

Consumer Privacy, Data Protection and Online Ad Targeting

Fuor Digital Stance

Fuor Digital whole heartedly believes consumer privacy to be an extremely serious and important issue. We will continuously evolve with the solutions necessary to ensure the integrity and safety of our clients' digital media.

Introduction

It is almost impossible to avoid the raging debate in today's press surrounding online ad targeting and marketers' use of consumer data. The senate is currently addressing concerns in consumer privacy through data collection and application of this tracked consumer information. Such legislation could potentially change the face of digital marketing as we know it. Although a more prevalent discussion in the past few months within mass media, Fuor Digital has positioned this debate as an internal priority for the past year and a half and implemented various solutions to further ensure the safety and non-intrusion of our clients' media.

This document will address the specific initiatives Fuor Digital employs and will continue to execute on our clients' behalf in regards to this industry wide issue. In order to provide context around Fuor Digital's Consumer Privacy, Data Protection and Online Ad Targeting policy, we feel it is important to provide some background on targeting techniques employed in the industry and sources of data that is being used for some of this targeting.

Online Media Targeting / Targeting Technology

The web is a constantly changing and evolving environment. To remain up-to-date with the most current and emerging technology, the ad industry must also evolve on a consistent basis. Advertisers strive to reach consumers with the most relevant messaging during their online activities, therefore enhancing user experiences on the web. Advertisers are able to accomplish this relevancy by utilizing numerous advanced technologies that enable what we in the industry call advanced targeting. There are six primary forms of targeting as defined below:

Contextual Targeting: Contextual targeting is when an advertisement is running "in-context" with the content that is being consumed.

Example: When someone is watching an instructional guitar video on YouTube, they may receive an advertisement for guitar lessons or a guitar tuner.

Geographic Targeting: Geographic targeting is when an advertisement is delivered and/or customized to an individual's geographic location at the time of viewing.

Example: If someone is in Chicago watching an instructional guitar video on YouTube, they may be served an advertisement for guitar lessons at Chicago's Old Town School of Folk Music in Chicago.

Registration Targeting: Registration targeting is the ability to deliver an advertisement to a specific set of people based on information that they have registered with a website.

Example: If a user is on Yahoo.com and they have indicated to Yahoo that they are a Male aged 19, we may serve them an Axe body spray advertisement.

Re-Targeting: Re-targeting, or "re-marketing" as Google likes to call it, is the ability to deliver an ad to someone who has visited a given website, typically the advertiser's website.

Example: If someone has visited my website and I am a purveyor of lamps, I may arrange a media buy with Yahoo.com so that when that person is found on Yahoo.com, I can serve them an advertisement to try and bring them back to the store to purchase.

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Behavioral Targeting: Behavioral Targeting uses anonymous information collected on an individual's web browsing behavior, such as the pages they have visited or the searches they have made, to select which advertisements to serve that individual.

Example: If someone has been to Cars.com looking for a luxury vehicle, then goes to the Auto section of Yahoo.com, spends some time shopping around Ebay Autos, then goes to the Yahoo.com home page, we may serve that individual a Lexus ad because they are showing a high probability of being in the market for a new luxury vehicle.

Data Targeting: Data targeting is the use of third-party data sources (more on these sources later) to deliver an advertisement to an individual based on third-party data sources.

Example: For instance, someone who is on Yahoo.com may see an advertisement that is only relevant to them and people like them based on their discretionary spending profile compiled from offline data providers such as Acxiom, Experian and Equifax.

Discussion Clarification

We believe some recent articles and discussions have offered vague clarification on what consumer information is being captured by marketers and left many to believe that Personal Identifiable Information (PII) is being passed through media campaigns. It is imperative to understand that all targeting, including data targeting is done **anonymously**. More specifically, publishers and or digital technologies DO NOT provide or have access to information such as; names, addresses, gender, age, social security numbers, bank account or credit card information, from media tracking. Publishers only store this type of information if a consumer has voluntarily registered and provided this data to the website and even then, advertising tracking has no ability to access this information. Tracking tags that are placed on websites and or media do not have the capability to pull personal data from a consumer's computer. To clarify even further, tracking tags can only be used to understand a user's web site activity. From site usage activity data, digital technologies are only drawing "conclusions" about consumers and using this information to properly market to them. Some examples of conclusions that may be drawn based on website activity are; demographic information, lifestyle segmentation, purchase habits or brand affinity, or perhaps purchase intent or interest in categories such as travel, cars, homes. You can understand how valuable this information can be for a marketer to be able to reach a consumer when they are in a specific phase of the buying cycle but more importantly the opportunity to offer immense relevancy to the consumer to be marketed with specific products they are interested in.

