Men jag vill bara att alla lagar följs.

16. **Hur gör ni för att få era kunder att läsa er Privacy policy?**


- **Har ni någon gång försökt mäta hur många läser den ?**
Det är ingenting jag har men det hade varit intressant att kolla så man får veta.


I början när vi startade nätabutiken så kommande tre år så formulerade vi om den mer ofta, idag formulerar jag endast om det händer något markant eller det blir någon slags lagändring.

- **Om det händer något med en kund, hänvisar du då till köpvilkoren?**

Ja men det brukar aldrig handla om användaruppgifter, handlar mest om reuturer osv på varor.

- **Om det kommer en lag imorgon, hur får du reda på det?**

Ofta är det väldigt tydligt via media, sen får man också väldigt mycket på posten, nyhetsbrev från vår provider och så brukar klarna gå ut med det.

18. **Är privacy policyen viktig för er? Hur mycket fokus lägger ni på den?**

Jag lägger kanske inte jättemycket fokus, det viktigaste är att allt fungerar. Det är egentligen bara när man verkligen måste ändra något.

19. **Hur ligger ni kunduppgifterna och vad lagrar ni?**


Sen finns det ju lagar och regler för kortbetalning. Den informationen lagras inte och där måste man fylla i ett certifikat via sin kortinlösen som i mitt falla är Nordea som förklarar hur man lagrar kortuppgifter och så vidare, och det får inte lagras.

Om vi säger att det blir ett inbrott här så kan ingen komma åt personlig information? Nej, dem måste komma åt min plattform då. Här i butiken kan dem inte få ta på något.

- **Lagrar ni olika saker olika länge?**

Hur ligger ni kunduppgifterna?

20. **Hur ser säkerhetsrutinerna ut kring användaruppgifterna?**

Uppgifterna lagras inte. Det enda sättet att komma åt mina kunders information så måste du logga in i min administration, det finns inget lagrat fysiskt på datorn i form av filer, och vi säljer aldrig vidare dem till tredje part.
21. **Många studier visar att konsumenter ej vill lämna ut personliga uppgifter pga. att dem inte har något förtroende för företaget, hur motarbetar ni detta? Hur gör ni för att kunderna ska lita på er?**

Jag tror att det är viktigt att använda kända och stora providers som tex DIBS. Vi har deras logga på vår hemsida som visar att vi har trygga och krypterade betalningar, och att vi har länkat till klarna. Men det står också väldigt utförligt vilka olika betalalternativ vi har. Och klarna är också väldigt välkänt i Sverige så många litar ändå på det.

22. **Hur viktigt tycker du en privacy policy ska vara för ett stort respektive ett litet företag?**


23. **Vem bär ansvaret att för att utveckla en privacy policy det stora eller lilla företaget? Är det okej att ett litet företag har en sämre privacy policy än ett stort företag?**

- **Tycker du det stora företagen ska vara mer ansvarfulla när det gäller just hantering av användaruppgifter?**

Jag tycker alla företag som har en butik på nätet ska följa det som sägs oavsett litet eller stort, sen kan ett stort företag ha en helt annan resurs för utveckling och säkerhet, och det är ju bra, men jag tycker nog inte att dem har ett större ansvar än vad vi små har, vi små har lika stort ansvar att följa lagar och sånt, men sen om dem vill utveckla detta till ännu mer säkert så är det ju jättebra, dem kan antagligen påverka mer än vad vi små kan göra.
Intervju med Hemtex


Hur många anställda är ni?

Roughly så är vi nog 80+ på kontoret och runt 700 i hela butikskedjan, med alla butiksanställdas osv. Men ta det med en liten nypa salt. Det är där någonstans i alla fall.

Ica äger oss sen en liten tid tillbaka, förr låg vi på börsen och då var ICA majoritetsägare hade ca 67% men sen ville man köpa upp hela hemtex och det gjorde man nu på hösten så det blev klart för några veckor sedan. Det känns skönt att dem satsar på oss och tycker att vi har en lovande framtid, och vi har en del samarbeten med dem också. Tex har vi i vissa Ica Maxi butiker en ICA by Hemtex sortiment som vi håller på och utvecklar. Sen har vi lite gemensamma inköpfunktioner i Asien. Ica global sourcing är ett kontor för inköp i asien som vi numera hör till då, så vi har ingen egen personal som sitter med det längre, utan dem hör till det bolaget.

