

# GDPR EXPLAINED

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**EDAA SUMMIT**  
**28TH NOVEMBER 2017**



# GDPR EXPLAINED

01 GDPR IN CONTEXT

02 WHAT IS GDPR?

03 GETTING GDPR READY





# 01. GDPR IN CONTEXT

**DATA  
PROTECTION  
DIRECTIVE**

**1995**

**E-PRIVACY  
LAW**

**2009**

**GDPR**

**2018**

## 02. WHAT IS GDPR?

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# THE LOW-DOWN ON GDPR

**EU REGULATION**

**25TH MAY 2018**

**UPDATE TO DPD**

**PERSONAL DATA**

**CONSENT**



# WHAT IS PERSONAL DATA?

ANY INFORMATION RELATING TO AN **IDENTIFIED** OR **IDENTIFIABLE** NATURAL PERSON ("DATA SUBJECTS")

Not just PII but IP addresses & cookie ID's



## **IDENTIFIED**

"WE CAN DISTINGUISH THEM FROM OTHER MEMBERS OF THE GROUP"



## **IDENTIFIABLE**

"CAN BE IDENTIFIED DIRECTLY OR INDIRECTLY, IN PARTICULAR BY REFERENCE TO AN IDENTIFIER  
E.G. NAME, ID NUMBER, LOCATION DATA"

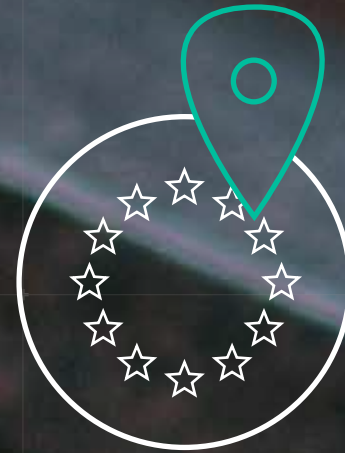


# WHERE DOES GDPR APPLY?

captify®



**THE DATA CONTROLLER  
OR DATA PROCESSOR  
IS IN THE EU**



**THE DATA CONTROLLER OR DATA  
PROCESSOR IS NOT IN THE EU BUT THE  
DATA SUBJECTS ARE IN THE EU**



# GAINING CONSENT

CONSENT IS FREELY GIVEN, SPECIFIC, INFORMED AND UNAMBIGUOUS

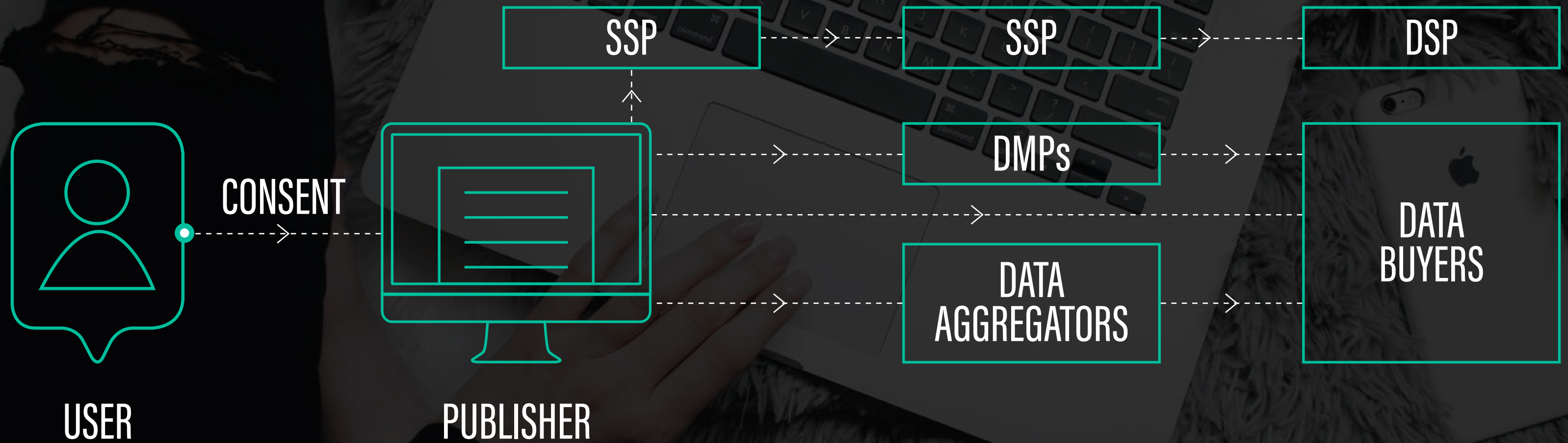
OPT-IN IS NOT SILENCED

OPT-OUT IS AS EASY AS OPT-IN

USER CONSENT MUST BE SHOWN

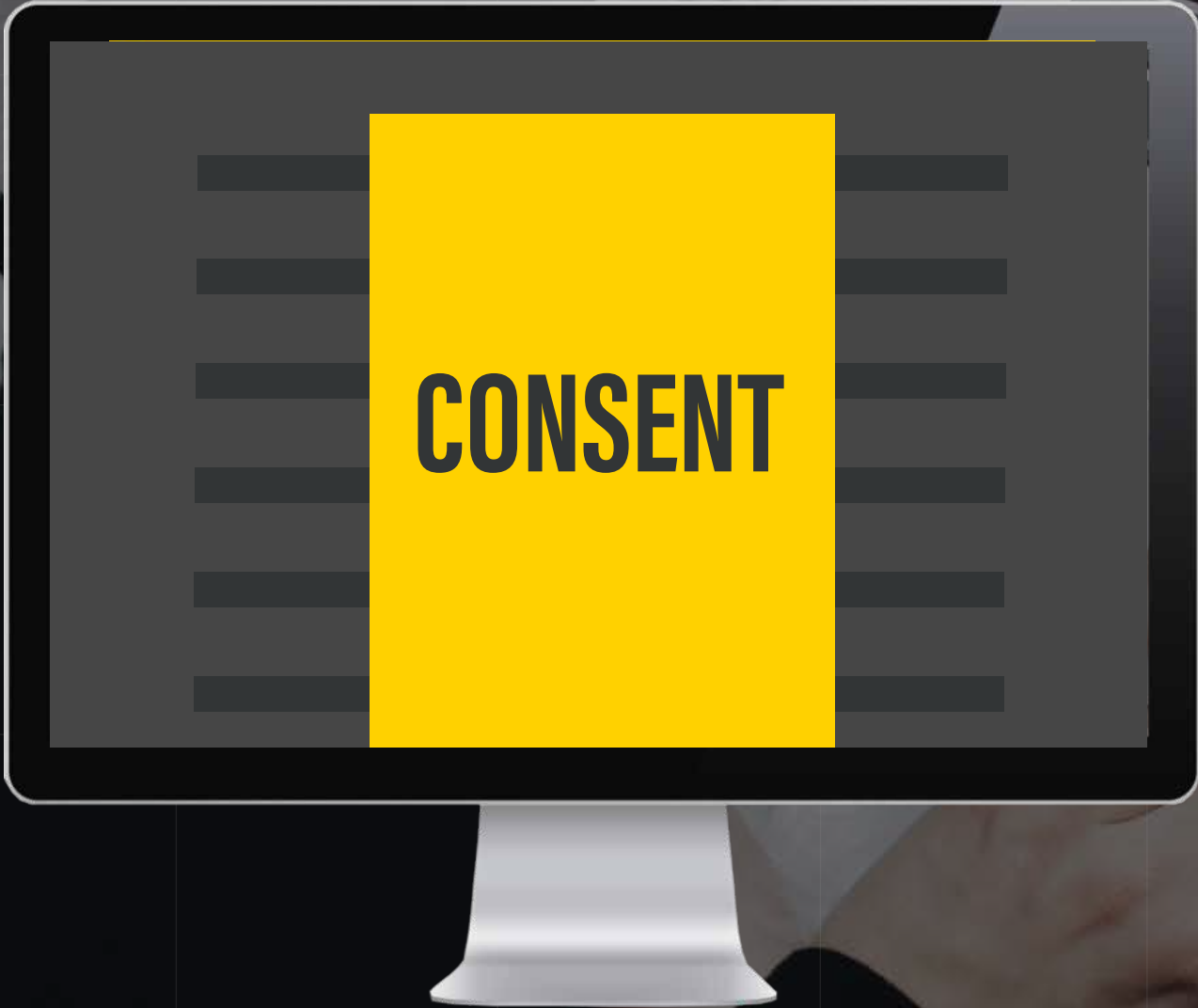


# USER CONSENT JOURNEY





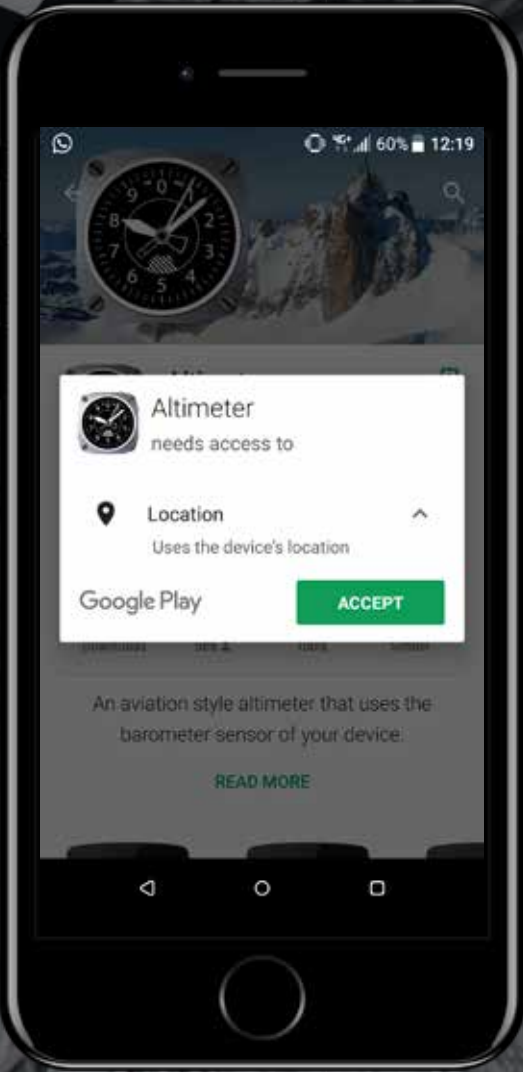
# CONSENT BY DEVICE & MEDIA TYPE



DESKTOP



MOBILE WEB



IN-APP

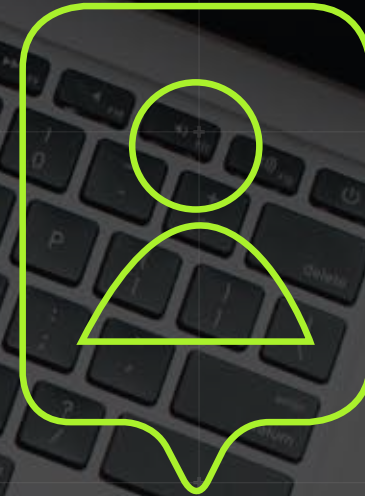


# USER RIGHTS



## EXISTING USER RIGHTS

- | ACCESS
- | RECTIFICATION
- | OBJECTION TO PROFILING  
OR DIRECT MARKETING



## NEW GDPR USER RIGHTS

- | ERASURE: THE RIGHT TO  
BE FORGOTTEN
- | PROCESSING RESTRICTIONS
- | PORTABILITY



# DATA, DATA, DATA

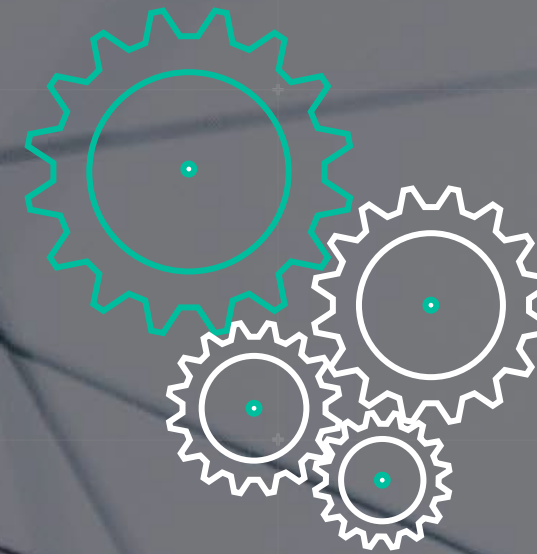
captify.

DATA  
CONTROLLER



OR

DATA  
PROCESSOR





# DATA PROTECTION OFFICER

- + ADVISE EMPLOYER/CLIENT ON DATA PROTECTION LAWS
- + MONITOR COMPLIANCE
- + ADVISE DATA IMPACT ASSESSMENTS
- + LIAISE WITH SUPERVISORY AUTHORITY



# GDPR PENALTIES

captify.