Fuor Digital's Policy on Consumer Privacy, Data Protection and Online Targeting

As a company, we believe that the future of advertising can be enhanced through targeting. We believe in a future where all forms of media provide advertising that is addressable to the tastes, interests, lifestyles and desires of the content audience. It is our belief that this future can provide advertisers with less waste, more return on investment and a better relationship with their desired target audience. In addition, this future can provide consumers with more relevant and timely information, a less intrusive media consumption experience, and more control over the content that is delivered to them. This future can only be provided through the targeting technology and data analysis that is happening today in online advertising. While our belief is that technology and data provide the pathway to a better future for advertising, we do not believe in deceptive data collection and tracking, or in the ability of advertisers to track back to personally identifiable information (PII). Our online targeting and consumer privacy policy is as follows:

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We will continue to leverage available targeting data and technology as long as it is stripped of any personally identifiable information (PII). Unless, a) the client expressly requests to not use the available targeting capabilities, b) we cannot verify that the targeting data is anonymous (i.e. does not contain any PII), or c) the consumer has opted out of any data or behavioral targeting. Fuor Digital will remain on the forefront of the digital media and advertising industry by monitoring any and all government and industry regulations to ensure the compliance of our clients' online advertising campaigns. As of September 7th, 2010, Fuor Digital abides by the principles set forth in the "Self-Regulatory Principles for Online Behavioral Advertising" as put forth by the Internet Advertising Bureau, the American Association of Advertising Agencies, the Association of National Advertisers, the Direct Marketing Association and the Better Business Bureau.

At Fuor Digital, we believe in the power of addressable advertising and believe that a better future is one in which the consumer has control to personalize their advertisement viewing. Non-PII technology and data are the only mechanisms available to deliver on this future. That being said, we understand that this is a nascent concept in the eyes of the consumers, the press, the policy-makers and for some advertisers. Therefore we are taking the following actions to 1) ensure that our clients know what data analysis and targeting tactics are being employed on their behalf, 2) ensure that our clients can align themselves with the online advertising industry's self-governing regulations and technologies in the case of consumer, press or policy-maker backlash and 3) ensure the proper use and deployment of existing and future data analysis and targeting technologies and techniques:

- 1) **Targeting Fatigue:** In an effort to reduce the consumers' feeling stalked, harassed, or badgered by advertiser communications online, Fuor Digital will employ various targeting fatigue risk mitigation tactics such as:
 - a. Frequency capping
 - b. Creative rotation, refreshing of creative messages and ad-units
 - c. Dynamic creative messaging based on frequency and action taken
 - d. Do not employ more than one to three ad networks at any given time and ensure that those ad networks do not run overlapping technologies or data sources
- 2) **Targeting and Data Use Transparency:** Communicating clearly in our media plans which tactics are leveraging third-party data, behavioral targeting technology, re-targeting technology or any other form of targeting and data.
- 3) **Advertiser Data Privacy Protection:** Where applicable, Fuor Digital is issuing insertion orders that specify that publishers and vendors cannot use our client's campaign data that is collected for the purposes of any other advertiser or campaign. In addition, once the campaign has ended, vendors must discontinue use of the first-party data that we provide
- 4) **Complete URL Transparency:** Unless we know the final destination URL of where our ad will be running, that ad will not be run. Leveraging an ad verification system, Fuor Digital will only serve ads when the final URL is transparent and only after scanning that final URL for unsafe or unsuitable content
- 5) **Brand Safety and Protection:** Working only with vendors that employ a first line of defense for brand safety.

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- 6) **PII Firewall:** We only work with companies that have an adequate firewall between personally identifiable information and the anonymous cookies that are employed to deliver targeted advertisements.
- 7) **CLEAR Ad Notice:** Fuor Digital will work to educate our clients and their creative developers on the IAB and NAI's CLEAR (Control Links for Education and Advertising Responsibility) Ad Notice specifications. The CLEAR specifications allow advertisers and ad networks to offer a clickable icon in or near online ads that direct users to additional information about online behavioral advertising and choices about such ads. Applying the CLEAR technical specifications will require an additional cost and Fuor Digital will work with any client to apply these standards where and when budget permits.

Suggested Follow-ups and Readings

CLEAR Ad Notice Press Release

http://www.networkadvertising.org/pdfs/Clear_Ad_Notice_Tech_Specs_Release_Final.pdf

Self-Regulatory Principles for Online Behavioral Advertising

http://www.iab.net/public_policy/behavioral-advertisingprinciples

What "They" Know About You

The links in the following article provide insight into what some of the companies (including Google, Yahoo, Blue Kai and Exelate) know about you:

http://www.mediapost.com/publications/?fa=Articles.showArticle&art_aid=134571