

Inside 1to1 Privacy

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Procter & Gamble Builds Trust in E-Commerce

Have you ever wished there was one Web site where you could direct any employee or consumer anywhere in the world to get up to speed on personal privacy protection?

Sandy Hughes of the Procter & Gamble Company may have granted your wish.

With a steady stream of phishing attacks against its brands, consumer agility with email and the Internet has also become a bottom-line factor at P&G. To help meet both objectives, Hughes, CIPP, has launched one of the most innovative consumer-education Web sites in the privacy space.

"Protecting our consumers means more than providing them with a consumer privacy policy, said Hughes, Global Ethics, Compliance and Privacy Executive. "Our goal is to be in touch with our consumers and educate them on how to protect their personally identifiable information online."

To understand how privacy has become integral to the consumer-goods conglomerate, some background about the Cincinnati, Ohio-based company is needed. James Gamble and William Procter founded P&G in 1837 to sell soap and candles. Since then, the corporation has grown to employ 138,000 in 80 countries, and generates \$76 billion in annual revenues. According to the P&G annual report, 23 of its globally known brands top \$1 billion in annual sales. The company estimates that its products are used three billion times each day by 200 million people in 180 countries.

Hughes told *INSIDE 1to1: Privacy* that P&G's CEO summarizes the company's sales strategy with one imperative: "the consumer is boss." To this end, P&G aims to win the "first moment of truth" in the store where the shopper is looking at a shelf stocking both P&G and competitor products. The company also strives to win the "second moment of truth" when the consumer uses the product. Part of prevailing in these key moments is building trusted relationships with end consumers.

"Trust is a cornerstone of our corporate mission," says CEO A.G. Lafley on P&G's Global Online Privacy Statement. "P&G is committed to maintaining your trust by protecting all personal information collected online."

P&G's Chief Operating Officer, Bob McDonald, is the corporate sponsor of the privacy program and is personally involved.

With backing like this, P&G has taken a leadership role in privacy outreach. The company was one of the first to join the U.S.-EU Safe Harbor program when it was seen as highly risky. Hughes also championed industry efforts to develop privacy standards for Radio Frequency Identification. Beginning next month, Hughes will take over as President of the IAPP.

"P&G strives to be a leader in all areas of our business including marketing, innovation, and now privacy," stated Hughes. "Senior management is extremely supportive of this work because it affects our consumers, as well as our bottom line."

Deploying a consumer-education Web site was a logical progression for P&G's privacy program. When Hughes first saw a need for a one-stop-shop for people to learn how to protect themselves and their families from privacy threats, she couldn't find a Web site that contained all the information she was looking for. So Hughes developed her own content and began contacting entities such as TRUSTe, the Better Business Bureau, the Direct Marketing Association, and the Federal Trade Commission to get permission to link the content in her Personal Privacy Tips Web site to their sites.

One part of the P&G site, for example, coaches people on what to zero-in on in a privacy policy. Other parts of the site dispel myths and generally attempt to reduce the fear of the information society.

Where does Hughes plan to take the site?

"On my list for future articles are topics such as understanding privacy on social networking sites, tips for parents on protecting and educating their children, and whatever other topics readers suggest to us via our 'contact us' feature."

The next time you're dropping household goods into your shopping cart, ask yourself why you've just chosen the more expensive, known brands. By doing so, you may discover another way quality and privacy are part of your own company's future.