UP TO

**€20**  
MILLION

OR

**4%**  
OF TURNOVER



# 03. GETTING GDPR READY

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# CAPTIFY'S GDPR READY

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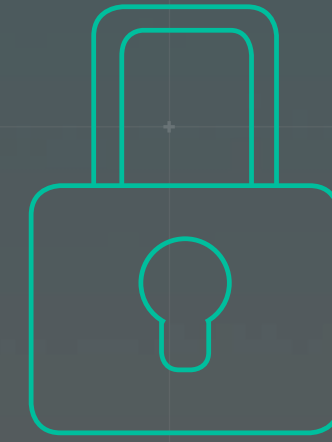
**DATA  
INVENTORY**



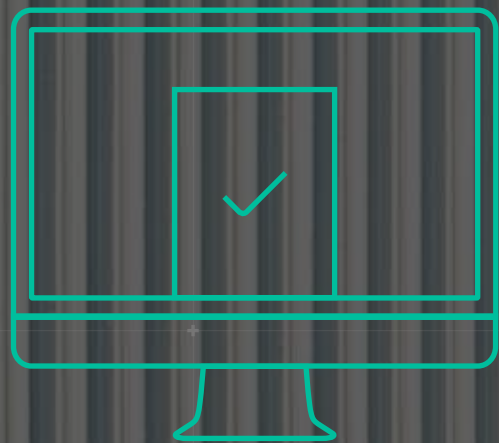
**DATA  
MAPPING**



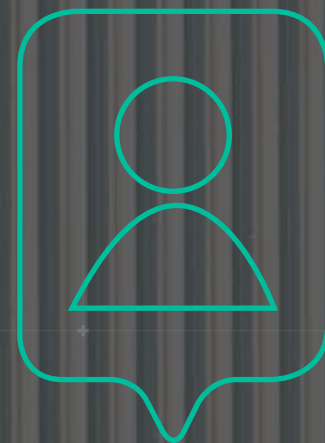
**DPIA (DATA PRIVACY  
IMPACT ASSESSMENT)**



**SECURITY**



**CONSENT  
MECHANISM**



**DATA PROTECTION  
OFFICER**



**INDUSTRY  
EDUCATION**



**CONTRACT  
REVIEWS**



**GDPR  
CERTIFICATE**



# ARE YOU GDPR READY?

- + REVIEW DATA COLLECTION & PROCESSING
- + EVALUATE PARTNERS
- + DEVELOP PROCESSES
- + INTERNAL GDPR EDUCATION
- + CLIENT DATA
- + SECURITY
- + DPO



# Q&A

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# The role of digital advertising & data for the European media ecosystem and economy

Dr. Daniel Knapp, Executive Director TMT, IHS Markit



# Agenda Today

- Presentation of results from two intersecting studies:
  - > Contribution of Digital Advertising to the EU Economy
  - > The Economic Value of Data-Driven Advertising



# Economic Contribution of Digital Advertising



# Measuring economic contribution

We measure the economic contribution of digital advertising in terms of two main metrics:

- **Gross Value Add (GVA):** a firm's turnover minus what it pays its suppliers, which can be added up and whose total sum across the economy is roughly equivalent to the economy's gross domestic product or GDP (GDP is equivalent to the sum of all industries' GVA plus taxes minus subsidies).
- **Jobs Created & Enabled** by digital advertising.

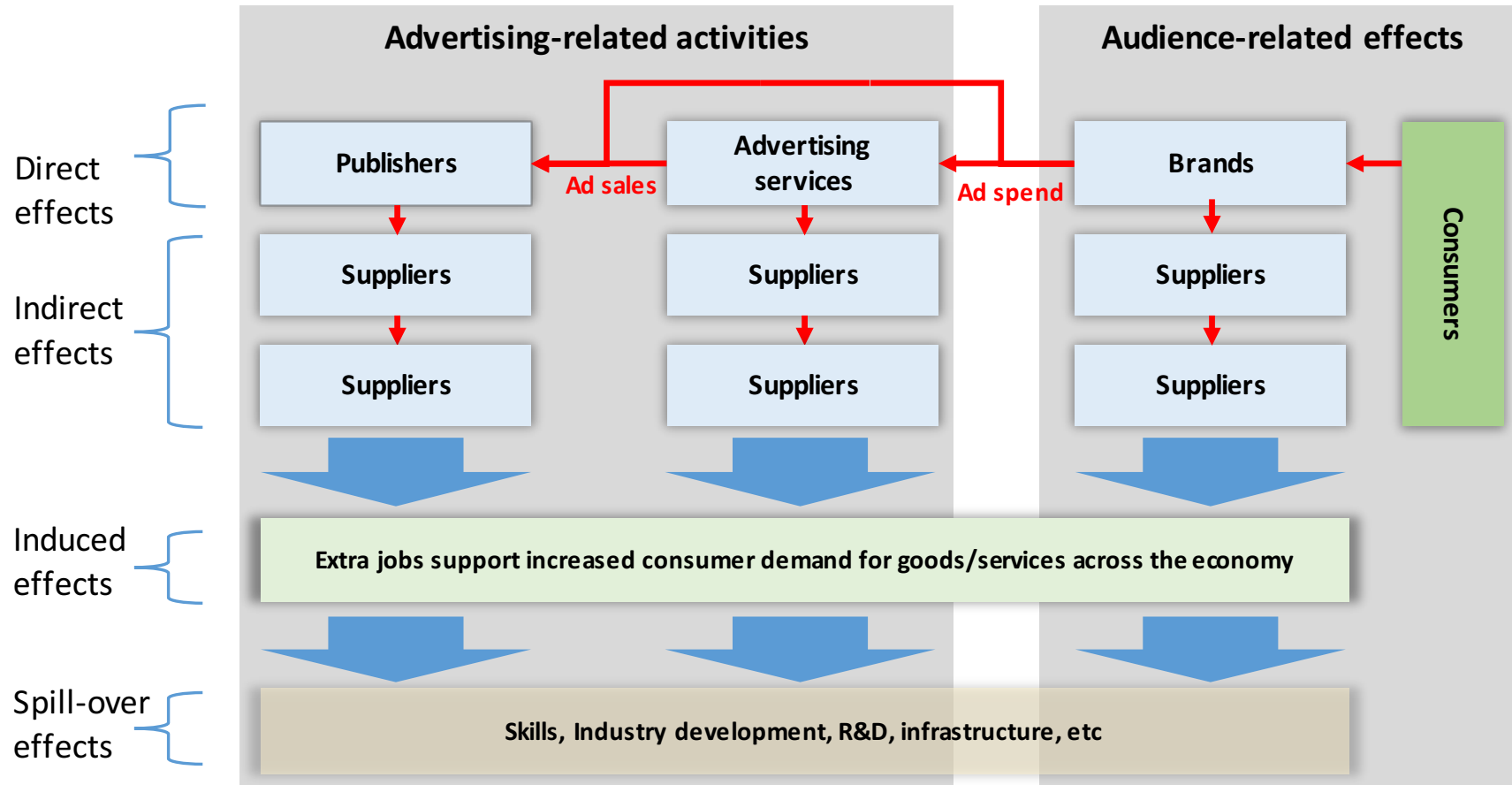


## About this study

- 2015: first attempt to quantify the economic contribution of digital advertising to the EU economy.
- Foundational method developed in 2015 study, update for 2017 release.
- Meta-analysis of third-party studies & extraction of assumptions and models for audit.
- Ingestion of multiple official statistical data sources (eg. Eurostat).
- Data relating to advertising or media content & service revenue is sourced from IHS Markit's proprietary industry databases and the joint IAB Europe Adex Benchmark report.



# Overview of economic impact flows of advertising





## Converting effect types into measures of economic contribution

Types of Effects	Nature of Effects	Measure of Contribution
Direct Effects (1)	Economic contributions from firms in the immediate advertising value chain.	Direct contribution, only taking into account direct effects (1).



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<b>Indirect Effects (2)</b>	Contributions from these firms' suppliers, their suppliers' suppliers, etc.	Extended contribution, taking into account direct effects, plus indirect and induced effects (1+2+3).
<b>Induced Effects (3)</b>	Activities that support the jobs of employees throughout this extended advertising ecosystem (1+2), who in turn spend money as consumers.	

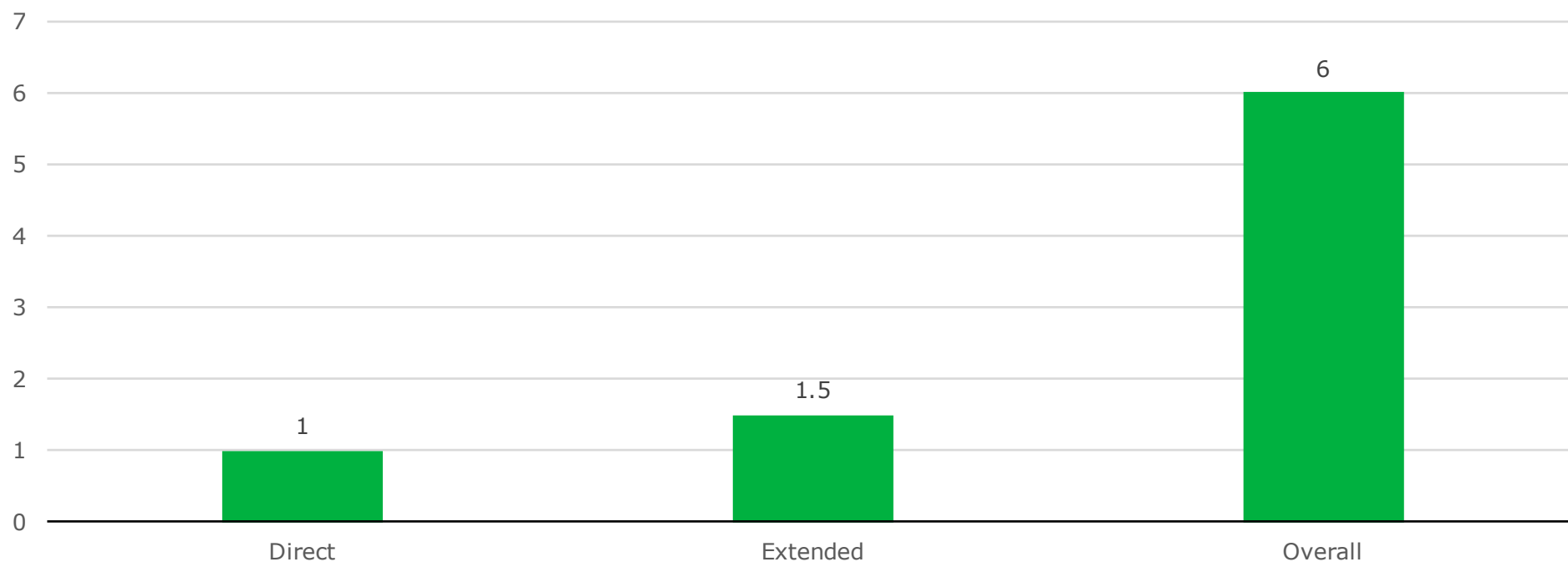
# Converting effect types into measures of economic contribution

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<b>Spill-over Effects (4)</b>	Effects <i>sui generis</i> for advertising outside the immediate value chain.	Overall contribution, adding all types of effects (1+2+3+4).

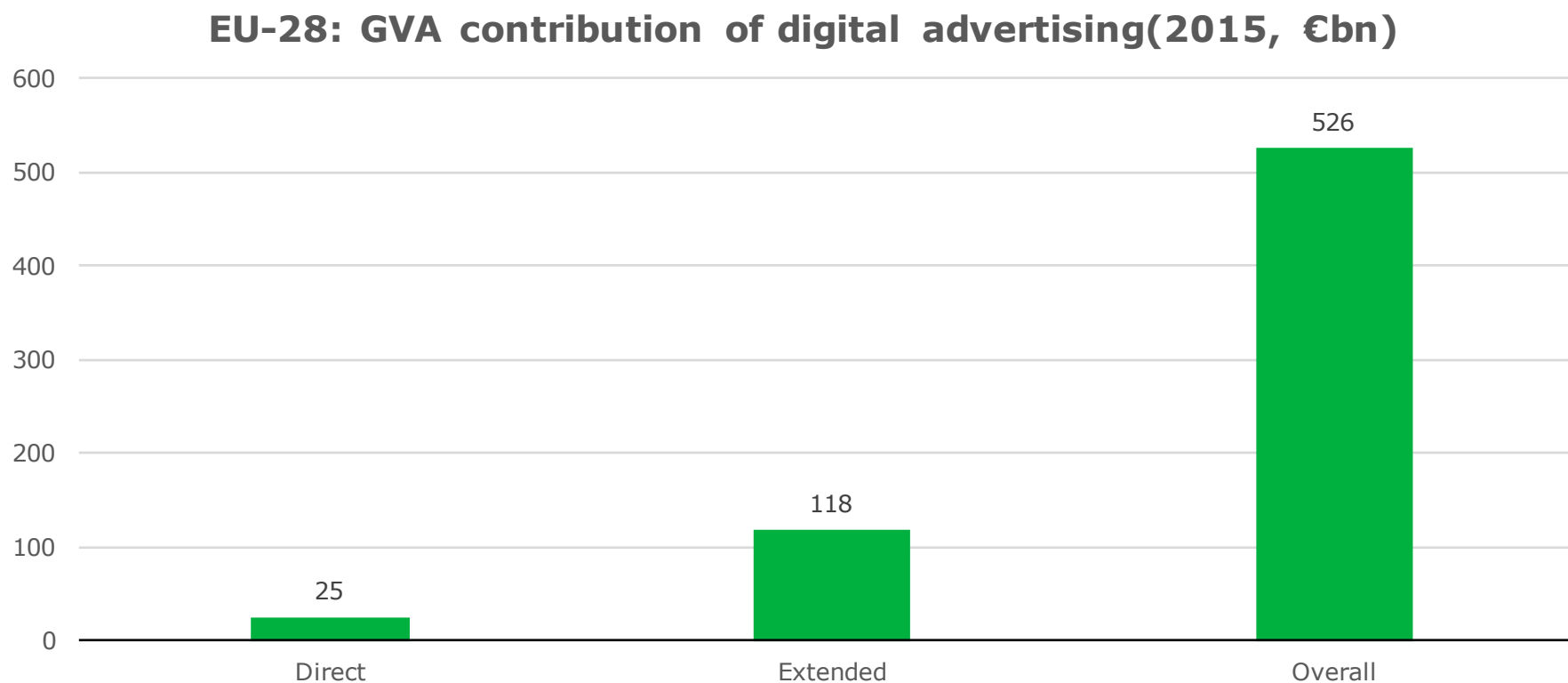


# Up to 6 million jobs in the EU are contingent on digital advertising

**EU-28: Jobs supported by digital advertising (2015, millions)**



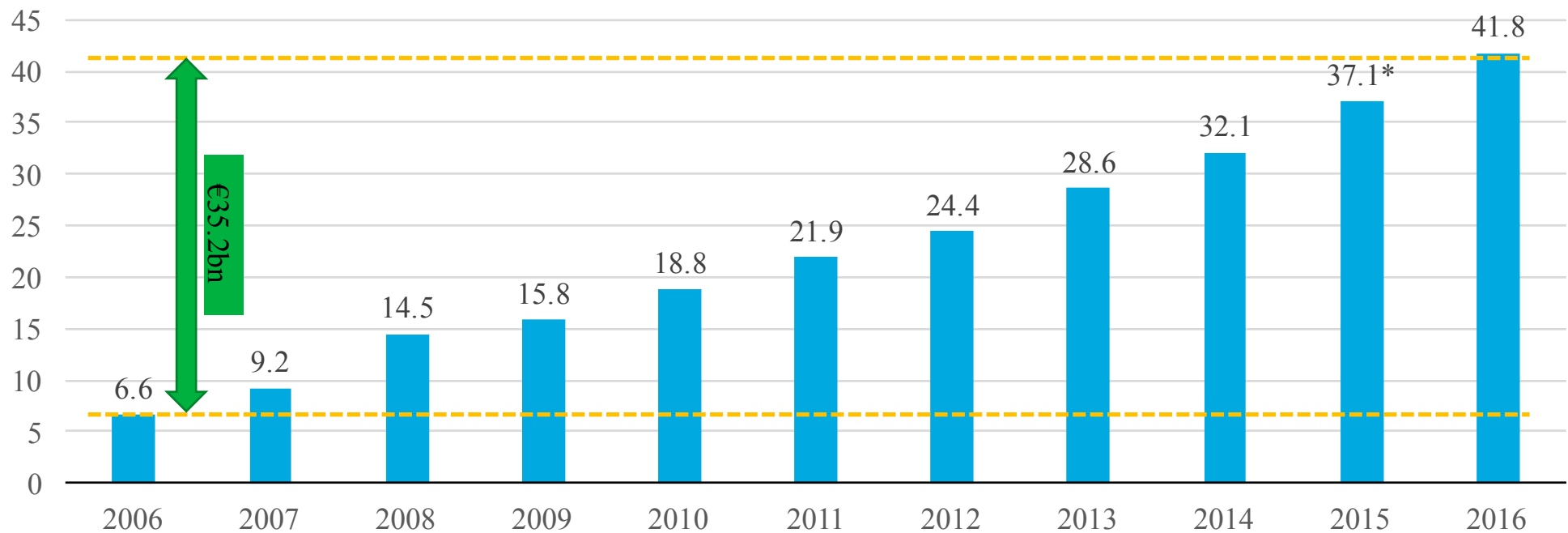
## Digital advertising contributes over half a trillion €s to the EU economy