24. Vem verkställer er privacy policy?

Den togs fram innan jag började, den tog fram 2008 men så har den ju arbetats om i olika omgångar och jag ahr varit med i omarbetningen vid ett par tillfällen, dels när jag började 2010 när vi lanserade en ny webshop, då hade vi en advokat som gick igenom det som vi jobbade tillsammans med.

Står den hår juristen som ansvarig för den då?

Nej , det är vi som gör. Han var bara som en rådgivare då och berättade vad vi behlvd tänka på men i slutändan så är det ju vi som är ansvariga.

Sen gick vi med i Trygg E-handel och dem har ju vissa krav då som vi kanske inte riktigt följde då, så då fick omarbeta den lite till igen då.

Jag är nog den som är mest involverad i det på företaget och jag lägger ju inte speciellt mycket tid på det men det är ju vid dem tillfällena som vi arbetat om den som man läst och funderat på vad är det vi egentligen skriver här osv. Är allt rätt eller behöver något ändras.

Vad var det trygg e-handel hjälpte er med?

Det är en branchorganisation, som har tagit fram en märkning. Det är som ett förtroendemärke som man kan sätta på sin sajt så att kunderna ska kunna känna sig lite tryggare. När vi sätter det på vår side så förbinder vi oss att följa vissa punkter och vissa ppolicies som vi ska följa. Det är nästan som ett ramverk, och vi är liksom certifierade i det här och vi har väl vart det i fyra fem år nu då.

Ett tag var det väldigt hett att sätta det här på sin sida då men nu är e-handeln i nästa steg på något sätt så jag tror att för vår del så spelar den märkningen inte någon större roll men för många mindre företag kan den här märkningen vara jättebra att ha. Vi är ju ett känt varumärke i sverige så jag tror inte vi har jättestr behov utav det. Folk vet ju vilka som står bakom vårt varumärke. Men när vi fick certifieringen så hade dem i alla fall synpunkter på hur vår provacy policy då skulle se ut, vad som saknades så att vi kunde uppfylla kraven för det här certifikatet då.

25. Följer ni något generellt ramverk? Eller har ni ett eget?

26. Fair Information Practises (FIP) – är det något ni känner till?
   Nej inte jag i alla fall, dem som jobbar i vår kundklubb och jobbar med mycket med klubbdata dem har kanske bättre koll på det, för dem hanterar ju personuppgifter på ett helt annat vis.

27. Hur gör ni för att få era kunder att läsa er Privacy policy?

Vi mäter inte detta även om vi mäter rätt mycket på sajten. Men jag tror att många kunder som är vana som bara klickar sig förbi sånt , tyvärr.

28.Hur ofta omformulerar/uppdaterar ni er privacy policy?
De va väl lite som jag sa , sen jag började 2010 så har vi uppdaterat den typ 3 gånger så lite roughly varannat är eller om det händer något speciellt eller om vi ändrar något eller utvecklar tjänsten så då kan det hända ändringar lite oftare kanske.

29. Är privacy policyn viktig för er? Hur mycket fokus lägger ni på den?
Som ni märker så lägger vi kanske inte någon speciell fokus på den utan vi gör egentligen det som krävs för att följa lagar och regler så att allt är rätt.

Anser du att det är viktigt att ha en privacy policy?

Det står på hemsidan att ni krypterar användaruppgifterna?

30. Hur ligger lagrar ni kunduppgifterna och vad lagrar ni?
• Lagrar ni olika saker olika länge?
Vi lagrar inga kortuppgifter heller utan däet är våra betalningsleverantörer som lagrar det isåfall men det är inget som vi lagrar.

