Online Behavioural Advertising: Consent in the Face of Technological Evolution

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Why Interest-based Advertising?

- Internet’s economic model: eliminates user fees for viewing/ using content
- Interest-based advertising is more than twice as effective at converting users who click on the ads into buyers (6.8% conversion vs. 2.8% for run-of-network ads) *Source: NAI, 2010.*
- Consumer desire for relevance
Why Self-Regulation?

- Creepiness factor
- Users benefit because OBA results in more interesting, relevant, and useful advertisements
- The Office of the Privacy Commissioner of Canada (OPC) has issued specific guidelines on OBA:
  - *Privacy and Online Behavioural Advertising*
  - *Policy Position on Online Behavioural Advertising*
  - Multiple OPC Reports of Findings, pending research
Why Ad Choices?

- Implementation of this self-regulatory regime allows advertisers to continue using OBA as an important and effective tool.

- Program framework based on six key principles:
  - Education
  - Transparency
  - Consumer Control
  - Data Security
  - Sensitive Personal Information
  - Accountability
How Does Program Function?

Natural Gas is the best energy for Ontario's future.

Learn More

ONGA
Ontario Natural Gas Alliance

THE HOME DEPOT

REALLY BIG
APPLIANCE EVENT
TWO WEEKS ONLY
MAR. 28 – APR. 10, 2013
SHOP ALL
How Does Program Function?

These 16 participating companies have enabled interest-based ads for this web browser.

Click the company name to find out more about a participating company. To opt out from interest-based ads by one or more companies, check the box(es) in the "Select" column next to the company name(s), and then hit the "Submit your choices" button. You can also use click the "Select all shown" box to pre-check all the listed companies before you hit the "Submit" button.

Submit your choices for the selected companies stores your opt out preference(s) to interest-based advertising in your browser. Learn More

Casale Media
Chango, Inc.
Datalogix, Inc.
DataXu Inc.

Break Media
http://www.breakmedia.com

Break Media is a leading creator, publisher, and distributor of digital entertainment content including video, editorial, and games. The company's properties include the largest humor site online-Break.com—as well as Made Man, Game Front, Holy Taco, Screen Junkies, Caga Potato, All Left Turns, Chickipedia, and Tu Vez. The Break Media Creative Lab is an in-house production studio creating original videos that range from award winning branded entertainment to celebrity-driven web shorts to viral one-offs. The Break Media Network represents hundreds of publishers as one of the largest video advertising networks online reaching more than 140 million visitors each month.

To learn more about how we collect and use information for online advertising, please visit http://www.breakmedia.com/privacy-policy/
Ad Choices: Over 1.5 years later

- 60+ organizations registered to the program
- 480+ million PSA ad impressions for awareness campaign
- 2+ million page views since launch
- 950,000+ unique visitors to www.youradchoices.ca or www.choixdepub.ca
Benefits of Membership

% COMPLETELY AGREE/AGREE

Comfort level increases 10% when consumers are aware of Ad Choices Program Icon

I am comfortable that my online browsing data is collected to show me ads relevant to my interests, if the advertiser is transparent and I have the opportunity to opt-out.

I appreciate personalized recommendations made by online shopping sites based on my past purchases.

Consumers aware of the Ad Choices Program Icon are more comfortable with more personalized information in an e-commerce environment.
The Mobile Canadian Consumer

- In 2014, Canadians spent:
  - Approx. **39 hours**/month browsing the web with a **desktop or laptop**
  - Approx. **75 hours**/month browsing the web on a **mobile device**.


- **2 out of 3 Canadians** (65.7%) will use the Internet on their mobile phones **by 2018**.

  Source: eMarketer
Looking Ahead

✓ New Executive Director
✓ Program growing worldwide
☐ Mobile friendly site
☐ AppChoices

- Canadians who own smartphones & tablets are spending about 43% of their overall online time within an app
  Source: comScore report 2014
- 76% are more likely to check websites and apps for a privacy certification or seal
  Source: TRUSTe, Privacy Index, 2014
- Two-thirds of mobile media users say transparency about app data collection, sharing is important
  Source: eMarketer, 2015
Opt-in vs. Opt-out Consent

- OPC Privacy and OBA Guidelines
- CMA Code of Ethics
- DAAC Principles
- PIPEDA Preamble
Key Takeaways

1. Interest-based advertising is 2x as effective as normal advertising & is key to supporting free web services

2. Ad Choices self regulatory program designed to help advertisers comply with OPC’s Guidelines on OBA

3. Ad Choices icon boosts consumer trust and is important for both online and mobile environments

4. PIPEDA envisioned both Opt-in and Opt-out consent mechanisms to promote Privacy and eCommerce
Resources

- CMA OBA Study/ Infographic
- DAAC website
- OPC Guidelines on OBA
- OPC Guidelines for Online Consent
THANK YOU !