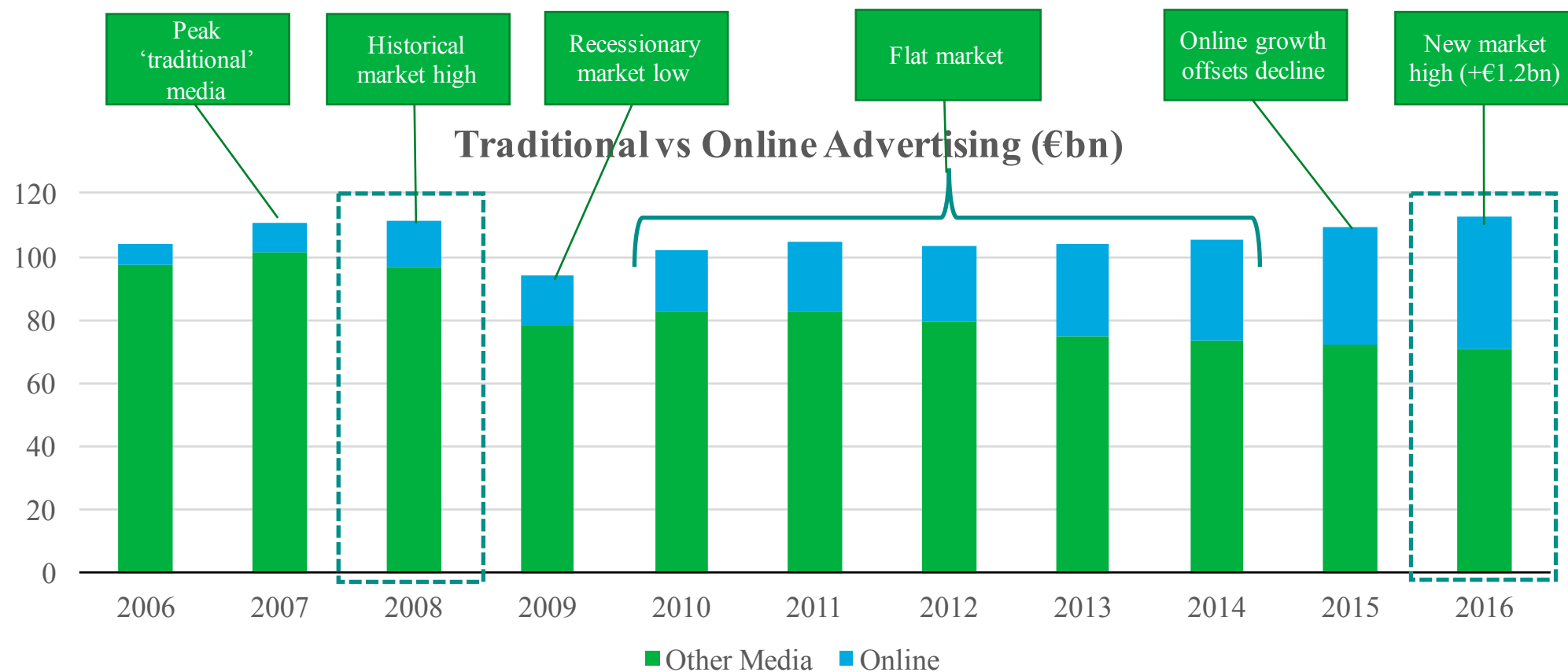
€35.2bn net addition in 11 years....

## Total online ad spend: historical perspective



*\*restated from €36bn as measured in 2015 due to methodology change at local IABs*

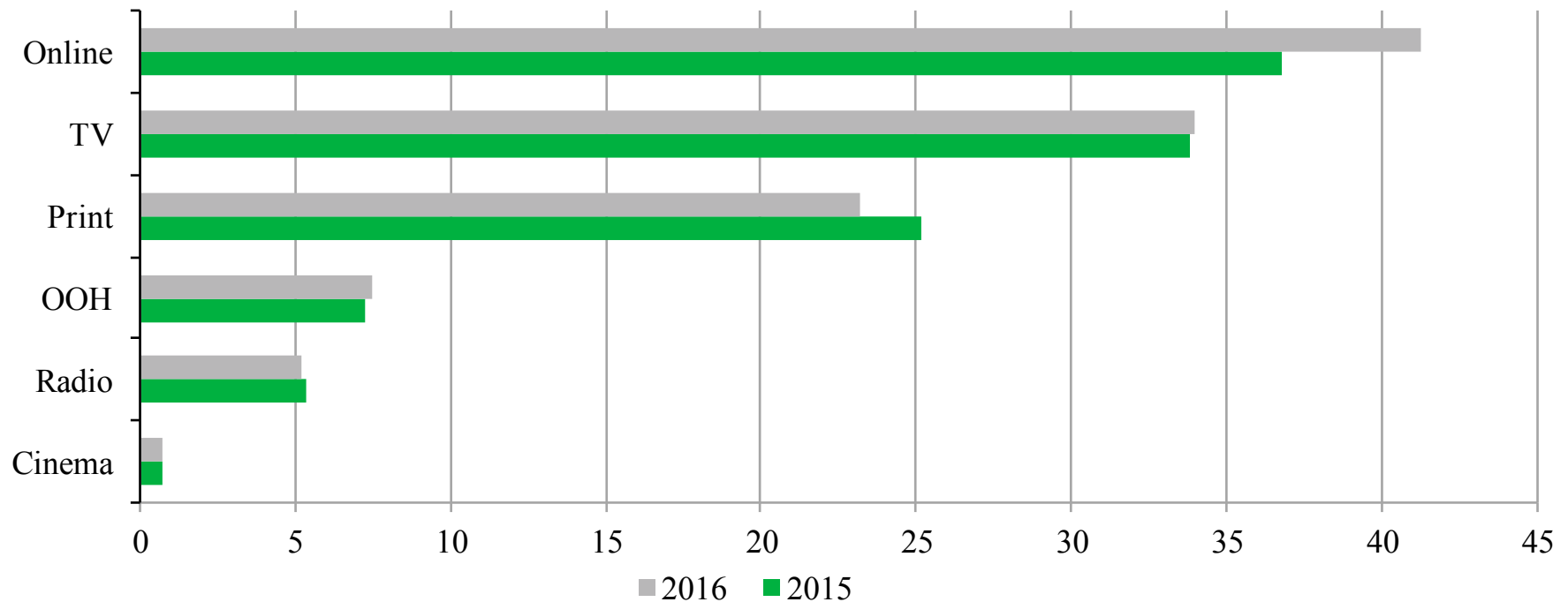
...as online offsets losses of traditional media, establishing a new advertising market high for the first time since the 2009 recession





# Online expands its lead over other media categories\*

Ad spend by category in Europe in 2015 and 2016 (€bn)

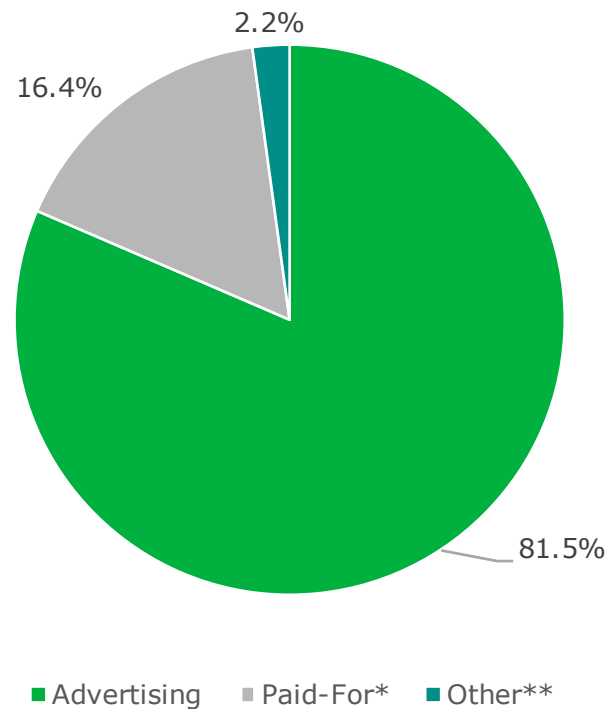


Source: IHS Markit

© 2017 IHS Markit

Advertising is the predominant online business model for newspapers and magazines

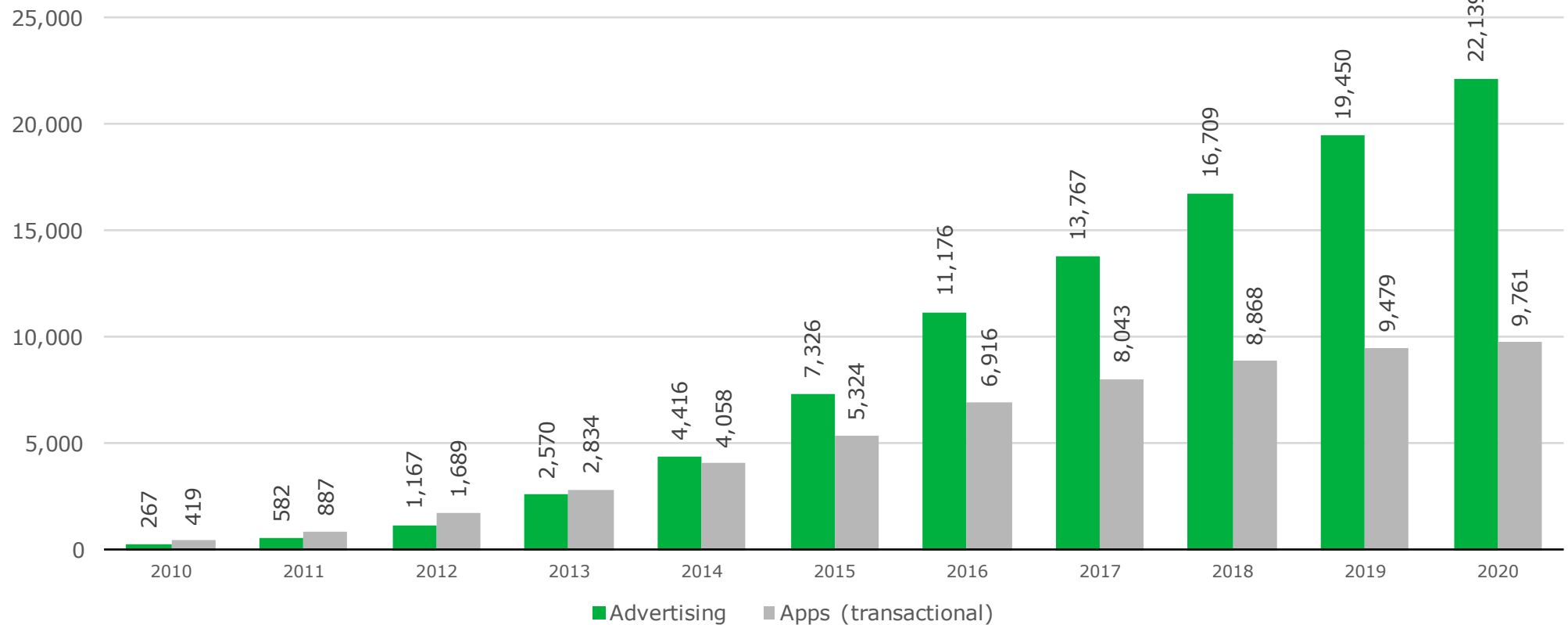
**EU-28: Online revenues newspaper & consumer magazines (2016)**





