

Companies pledge more openness about Web tracking

July 2 2009, By DEBORAH YAO , AP Business Writer

Companies that track consumer behavior online for advertising purposes are vowing to make their practices more transparent and to give people a way to decline being shadowed.

It's unclear how much of an effect the new policies will have. One consumer group said the changes don't go far enough, and that extensive profiles of people still will be collected without their complete consent.

The new guidelines, which were due to be unveiled Thursday, represent the industry's attempt at self-regulation as Congress and the [Federal Trade Commission](#) have been examining online behavioral advertising.

Companies can track consumers as they visit different Web sites, conduct searches and buy things. Over time, profiles of consumer interests can be sold to advertisers who want to pitch their products only to people most likely to be interested in them. The information collected can include a best guess at someone's ethnicity, income, educational level, age and hobbies.

The new guidelines recommend that companies tell consumers more clearly when they're being tracked, educate them on how Web tracking works and give them an easy way to opt out of being followed. According to the new policies, industry groups will monitor whether companies are breaking the guidelines and report violators to federal agencies, starting next year.

These guidelines are coming from trade associations that represent 5,000 companies. The consortium comprises the American Association of Advertising Agencies, Association of National Advertisers, Direct Marketing Association, the Interactive Advertising Bureau and the Better Business Bureau. Their members are some of the nation's largest companies, including [Google](#) Inc., General Electric Co., [Microsoft](#) Corp., Coca-Cola Co. and Procter & Gamble Co.

The groups say they are developing uniform links or a clickable icon that will take consumers from a Web site or an ad itself to a disclosure page.

The guidelines also call for companies to provide "reasonable" security for the data they collect and to limit how much data they retain. The companies are advised to get consumer approval before making material changes that would erode privacy protections. In particular, certain sensitive data such as children's personal information, financial data and medical records must have more protection.

"We think it's a very big leap forward," said Stu Ingis, a partner at Venable LLP, the law firm hired by the groups to undertake this effort.

Jeff Chester, executive director of the Center for Digital Democracy, said the online ad industry's promise to regulate itself through the new guidelines is designed to undercut the federal government's increased interest in overseeing online behavioral advertising.

"The online ad industry is terrified that finally regulators and lawmakers have woken up from a deep slumber that people's data are being collected without them being aware and in control of it," he said.

Chester said the groups should not only protect children's private information, but also teens'. And he said all health and financial data should be covered, rather than just certain kinds.

"Congress needs to create fair rules (under which) online marketing can thrive but consumers have greater control on how the information collected is being used," Chester said.

©2009 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Companies pledge more openness about Web tracking (2009, July 2) retrieved 26 April 2024 from <https://phys.org/news/2009-07-companies-pledge-web-tracking.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.