31. Hur lagrar ni kunduppgifterna?

32. Hur ser säkerhetsrutinerna ut kring användaruppgifterna?

33. Många studier visar att konsumenter ej vill lämna ut personliga uppgifter pga. att dem inte har något förtroende för företaget, hur motarbetar ni detta? Hur gör ni för att kunderna ska låta på er?
folk igen istället för Arnes frakt tilllexemepel. Sen att man kan hämta varor i våra butiker osv.

Vi levererar en trygghetskänsla dels genom att vi själva är ett stort och kännt varumärke och dels att vi har trygga varumärken när det gäller leveranser, betalningar osv.

34. Hur viktigt tycker du en privacy policy ska vara för ett stort respektive ett litet företag?

Spontant ska det vara lika viktigt, finns väl inget som borde skilja där. Ett litet företag som är okännt har ju ännu större ansvar att vara pedagogisk och kommunicera den ännu tydligare medan stora kännda företag som vi kan kanske kost på oss att vara lite slarviga även om vi inte borde vara, men det borde vara lika viktigt för båda. Då är ju samma grek kunden ska göra. En kund ska kunna lite oavsett storlek på företag att dens uppgifter inte får fötter och kommer vidare till tredje part.

Tycker du det stora eller lilla ska ha mer invecklade rutiner?
Finns inget syfte att det ska vara mer i eveklad, däremot desto fler kunder du har och ju kändare du är desto intressantare blir det kanske fgör hackers. Har man en miljon kunder så blir man mer intressant för hackers än ett företag med kanske tusen kunder och då är det ju viktigare med säkerhetsnivån. Så behovet av systemlösningar är ju olika. Skyddet på personuppgifter kan ju vara olika kraftigt. Ett litet företag har kanske lite enklare lösningar medans vi måste ha lite mer skyddade lösningar.

35. vem bör ansvaret att för att utveckla en privacy policy det stora eller lilla företaget?
Det är ju mycket dem stora företagen som är med och driver det här och har kanske mer möjlighet att påverka arbetet kring det.
Men man säger inte att dem företagen inte har något ansvar däremot har dem stora företagen mer möjlighet att påverka. Har du ett stort företag med många kunder så bör man också ta ett större ansvar i det här.

36. Är det okej att ett litet företag har en sämre privacy policy än ett stort företag?
Spontant tycker jag nej, alla ska ju uppfylla grundreglerna, sen kanske ett större företag skyddar det ännu bättre, men fortfarande samma policy och att man inte ska sälja vidare uppgifter osv. Men klart har ett lite företag massor med kunder då kanske man ska ha högre krav på sig, men alla måste följa grundreglerna sen har väl dem stora företagen lite större krav från kunder osv.

- Tycker du dem stora företagen ska vara mer ansvarfulla när det gäller just hantering av användaruppgifter?

14. Hur jobbar ni med att ta reda på nya grejer som gäller rörande privacy policies?
är väl om man hade haft en jurist som håller oss uppdaterad hela tiden med sånt, det kanske vi har, det vet jag inte.
University of Borås is a modern university in the city center. We give courses in business administration and informatics, library and information science, fashion and textiles, behavioral sciences and teacher education, engineering and health sciences.

In the School of Business and IT (HIT), we have focused on the students' future needs. Therefore we have created programs in which employability is a key word. Subject integration and contextualization are other important concepts. The department has a closeness, both between students and teachers as well as between industry and education.

Our courses in business administration give students the opportunity to learn more about different businesses and governments and how governance and organization of these activities take place. They may also learn about society development and organizations' adaptation to the outside world. They have the opportunity to improve their ability to analyze, develop and control activities, whether they want to engage in auditing, management or marketing.

Among our IT courses, there's always something for those who want to design the future of IT-based communications, analyze the needs and demands on organizations' information to design their content structures, integrating IT and business development, developing their ability to analyze and design business processes or focus on programming and development of good use of IT in enterprises and organizations.

The research in the school is well recognized and oriented towards professionalism as well as design and development. The overall research profile is Business-IT-Services which combine knowledge and skills in informatics as well as in business administration. The research is profession-oriented, which is reflected in the research, in many cases conducted on action research-based grounds, with businesses and government organizations at local, national and international arenas. The research design and professional orientation is manifested also in InnovationLab, which is the department's and university's unit for research-supporting system development.

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