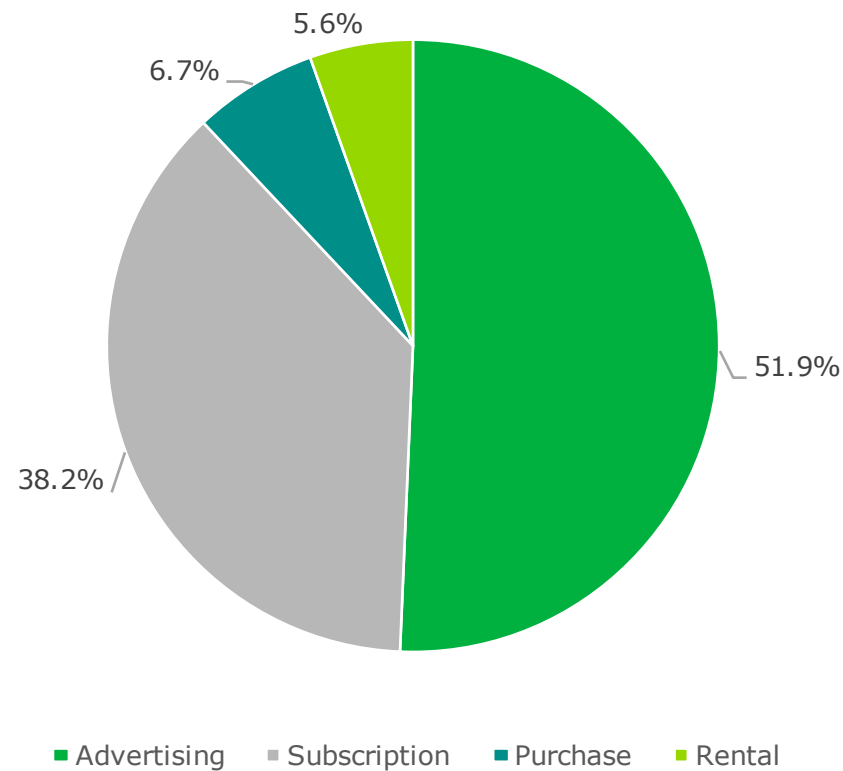
# Advertising 1.6x of App revenue in 2016, set to expand lead to 2.2x by 2020

**EU-28: Mobile advertising vs app revenue (€m)**



# Over half of online video revenues are generated through advertising

**EU-28: Online video revenue distribution by business model (2016)**





# Economic Value of Data-Driven Advertising

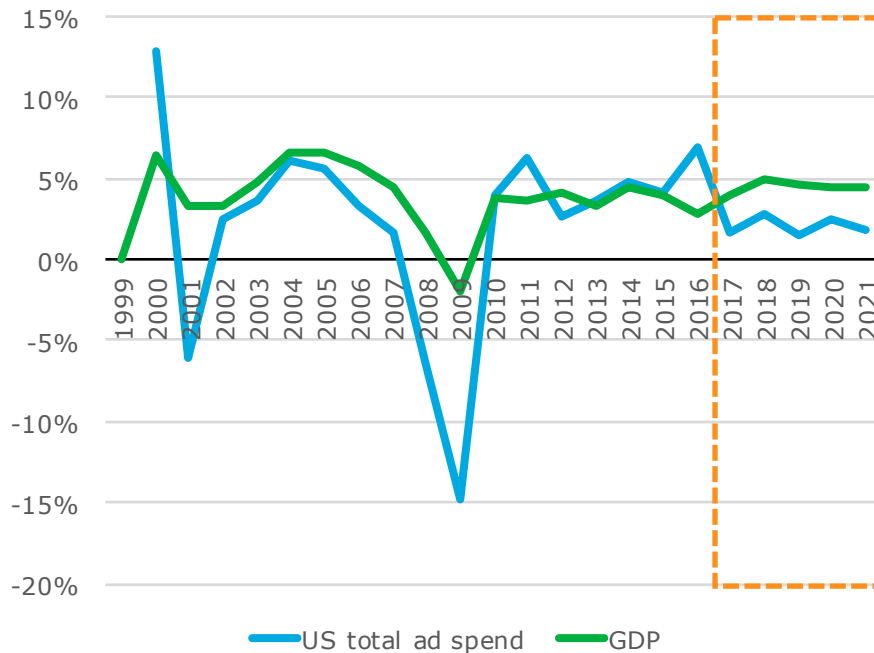
# About the study

- In- depth interviews and consultations with digital advertising market participants in the EU-28.
- n=30, using principle of sample saturation
- Feedback from countries with a mature digital advertising economy (high digital ad spend per capita) and emerging digital advertising markets (low digital ad spend per capita).
- Adding IHS Markit's proprietary database expressed in an econometric model.
- Scenario-based impacts calculated through by-company and company-group segmentation of the digital advertising market size. Each company/type has been marked with meta-data on indexes/scores.
- GDPR and ePrivacy impacts have not been separated out as many participants were able to provide feedback on a holistic impact only. In practice, more companies have developed contingency models for GDPR to mitigate impact than for ePrivacy.

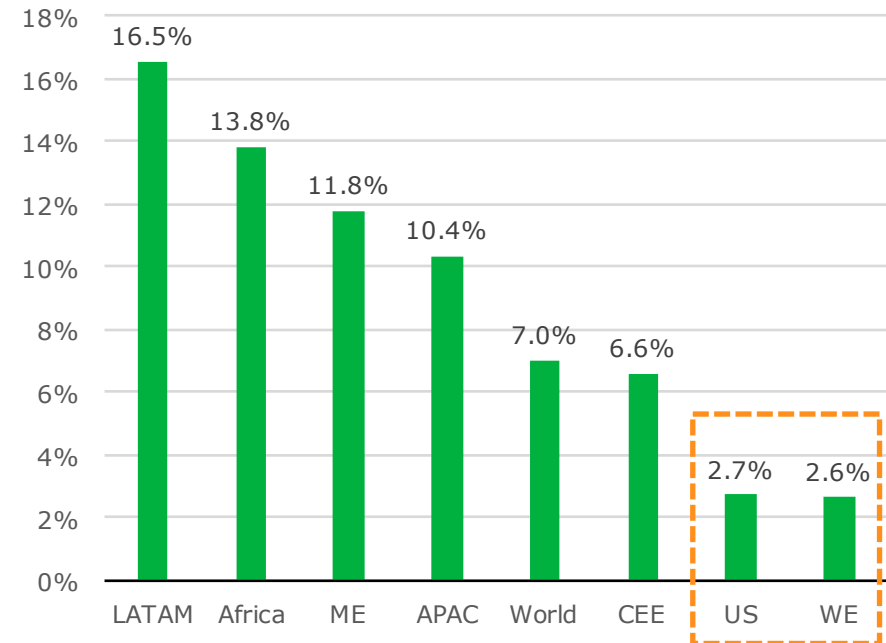


# Brands are pressured to generate more results & measure ROI from same or smaller media dollars in a post-growth age

**Ad spend is getting decoupled from wider economic growth**

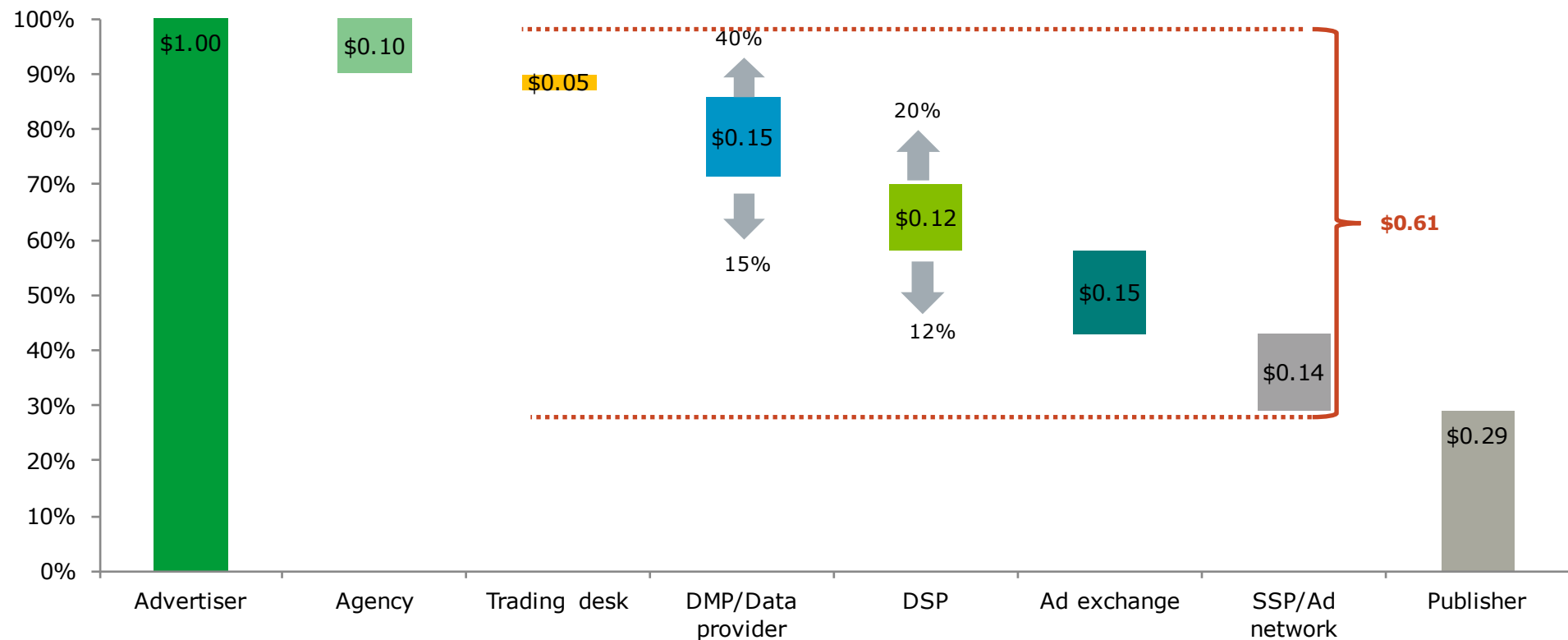


**Ad spend CAGR 2016-2021: mature ad markets are post-growth**



Need for ROI and measurability means that in digital display ads, value of data already exceeds media value...

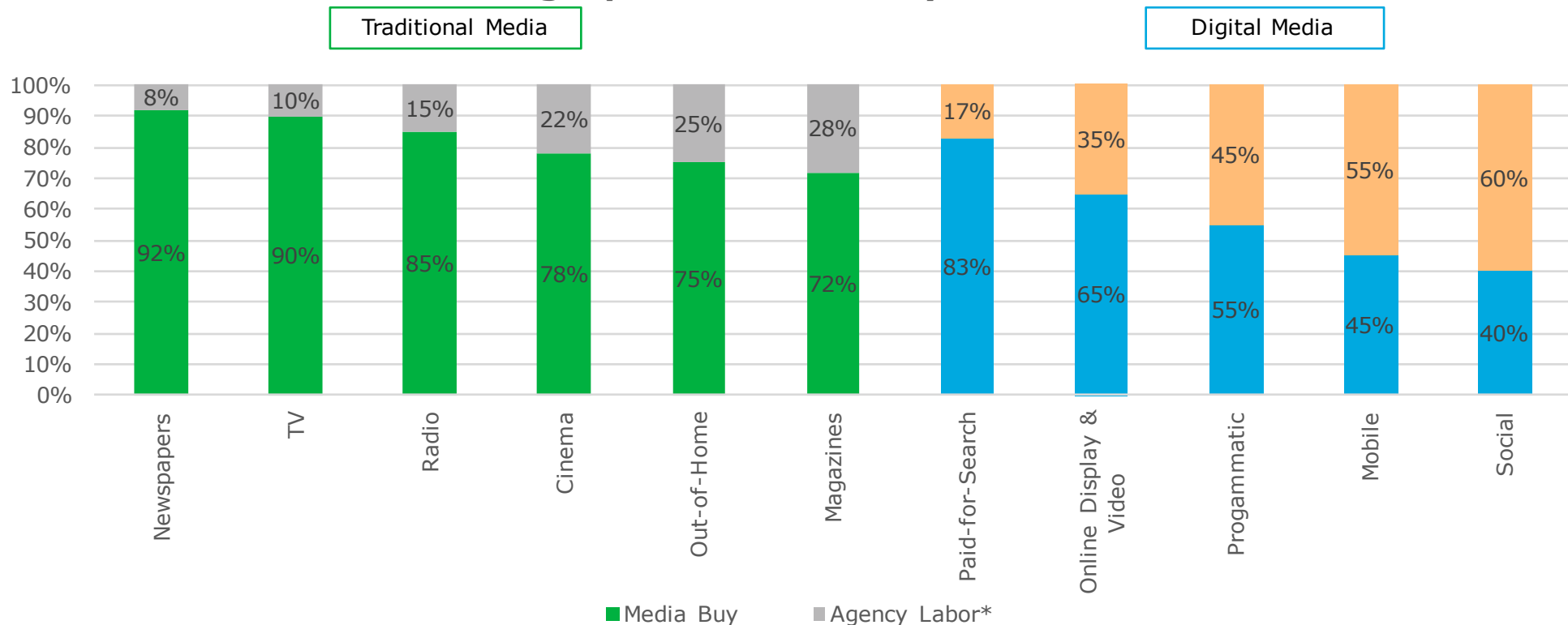
**Flow of spend in digital display ad ecosystem**





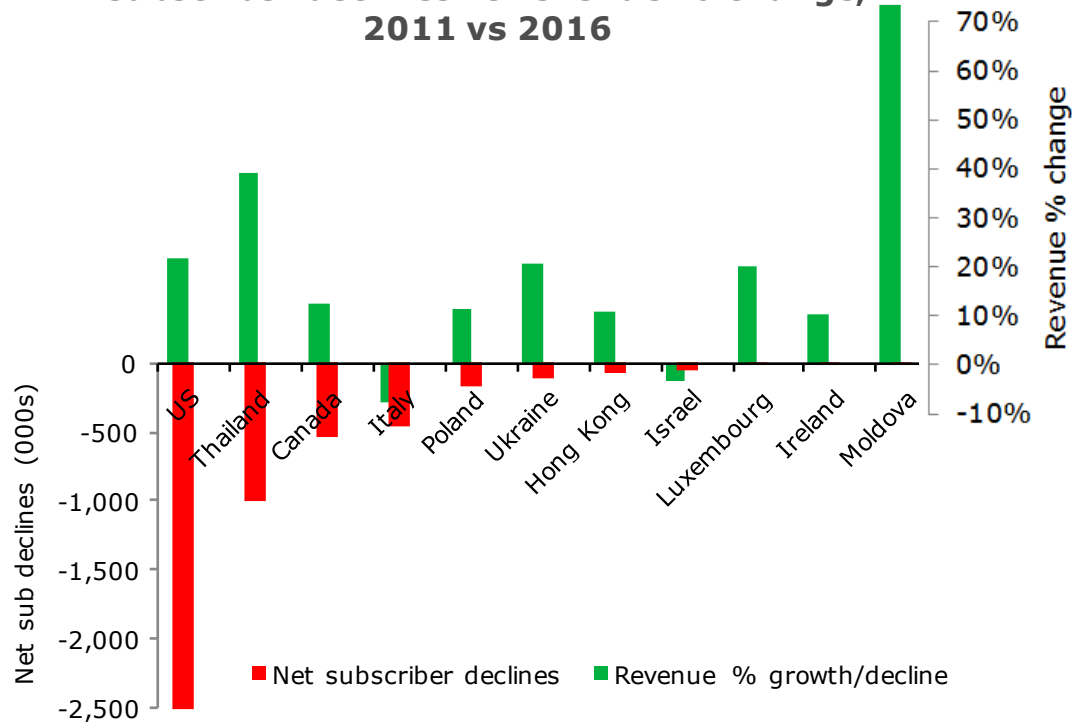
...and all media need to answer brands' call to augment inventory with data, analytics to boost accountability

