

Cookie notifications and the perceived fairness of price discrimination

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Abstract

Recent regulatory changes (i.e., GDPR) enforce that e-commerce and other websites disclose which data they collect and store through the use of cookies, and allow consumers to disagree to such tracking. This regulation, however, is subject to considerable variation in practice as a content analysis of the most visited websites shows (Study 1): cookie notifications vary in visibility and modifiability. Despite retailer concern about the loss of their transparency about the behaviour of website visitors, more visible and modifiable cookie notifications might also have a positive side-effect: consumers might accept price discrimination more readily, if they agree that their customer data is being tracked. Specifically, an experiment (Study 2) shows that consent to cookie tracking increases consumers internal attribution of the price change, increases fairness perceptions and, in turn, purchase intent.

Keywords: *GDPR; price discrimination; attribution theory*

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