

Privacy as a competitive advantage

03/12/2021 Porsche is strategically developing the issue of privacy to deliver commercial and enhanced customer experience results. Christian Völkel, Chief Privacy Officer & Director Group Privacy at Porsche AG, offers an insight into the topic.

Porsche considers the digital self-determination of its customers to be of the utmost importance to ensure the company's success in the digital age. The entire automotive industry is in the midst of a far-reaching change process on the data highway. This has also had an impact on the types of privacy hitherto used in the corporate environment. In order to meet the new demands, the sports car manufacturer has anchored the strategic orientation of privacy, with a focus on products and customers, as a separate strategic area in its Corporate Strategy 2030. The cornerstones of Porsche's new privacy strategy, 'Privacy – Accelerating Dreams & Innovation', were recently approved by the Executive Board, which means that the strategy will be taken into account in the future development of products and services.

Why is Porsche adopting a new privacystrategy?

The self-image of the Porsche brand is characterized by the high degree of freedom and confidence

embodied by the Porsche product: 'The car that nobody needs but everybody wants.' The aim is to transfer this product standard into the digital age. In the future, customers will measure their freedom, and the expression of their personality, not just in terms of their cars' exclusivity, performance and cornering downforce. Another yardstick will be their degree of self-determination in using digital products and customer data. Maintaining customers' digital self-determination will be important to the company's success in the digital age. The aim is to maintain the high level of trust in the brand in the digital realm as well.

Privacy has always been a high priority at Porsche over the years. However, the degree of privacy in products and services has always depended heavily on individual product decisions. On the one hand, we have launched products and services with a very high level of privacy. On the other hand, we also launched initiatives that – in full compliance with legal requirements – fulfilled privacy, but left it rather in the background in view of the customer interest level. This is now set to change and go beyond meeting compliance standards. Digital security and privacy can certainly be seen as a USP: taking a look at one or two tech giants, 'privacy' is actually a prime-time strategic priority for them.

Strategic vision and mission

A key component of Porsche's privacy strategy is the definition of its vision and mission: in the future, trust in the brand should be characterized not only by the quality of the products and services, but also by the positive feeling enjoyed by customers who are firmly in control of their own data. Porsche is an expression of freedom, 'the brand for those who follow their dreams', and this freedom should also be expressed in digital business models. The company also aims to live up to this exacting standard when it comes to privacy: "With 'Privacy made by Porsche', we want to accelerate dreams and innovations through data-driven business models and a high level of data availability. Our vision is 'Privacy – Accelerating Dreams & Innovation'", says Lutz Meschke, Deputy Chairman of the Executive Board of Porsche AG and Board Member for Finance and IT.

The privacy strategy is intended to enable Porsche to jointly facilitate innovations and make customers' dreams come true in its core markets – on a global scale while taking local requirements into account. A further objective of the Porsche Privacy Strategy is to combine data-driven innovation, the ethical handling of data and compliance with legal requirements. The focus, as always, is on the customer.

Elaborating the strategic dimensions for privacy

Privacy is complex and not one-dimensional. Porsche has therefore defined its privacy strategy in multidimensional terms and divided it into four perspectives. The first perspective corresponds to the overarching functions of Corporate Strategy 2030. The second perspective is defined by the corporate values. The third consists of well-known privacy principles, based on the OECD Fair Information Principles and the traditional privacy objectives. The fourth perspective covers the privacy organization itself. A sound privacy strategy makes it possible to meet the requirements of customers and markets

and to accelerate activities on the data highway in a targeted and harmonized manner. Porsche sees privacy as a way to accelerate digitalization initiatives.

How is Porsche putting the privacy strategy into practice?

'Porsche drives dreams' – the company will improve the Privacy User Interface in its cars from generation to generation. The first all-electric Taycan sports car was a big leap in this regard and this will continue in future models. The customer is given full transparency and control over data processing in the vehicle, with simple controls for privacy settings. 'The customer is in the driver's seat'

'Porsche drives innovation' – the company aims to increase data availability in various data-relevant application areas such as traffic safety and digital services. The privacy strategy supports the balance between local and central data storage. The benefits of digitalization are explored and Privacy by Design is seen as a key innovation driver for more customer sovereignty. At the end of the day, the focus is on people. That's why the company includes not only its customers and employees, but also all its stakeholders in its strategic goals. Digital transformation with privacy in mind will shape the organisation. It is important for Porsche that its goals are not only communicated, but also experienced and taken onboard.

Conclusion

The self-determined handling of data already plays a major role across Porsche's different customer groups, and this will be increasingly important. Porsche believes in the future viability of privacy, including as a competitive advantage, and will communicate privacy to its customers both boldly and with a pioneering spirit.

Info

Text: Christian Völkel, Chief Privacy Officer & Director Group Privacy at Porsche AG

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Consumption data

Taycan Turbo S (Predecessor model)

*Further information on the official fuel consumption and the official specific CO_2 emissions of new passenger cars can be found in the "Leitfaden über den Kraftstoffverbrauch, die CO_2-Emissionen und den Stromverbrauch neuer Personenkraftwagen" (Fuel

Consumption, CO_2Emissions and Electricity Consumption Guide for New Passenger Cars), which is available free of charge at all sales outlets and from DAT (Deutsche Automobil Treuhand GmbH, Helmuth-Hirth-Str. 1, 73760 Ostfildern-Scharnhausen, www.dat.de).

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