### Advertising Spend Structure By Medium in 2016

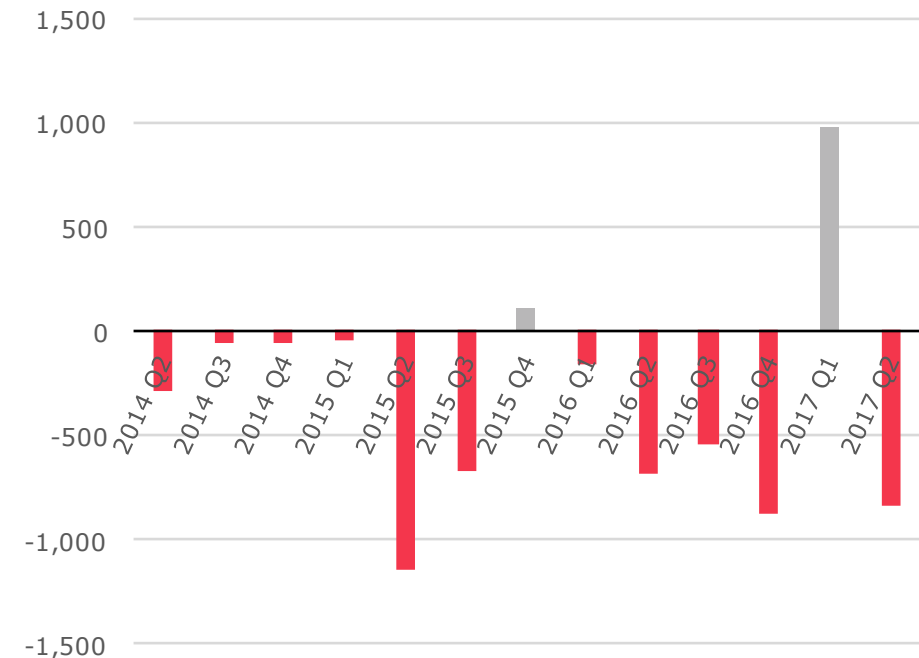


# Acceleration of cord-cutting makes it harder for brands & agencies to deliver against TV brand advertising KPIs...

**Cord cutting in all affected markets: Pay TV net subscriber declines vs revenue % change, 2011 vs 2016**

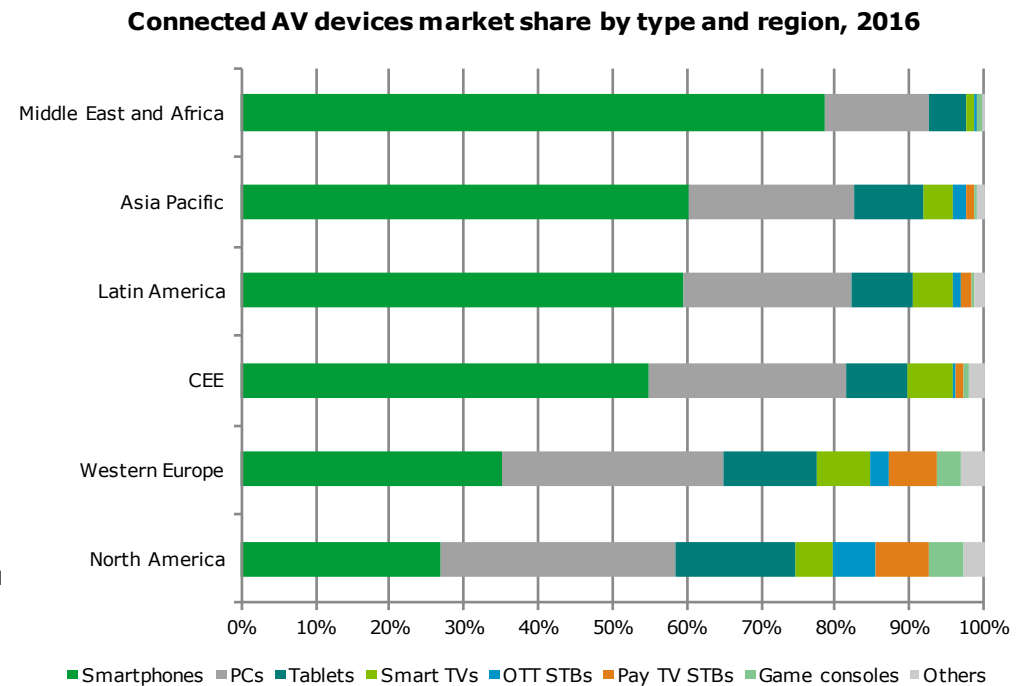
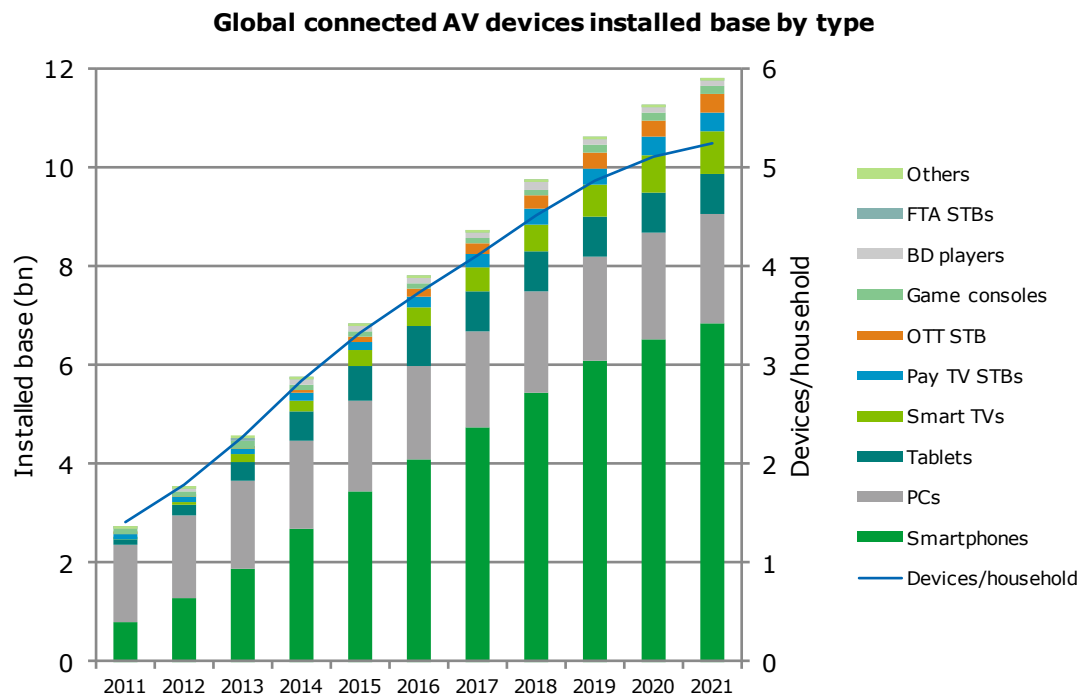


**US: Quarterly pay TV net additions/losses (000s)**



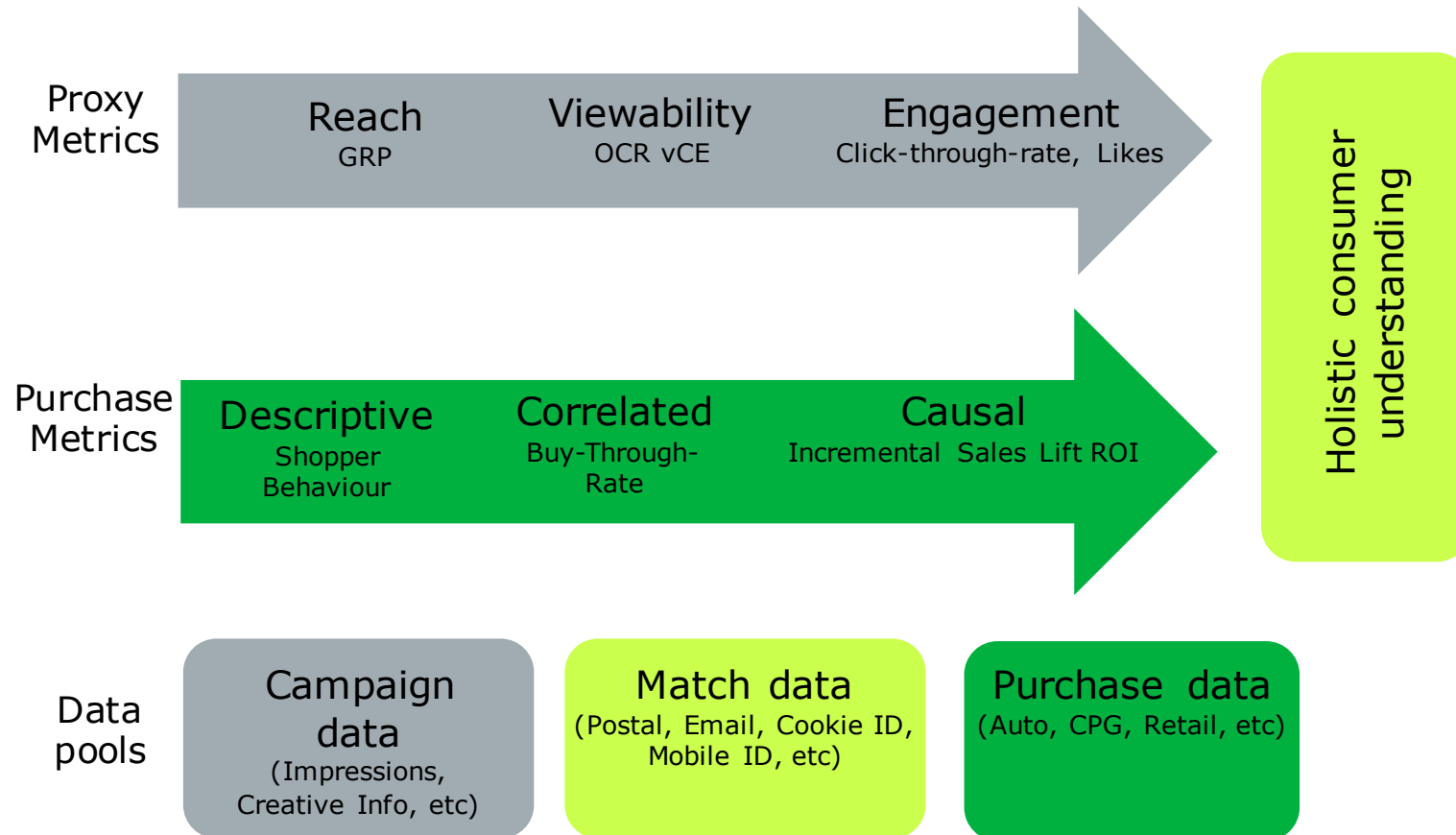
# ...while an explosion of connected & mobile video devices complicates reaching increasingly distracted consumers

- Less mature markets are being driven by smartphones – Asia is a 'mobile-first' region



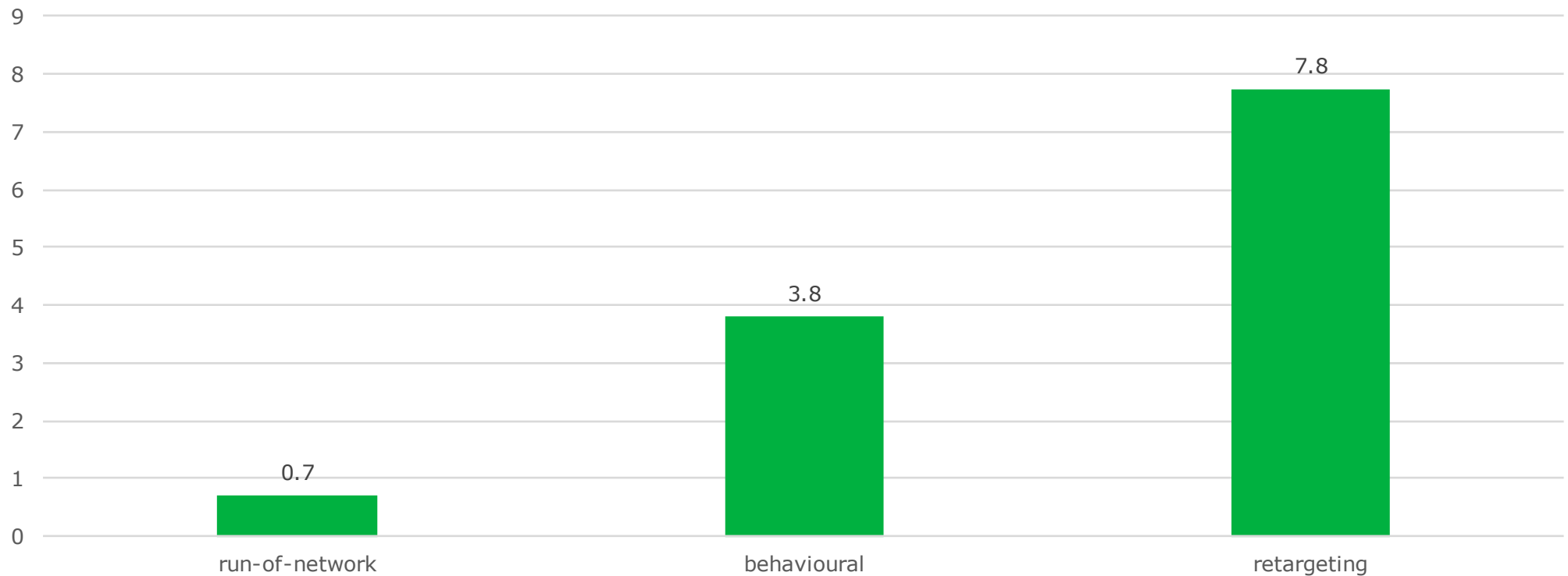


Amidst these challenges, new data-driven opportunities for consumer understanding emerge to deliver better ad ROI

