



NEWS RELEASE

Cisco's 2025 Data Privacy Benchmark Study: Privacy landscape grows increasingly complex in the age of AI

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News Summary

- The Cisco 2025 Data Privacy Benchmark Study reveals increasing trust in global providers to protect and secure data
- 86% of respondents support privacy legislation, recognizing its positive impact on business operations
- While 96% confirm that privacy investments provide returns exceeding costs, organizations anticipate resources and spending will likely shift to AI in the coming year
- AI familiarity is rising, with 63% being very familiar with Generative AI, but concern for unintended risks continue

SAN JOSE, Calif., April 2, 2025 /PRNewswire/ -- **Cisco (NASDAQ: CSCO)** today unveiled its 2025 Data Privacy Benchmark Study, offering a comprehensive analysis of privacy trends and their profound implications for businesses worldwide. As data privacy remains critical to establishing business value and trust, the study uncovers a complex landscape where the demand for local data storage intersects with reliance on global providers' expertise. Conducted across 12 countries with insights from 2,600 privacy and security professionals, the eighth edition Data Privacy Benchmark Study demonstrates the growing importance of establishing solid data privacy foundations to unleash the full potential of AI.

"Privacy and proper data governance are foundational to Responsible AI," said Dev Stahlkopf, Cisco Chief Legal Officer. "For organizations working toward AI readiness, privacy investments establish essential groundwork, helping to accelerate effective AI governance."

Concerns around safety and security drive data residency decisions

Despite increased operational costs of data localization, 90% of organizations see local storage as

inherently safer, while 91% (up five percentage points year-over-year) trust global providers for better data protection. These dual data points reveal today's complex privacy landscape: global providers are valued for their capabilities, but local storage is perceived as safer.

"The drive for data localization reflects rising interest in data sovereignty," said Harvey Jang, Cisco's Chief Privacy Officer. "Yet, a thriving, global digital economy relies on trusted cross-border data flows. Interoperable frameworks such as the Global Cross-Border Privacy Rules Forum will play a vital role in enabling growth while effectively addressing crucial privacy and security concerns."

Building Trust Through Compliance: The Business Advantage of Privacy Laws

Privacy legislation remains a cornerstone of customer trust, with 86% of respondents noting a positive impact on their organizations, up from 80% last year. Despite the costs associated with compliance, a resounding 96% of organizations report that the returns significantly outweigh the investments.

This sentiment is echoed by the increasing consumer awareness and confidence in privacy laws mentioned in the [2024 Cisco Consumer Privacy Survey](#), where most global consumers (53%) said they are aware of their country's privacy laws. Among those aware, 81% feel confident in their ability to protect their data, compared to just 44% of those unaware of such laws.

Privacy: The Cornerstone of Responsible AI in the GenAI Era

As familiarity with AI increases—63% of respondents are now very familiar with Generative AI (GenAI)—concerns remain steady year-over-year. Despite many organizations reporting significant business gains from GenAI, data privacy is still a major risk. Notably, 64% of respondents worry about inadvertently sharing sensitive information publicly or with competitors, yet nearly half admit to inputting personal employee or non-public data into GenAI tools. This gap highlights the need for tools like [Cisco's AI Defense](#) which safeguard against the misuse of AI tools and data leakage.

In turn, there is an increased focus on investing in AI governance processes among respondents, where an overwhelming 99% of respondents anticipate reallocating resources from privacy budgets to AI initiatives in the future. [The 2024 Cisco AI Readiness Index](#) emphasizes this trend, revealing that IT budget allocations are anticipated to nearly double in the coming year as companies work to safely deploy AI technology. Cisco will continue to monitor this shift in future research, recognizing that both privacy and AI governance play a combined role in establishing safe and reliable AI systems.

AI and Privacy: Catalysts for Business Growth and Customer Loyalty

Cisco's annual study highlights the need for organizations to balance local data storage, global expertise, and privacy in an AI-driven world. It emphasizes the need to view data governance as an essential strategic investment for aligning AI strategies with privacy, ensuring sustainable growth and consumer trust.

Additional Resources:

- Report: https://www.cisco.com/c/dam/en_us/about/doing_business/trust-center/docs/cisco-privacy-benchmark-study-2025.pdf
- Infographic: https://www.cisco.com/c/dam/en_us/about/doing_business/trust-center/docs/cisco-privacy-benchmark-study-infographic-2025.pdf
- Blog: <https://blogs.cisco.com/security/unlocking-the-privacy-advantage-to-build-trust-in-the-age-of-ai>

- Trust Center Landing Page: <https://www.cisco.com/c/en/us/about/trust-center/data-privacy-benchmark-study.html>

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