Implementing the New Industry Online Behavioral Advertising Program
The Initial Call to Action
“These guidelines are a direct response to the call by the FTC. I commend the coalition’s efforts to bring together many diverse industry players to address privacy.”

Jon Leibowitz
FTC Chairman
The Digital Advertising Alliance

www.aboutads.info
I guess I would say that the business community really has it in its hands to avoid regulation, it just has to step up to the plate.

Jon Leibowitz
Chairman, Federal Trade Commission
Do Not Track Proposals…

- Microsoft
- Mozilla
- Google
- Apple
Senator John Kerry (D-MA)  Senator John McCain (R-AZ)

Commercial Privacy
Bill of Rights
Overview of Industry Self-Regulatory Program
Overview of Self-Regulatory Program

- Self-Regulatory Principles for Online Behavioral Advertising released July 2009
- Advertising Option Icon announced & registration begins October 4, 2010
- Consumer Choice page launched November 2010
- Coalition turns to operational implementation, outreach and education, and enforcement
DAA Establishes 7 Self-Regulatory Principles

- Education
- Transparency
- Consumer Control
- Data Security
- Material Change to Existing OBA Policies & Practices
- Sensitive Data
- Accountability
OBA Is Broad, Covering Many Strategies

“The practice of collecting data from a particular computer or device regarding Web viewing behaviors over time and across non-Affiliate Web sites for the purpose of using such data to predict user preferences or interests to deliver advertising to that computer or device based on the preferences or interests inferred from such Web viewing behaviors.”

Not considered OBA:
- Data collection for research purposes
- Gathering of data for use on one’s own site or affiliate sites
- Ad delivery (ad serving pixels)
- Ad reporting (Google Analytics)
- Contextual advertising
Who Is Covered By The Program?

**First Parties:** Entities that own a Web site or have “Control” over the Web site with which the consumer interacts and its Affiliates.
- Web Site Publishers
- Web Site Operators

**Third Parties:** Entities that engage in OBA on a non-Affiliate’s Web site.
- Advertising networks
- Data Companies (Ad Exchanges and Data Aggregators)
- In some cases, Advertisers

**Service Providers:** Entities that collect / use data from all or substantially all URLs traversed by a web browser across Web sites for OBA. Service Providers may provide:
- Internet access
- Search capabilities
- Web tool bars
- Internet browsers
- Desktop applications
- Software, or other similar services
Transparency And Control Come In The Form Of The Icon

In Ad Notice

Website Notice
User Experience
Advertiser Icon Implementation Options

- Advertiser controls the delivery of the icon by leveraging one of the three DAA approved vendors

- Advertiser works with Network/Publisher partners to ensure the icon is being displayed

- Advertiser hard codes the icon into the creative and builds the notice to link to the [www.aboutads.info](http://www.aboutads.info) opt-out page
Advertiser Controls The Delivery Of The Icon By Leveraging An Approved Vendor

- Ability to brand the user experience and control the messaging the user sees and reads

- Allows the user to opt-out of multiple networks/technologies from that the advertiser uses from one screen
Publisher/Network Controls The Delivery Of The Icon

- The publisher/ad network brands the experience NOT the advertiser

- User can only opt-out of that specific Publisher/Ad Network and then opt-out of other through www.aboutads.info site
Advertiser Builds Icon Into Creative

- Advertiser will also need to build the notice page informing users that data is being collected and used.

- Advertiser will either need to build and facilitate an opt-out mechanism or provide a link to www.aboutads.info.
Roles & Responsibilities
Everyone needs to educate their clients and partners and encourage adoption of the self-regulatory program
<table>
<thead>
<tr>
<th>Entity</th>
<th>Roles &amp; Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creative Agency</td>
<td>Ensure that a corner of the creative is free from any logos, calls to action or text. Icon can be hard coded into the creative but it most instances to date it is dynamically overlaid.</td>
</tr>
<tr>
<td>Media Agency</td>
<td>Determine which parts of the media plan are OBA. Include the delivery of the icon into the ad operations and trafficking process.</td>
</tr>
<tr>
<td>Agency + Technology</td>
<td>Determine which parts of the media plan are OBA. Include the delivery of the icon into the ad operations and trafficking process. Ensure that users have the ability to opt-out of your technology either through <a href="http://www.aboutads.info">www.aboutads.info</a> or one of the 3 approved vendors.</td>
</tr>
<tr>
<td>Advertisers</td>
<td>Enable the delivery of the icon by instructing the creative agencies to leave a corner of the creative open for the icon. Instruct the media agency to deliver the icon and own the user experience and messaging as to how consumers will interact with the icon and the brand.</td>
</tr>
</tbody>
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Approved Providers

- The Self-Regulatory Program recognizes companies providing services, technologies, and solutions to assist participating companies in compliance with the Principles.

- These services are used to deliver the Advertising Option Icon, notice, and a link to a consumer choice mechanism.

- Companies are not required to use the services of an approved provider, but may elect to do so as means to comply with Principles.

- DoubleVerify, Evidon, and TRUSTe have been recognized as Approved Providers.
Cost Implications
Cost Implications: 2 Main Costs

- **Icon License Fee**
  - $5,000 fee paid to the Digital Advertising Alliance
  - Fee is paid by the corporate entity and can be used across all brands, products and lines of business
  - If an Agency has its own media technology and operates an opt-out there is an additional $10,000 fee for being listed on the [www.aboutads.info](http://www.aboutads.info) opt-out page

- **CPM Fee**
  - 3 vendors are approved by the DAA to serve the icon
  - Each one charges a CPM to enable the delivery of the icon and management of the opt-out process
Enforcement: The Time is Now
CBBB/DMA Enforcement Has Started

What you need to do:
- License icon from DAA (aboutads.info)
- Networks, et. al. – get listed on DAA opt-out page
- Get icon on every OBA ad/page
- Deliver notice and choice through icon

- Compliance status letters being sent
- 4A’s Members need to be in compliance now or have a plan for coming into compliance
Compliance Monitoring

- Monitoring Technology provided by Evidon
- Complaints from consumers, competitors, privacy advocates and academics
- Academic research
Accountability/Process…

- Notify covered business of inquiry
- Ask for evidence of compliance
- Review data
- Make compliance recommendations
- Issue public decision
- Refer instances of uncorrected non compliance, or refusals to participate in process, to appropriate government agencies
Company alleged to have offered consumer an opt-out that expired after 10 days

Covers data that can be associated with a Chitika user or user’s device, including IP address
Chitika Opt-Out Settlement

Reporting to FTC for 20 years & requires

- Hyperlink in ads to opt-out
- Affirmative action by consumer before redirecting to third party site
- 5 year minimum period
- Opt-out of collection for the purpose of delivering targeted ads
- Disclose current status of opt-out
- Disclose choice specific to browser used
Sources for Additional Information

- Digital Advertising Alliance
  - www.aboutads.info

- Approved Vendors
  - www.evidon.com
  - www.truste.com
  - www.doubleverify.com

- Accountability Mechanisms
  - www.bbb.org
  - www.the-DMA.org
Questions