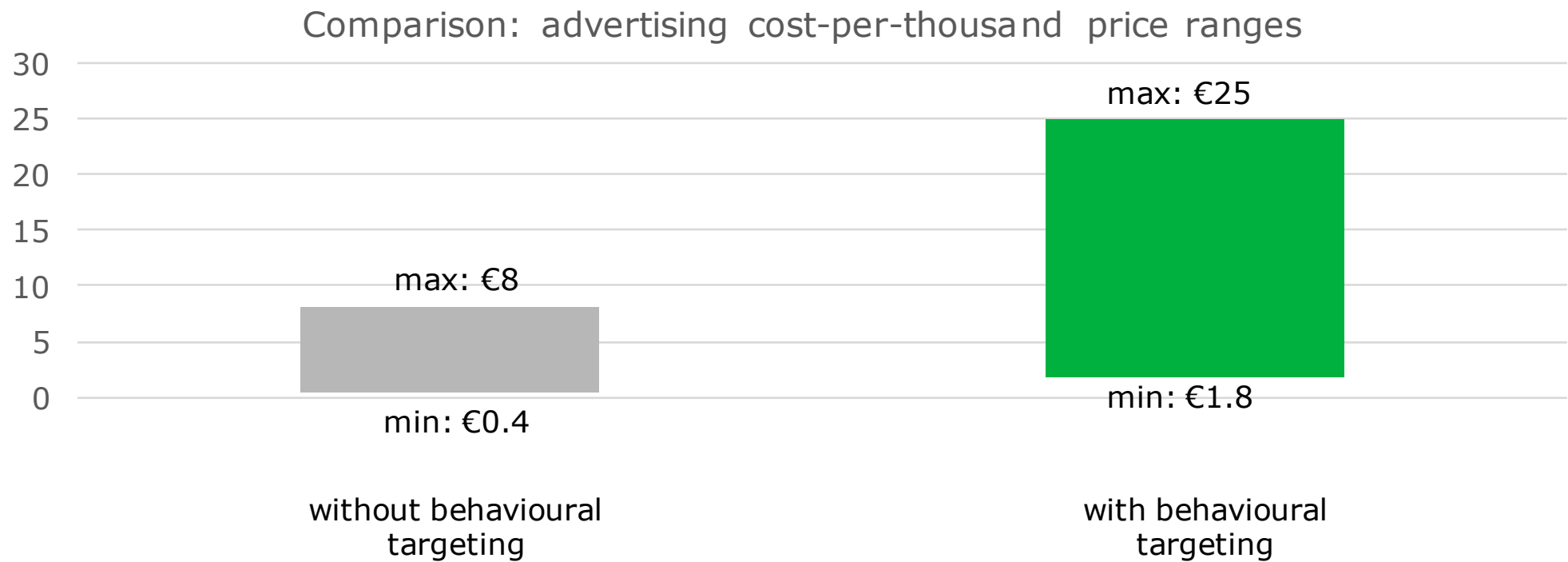


# Data helps produce more relevant ads for consumers...

**Average conversion rates display banner advertising\***

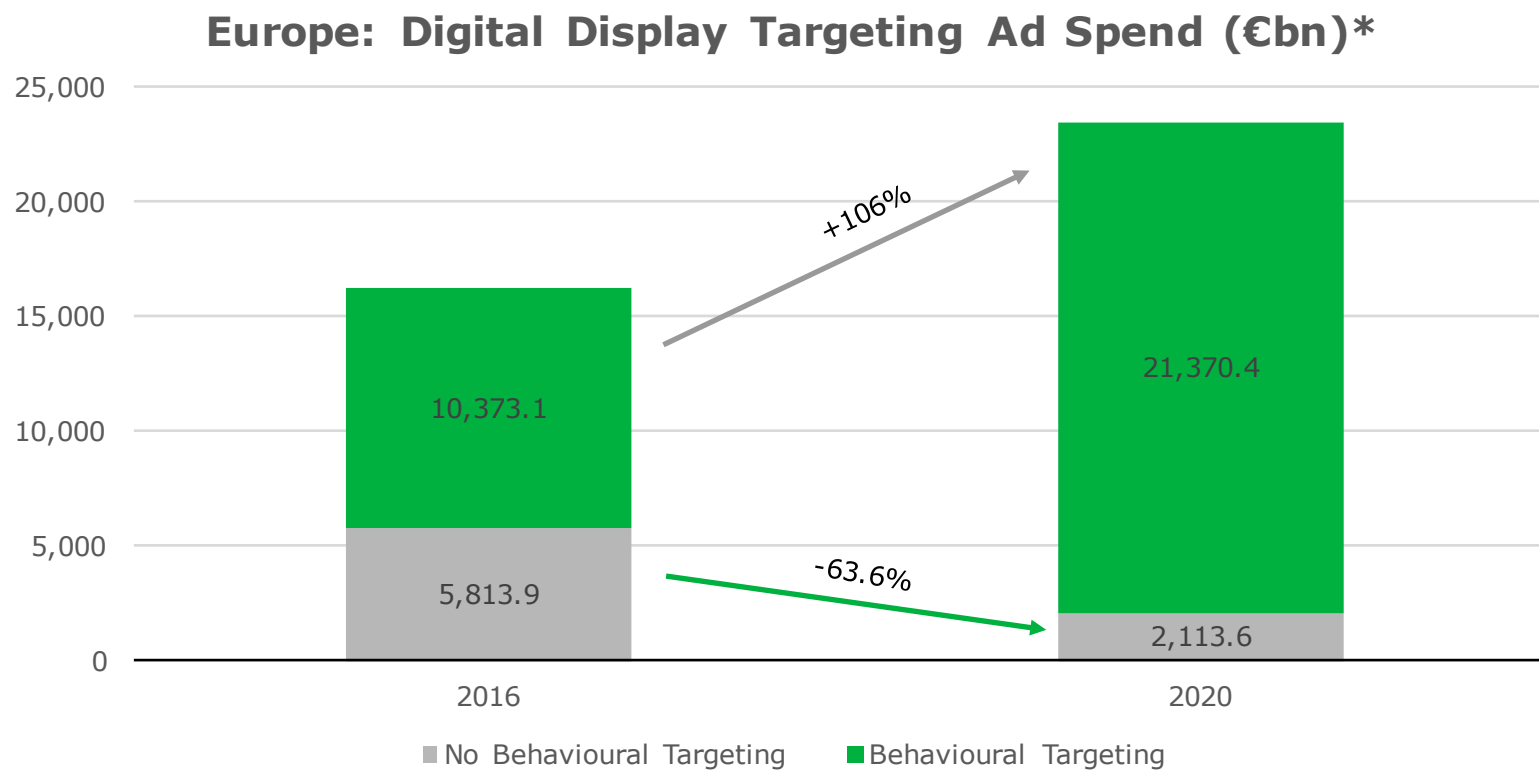


...and enhances media companies' ability to create sustainable business models with free consumer access





## Ad Spend using behavioural data to grow by 106% over forecast period

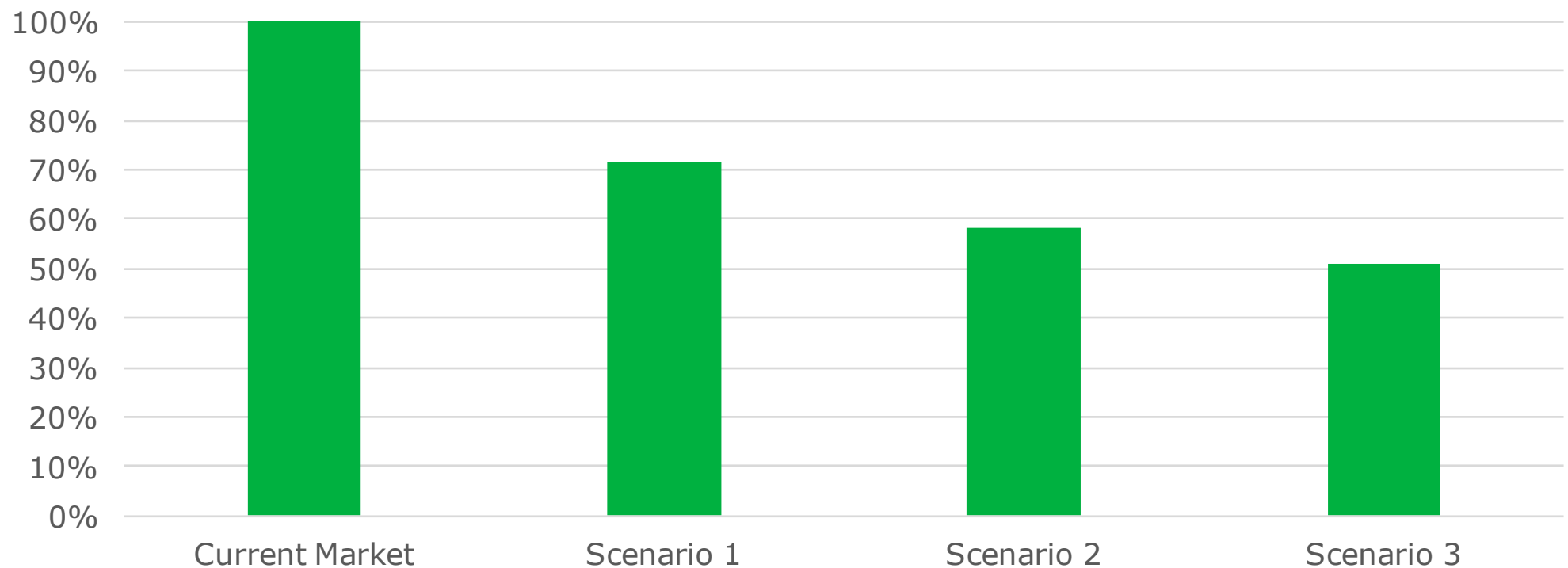


\*definition of 'behavioural data differs between companies, we have not audited claims & definitions of 'behavioural' in this study, demographic data included, i.e. for behavioural look-alike modelling

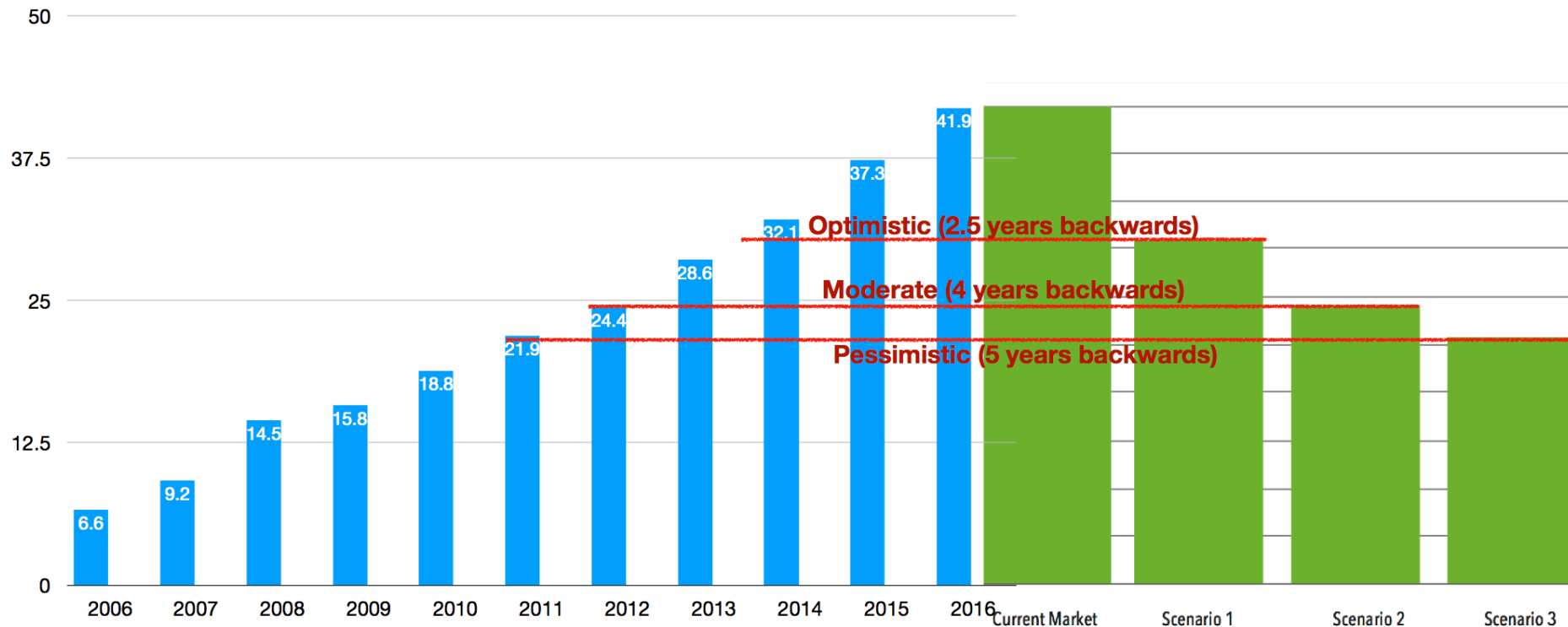
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Up to 50% value loss on 2016 market size

