

March 25, 2011

To the Program Committee:

Datran Media appreciates the opportunity to participate in W3C Workshop on Web Tracking and User Privacy. By way of background, Datran Media is a leading digital marketing technology company that helps advertisers and publishers discover and reach their ideal audiences. Datran Media provides digital advertising solutions, audience measurement and analytics, and marketing compliance solutions. Notably, PreferenceCentral — a service developed by Datran Media — is based on the goal of offering consumers meaningful choices in digital advertising. Specifically, PreferencCentral enables companies to comply with the Industry's Self Regulatory Principles while providing consumers the opportunity to make brand-level choices, instead of just ad network choices. As such, we offer this position paper for your consideration.

BACKGROUND.

In May 2010, PreferenceCentral performed a survey of 1,050 Internet users. 1/ The survey asked consumers to state their preferences for tailored online advertising within a behavioral economic context of real world, value-for-value trade-off options. The survey revealed several interesting facts relevant here. First, Internet users are more likely to prefer targeted online ads when they are asked to make real-world, value-for-value tradeoffs, such as access to free content in exchange for targeted ads. Second, Internet users' attitudes and preferences significantly shift when consumers are provided with education about behavioral targeting or when they are offered the ability to control targeted ad exposure. We believe that this survey demonstrates that consumers

^{1/} Available at www.preferencecentral.com/consumersurvey/.



value targeted advertising, particularly when consumers receive valuable content in exchange. It also shows that this value is enhanced by offering consumers the ability to control their exposure to targeted ads.

Because of the importance of enabling these trade-offs for consumers, the goal of the Do-Not-Track mechanism should not be to block tracking, but rather to give the consumer meaningful choices about whether they want to be tracked and how the collected data can be used.

THE DO-NOT-TRACK HEADER

Datran believes that a persistent browser-based mechanism such as the Do-Not-Track browser header is the right approach to implement Do-Not-Track. The benefit of this mechanism – rather than a tool that blocks tracking – is that consumers can communicate their preferences about not being tracked directly to website publishers and technologies. Any mechanism that implements Do-Not-Track should be required to include a simple notification and override (based on consumer opt-in) that can be used by web publishers and technologies. Essentially any Do-Not-Track mechanism should be a communication platform rather. A communication platform allows publishers and technologies to tailor an appropriate choice in response to consumers' expressed preferences. For example, a website has the ability to offer free access to content if a consumer agrees to opt in to tracking or, alternatively, to require payment for access to content if a consumer rejects targeted advertisements.

We believe that this type of choice functionality appropriately balances the privacy interests of consumers with the needs of businesses. It is consistent with consumer preferences as demonstrated by our research described above, and would allow publishers to earn ad revenue or access revenue, which will support high quality website content. The Committee should eschew endorsing



all or nothing tools to enforce Do-Not-Track that would impede consumers' ability to express individualized preferences to specific publishers because publishers are in the best position to determine how to honor consumer choice.

ENABLING MARKETPLACE INNOVATION AND MEANINGFUL CHOICE.

Once a Do-Not-Track mechanism is in place, businesses will be incentivized to provide choice to consumers, and the market will dictate what choices consumers believe are meaningful. Put another way, if consumers require different or more sophisticated choice than a web publisher offers, they will go elsewhere. This will incentivize the market to develop new and better choices to consumers and to engage in best practices. Consequently, the Committee should not be overly prescriptive on what those choices will be – i.e., the Committee does not need to determine which more granular choices, such as category-level (e.g. market segments or product types) or company-level choices, should be available to consumers. The Do-Not-Track mechanism addresses the threshold privacy concern for consumers. The market should be encouraged to innovate and offer more granular choices based on consumer demand. If the approach to choices prescriptive and enables only limited choices, it could have a negative effect on the choices available to consumers and ultimately stifle innovation.

Datran's experience in developing PreferenceCentral is one example of how an appropriate Do-Not-Track mechanism can drive innovation in user privacy. PreferenceCentral offers choice to consumers across brands, rather than ad networks. This has three advantages for the consumer. First, the brand optout is honored across all ad networks so that consumers do not have to opt-out of multiple ad networks. Second, by opting out of a brand rather than an ad network, a consumer can continue to get the benefits of tracking – access to



content and personalized ads — while having control over how the collected data is used. Third, consumers find it more meaningful to make a choice over a brand rather than choosing one ad network over another. In this way, PreferenceCentral offers meaningful choice to the consumer because the consumer can continue to receive the advertisements that they want from the brands that they trust. Our research shows that brand control over ads has a meaningful impact on the consumer's experience and increases their comfort level. As long as the Committee is not overly prescriptive on how choice is to be delivered, consumer friendly services like PreferenceCentral will continue to be developed by many actors in the marketplace.

We appreciate the opportunity to be submit these comments and look forward to participating with the Committee.

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