### Behavioural Targeting Digital Ad Spend: Regulatory Impact Scenarios based on 2016 values



# The market will be thrown back 2.5. to 5 years...

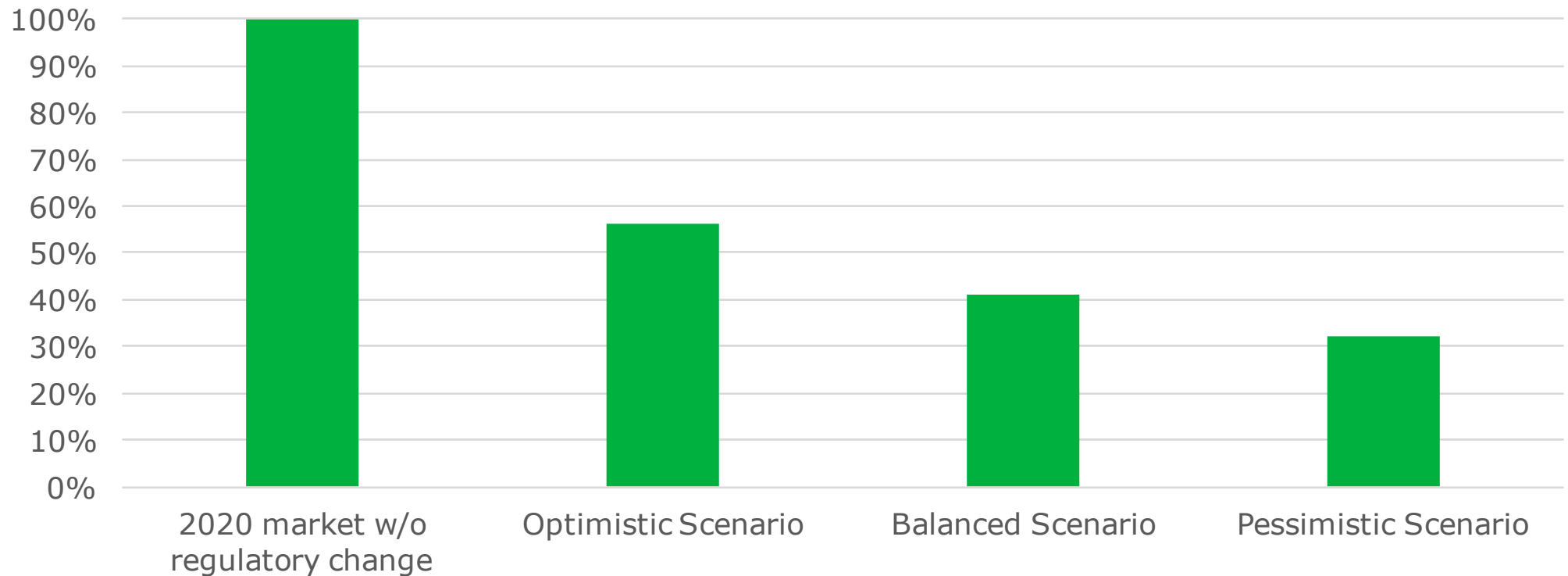


Source: IAB Europe analysis of IHS Markit data



...and further growth will be additionally hampered

### Behavioural Targeting Digital Ad Spend: Regulatory Impact Scenarios based on 2020 market forecast





# Thank You

[daniel.knapp@ihsmarkit.com](mailto:daniel.knapp@ihsmarkit.com)

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# GETTING AHEAD OF THE CONSENT GAME

Unveiling the Advertising Industry's GDPR  
Consent Mechanism

EDAA Summit  
London, 28 November 2017





# Overview



- Entering into application of the GDPR in May 2018 will require significant change for data processing based on consent.
- IAB Europe’s “GDPR Implementation Group” has been working on interpreting GDPR consent rules since January 2017.
  - Paper published on IAB Europe’s website ([www.iabeurope.eu](http://www.iabeurope.eu)) today.
- IAB Europe’s “GDPR Implementation Group” has been working on finding a technical solution to the challenges GDPR consent poses.
  - Technical standard will be presented publicly for the first time today.

# Why does consent matter?

- Under GDPR, consent is only one of six “legal grounds” for processing personal data.
- But GDPR also changes the definition of consent applicable to the ePrivacy Directive, better known as the “Cookie Directive”.
- Much of the data collection and processing that the advertising industry engages in will require GDPR consent moving forward.

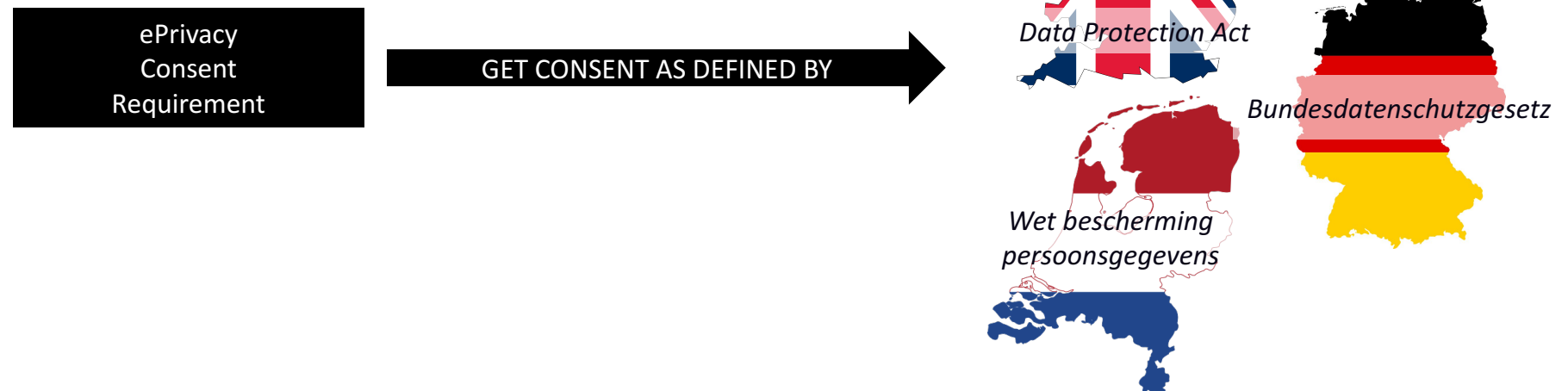
# ePrivacy Directive



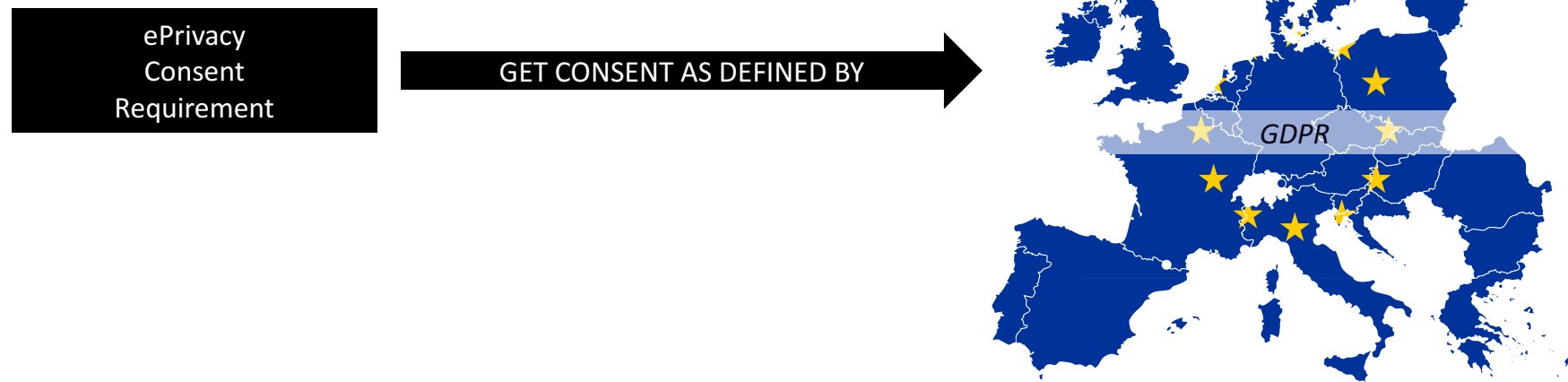
- Storing information, or accessing information on a user device generally requires consent.



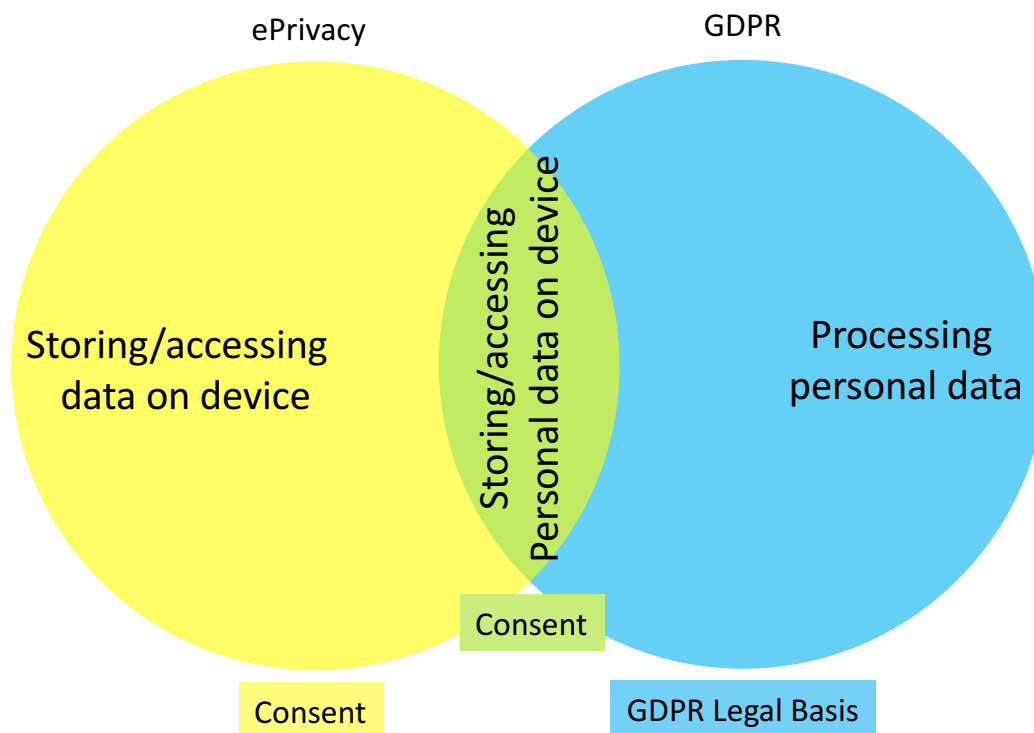
# ePrivacy rules before GDPR



# ePrivacy rules after GDPR



# Hierarchy ePrivacy and GDPR



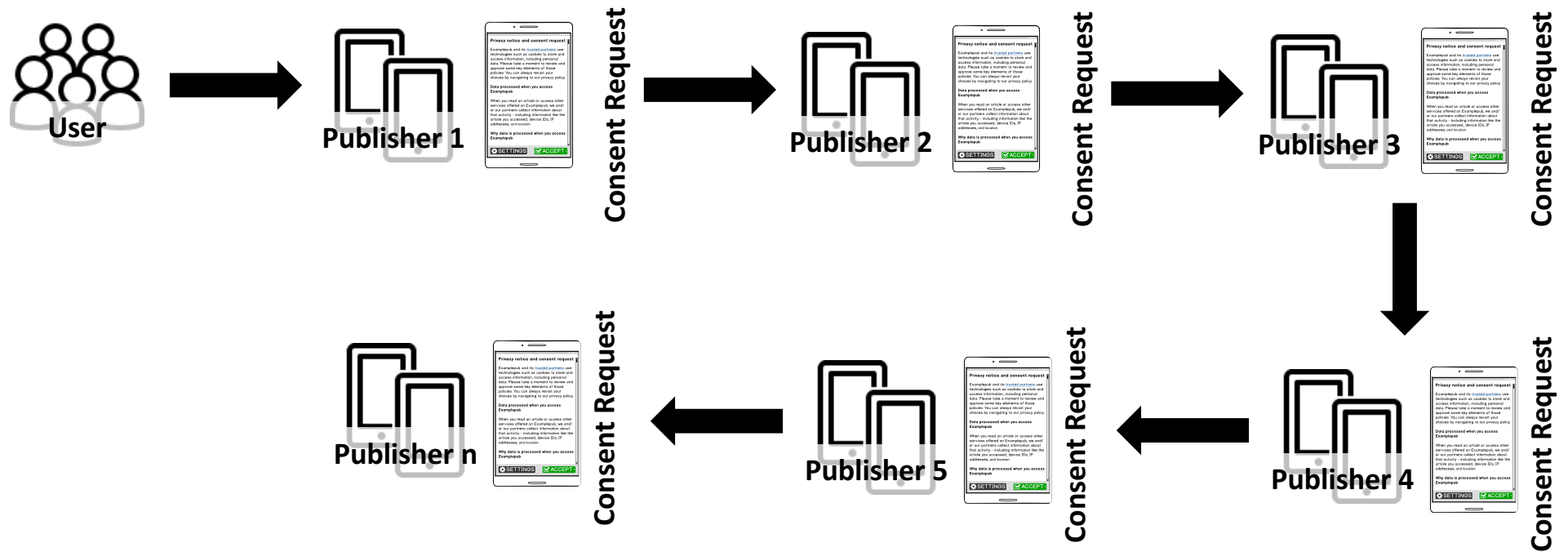
- Collection of data over the internet generally requires **Consent** because of ePrivacy
- Processing of personal data already collected requires a **GDPR Legal Basis** e.g. consent or legitimate interest.
- Where both apply at the same time the more specific **Consent** requirement prevails.



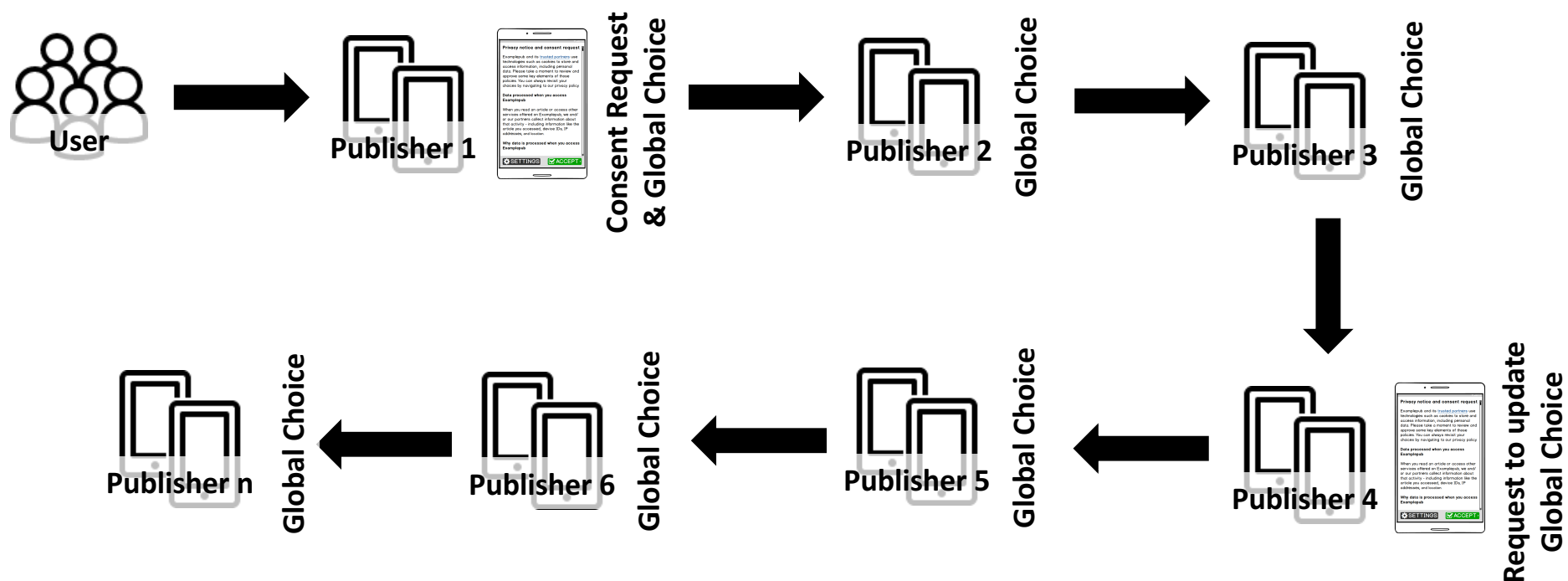
# What is GDPR consent?

- Freely given, specific, informed and unambiguous indication of agreement, by a statement or by a clear affirmative action.
- More robust information disclosure requirements, including but not limited to identity of controllers and the purposes of processing.
- A new obligation for controllers to be able to “demonstrate” consent, e.g. through a record.
- Consent must be revocable as easily as it was to give consent in the first place.

# Choices can be service-specific...



## ... or global



# Old “assumption model” inadequate



- Complying with GDPR consent will require stronger cooperation between and accountability by all advertising ecosystem players.
- First parties must disclose more information to obtain valid consent for themselves and their third party advertising partners.
- Third parties must ensure that first parties have up-to-date information for such disclosure.
- Third parties must not collect or process information on the basis of consent before a user’s affirmative consent can be proven.
- First parties must ensure that consent is obtained affirmatively and let third parties know of a user’s consent choices.



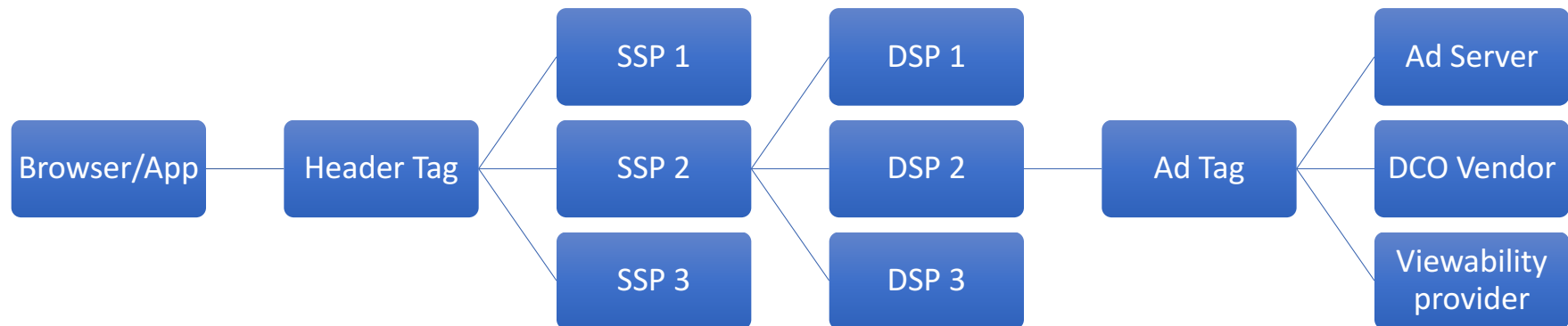
# What is needed?

- New technology standards facilitating and enabling
  - dynamic disclosure by first parties of third party advertising partners and the purposes for which they collect and process data.
  - transmission of user consent choices by first parties to third party advertising partners.
  - obtaining, remembering, and updating (including revocation) of consent choices.
  - increased accountability in the advertising ecosystem by enabling the creation of consent records and an audit trail.
  - doing all of the above on desktop and mobile devices alike.
  - meeting all of the above criteria before 25 May 2018.

# What else is needed?

- Scale. In order for industry to effectively cope with GDPR consent requirements, balkanization of standards should be avoided.
- Effective and efficient industry governance.
- Policies and principles around use of the new technical standards to ensure mutual trust and reassurance.

# Technical Context



# Solution Overview



1. An industry-wide approved vendor list
2. A standardized mechanism for requesting, storing, and optionally sharing consent
3. A standardized data structure for transmitting consent state via Daisy Chain



# Industry Vendor List



- A centralized, dynamic list of vendors, their purposes, their privacy policy URL, et al
- Versioned to allow for audit trail
- Publishers will use the vendor list as basis for disclosure and consent requests
- Both vendors and publishers will need to adhere to principles and minimum standards – to be determined in the policy track

# Requesting Consent

- A JavaScript library/API which enables publishers to customize the experience of asking for consent
  - Abstracts the complexities of consent checking and storage
  - Implements standardized disclosure language
  - Ensures the the vendor list and disclosure language stays updated to latest version
  - Integrates with consent identification mechanism
  - Makes the consent data available for downstream usage via daisy chain
- Open Source examples of user interfaces which implement/leverage the API

# Storing Consent

- Consent storage requires two mechanisms: a user identification method and persistence method
- Global scope identification for web to be made possible via a common domain namespace and identifier cookie
- Persistence to be...

WIL TO COMPLETE  
BOTH VOICEOVER  
AND SLIDE

# Transmitting Consent

- Consent value to be binary: "consent" or "no consent"
- Consent will be transmitted via daisy chain: every upstream member will append the consent payload into any downstream requests
- Consent data structure supports per-purpose (small payload), per-company (moderate payload), per-purpose, or per-company and per-purpose (larger payload).
  - Policy requirements to determine implementation
- Consent values to be compressed into as small of a data structure possible

WIL TO COMPLETE  
SLIDE



# Combined, they enable..



- Transparency into the supply chain for both consumers and publishers
- An auditable consent trail that gives all supply chain members confidence by providing a more efficient disclosure mechanism, that enables companies to "Know" rather than "assume"
- A better user experience than if every publisher were to try to solve on their own

# Implementation Targets

Note: Dates subject to confirmation



- Publication of technical specifications – December 2017
- Define policy standard for central vendor list – February 2018
- Define policy standard for consent UX – February 2018
- OpenRTB Extension specification – February 2018
- Reference implementation – February 2018

# Supporters

Note: Supporters updated  
until 10 AM GMT



AdRoll



AppNexus

capify



comScore

dataxu

flashtalking



INDEX EXCHANGE



MediaMath

quantcast

Sizmek

SPOTX

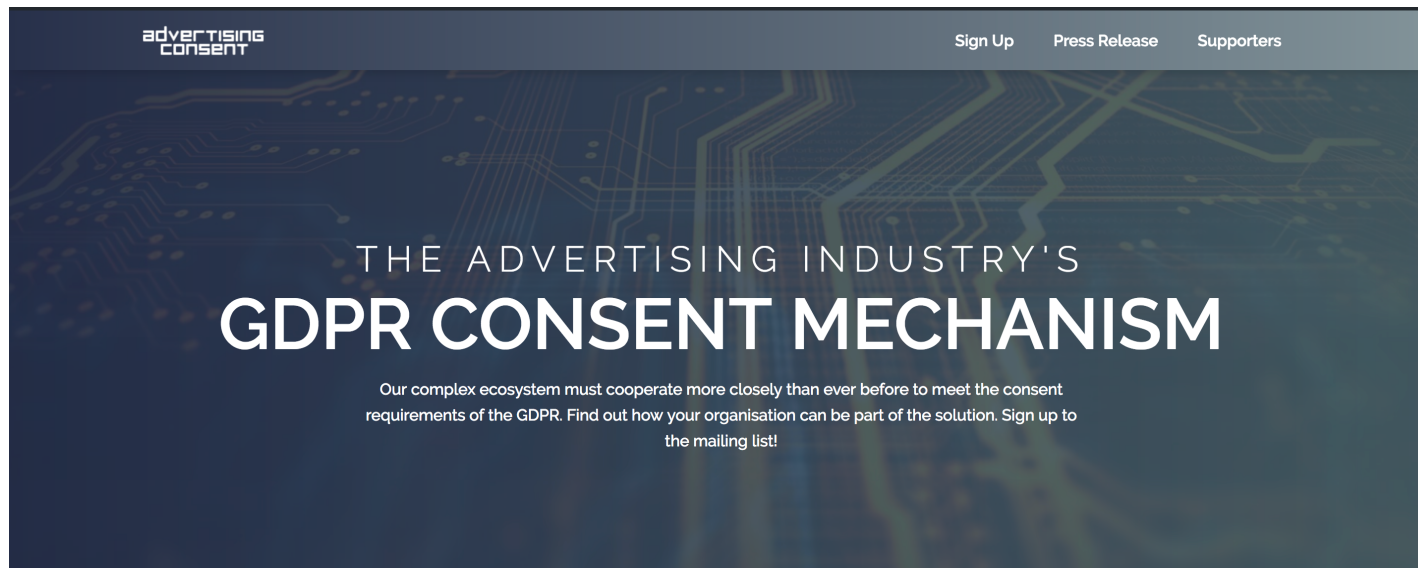
Taboola<sup>TM</sup>



TACTIC

REAL - TIME  
MARKETING

# Stay informed



[SIGN UP](#)

[www.advertisingconsent.eu](http://www.advertisingconsent.eu)



A top-down photograph of a person with dark hair, wearing a black shirt, sitting at a light-colored wooden desk. They are using a silver laptop. To the left of the laptop is a black tablet. Above the laptop is a white mug filled with black coffee. A pair of white headphones with a yellow band is on the desk near the laptop. Some papers are also visible on the desk.

# **GDPR Readiness: Role of the DPO**

**EDAA Summit 2017 – London**

**Paul Jordan**

**Tuesday 28 November, 2017**

# Overview

- General DPO requirements under the GDPR: legitimacy of the DPO role
- International Research findings in Data Protection

# Data Protection Officer

iapp

Number of **DPOs** required under GDPR

**28,000** in the **EU**



**75,000 Globally**

**GDPR mandates the appointment of a DPO when core activities involve:**

1. Regular and systematic monitoring of data subjects on a large scale, or
2. Processing of special categories of data on a large scale.

**When in doubt, appoint a DPO**

# Data Protection Officers

## Art. 37–39

Data Protection Officers (Art. 37–39) are to ensure compliance within organisations. They have to be appointed for all public authorities and for companies where the “core activities”:

- **regularly and systematically monitor** data subjects on a large scale, or
- **process on a large scale** special categories of data (Art. 9 and 10).



## What does 'core activities' and 'large scale' mean?

- **Core Activities:** Key operations necessary to achieve business goals + processing which forms an inextricable part of the business activity.
- **Large Scale:** Recital 91 mentions “processing operations which aim to process considerable amounts of personal data at national, regional or supranational level which could affect a large number of data subjects and which are likely to result in a high risk”.

## DPD

### SECTION IX NOTIFICATION

#### Article 18 Obligation to notify the supervisory authority

1. (...)
2. Member States may provide for the simplification of or exemption from notification only in the following cases and under the following conditions:
  - (...)
  - **Where the controller, in compliance with the national law which governs him, appoints a personal data protection official, responsible in particular:**
    - for ensuring in an independent manner the internal application of the national provisions taken pursuant to this Directive
    - for keeping the register of processing operations carried out by the controller, containing the items of information referred to in Article 21 (2), thereby ensuring that the rights and freedoms of the data subjects are unlikely to be adversely affected by the processing operations.

#### Article 20 Prior checking

1. (...)
2. Such prior checks shall be carried out by the supervisory authority following receipt of a notification from the controller or by the data protection official, who, in cases of doubt, must consult the supervisory authority.

## GDPR

### SECTION 4 DATA PROTECTION OFFICER

#### Article 37 Designation of the data protection officer

1. The controller and the processor shall designate a data protection officer in any case where:
  - a) the processing is carried out by a public authority or body, except for courts acting in their judicial capacity;
  - b) the core activities of the controller or the processor consist of processing operations which, by virtue of their nature, their scope and/or their purposes, require regular and systematic monitoring of data subjects on a large scale; or
  - c) the core activities of the controller or the processor consist of processing on a large scale of special categories of data pursuant to Article 9 and personal data relating to criminal convictions and offences referred to in Article 10.

# Data Protection Officers

## Nature and challenges

- The DPO is similar but not the same as a Compliance Officer as they are also expected to be proficient at managing IT processes, data security (including dealing with cyber-attacks) and other critical business continuity issues around the holding and processing of personal and sensitive data. **The skill set required stretches beyond understanding legal compliance with data protection laws and regulations.**
- Monitoring of DPOs will be the responsibility of the Regulator rather than the Board of Directors of the organisation that employs the DPO: **the independence factor.**
- Internally, the DPO will need to create their own support team and will also be responsible for their own continuing professional development as they need to be relatively independent of the organisation that employs them, effectively acting as a **‘business enabler’** within organisations.

## Data Protection Officer

The Data Protection Officer (DPO) role is an important GDPR innovation and a cornerstone of the GDPR's accountability-based compliance framework. In addition to supporting an organisation's compliance with the GDPR, DPOs will have an essential role in acting as intermediaries between relevant stakeholders (e.g. supervisory authorities, data subjects, and business units within an organisation).



# Data Protection Officer

## Qualifications

*Art. 37 (5): ‘The data protection officer shall be designated on the basis of professional qualities and, in particular, expert knowledge of data protection law and practices and the ability to fulfil the tasks referred to in Article 39.’*

- Certifications: **CIPP/E** (EU data protection legislation), **CIPM** (data protection practices, [D]PIAs, Program mgt)
- Further qualifications & continuous education

*“The most appropriate certification for the DPO is a combination of the IAPP’s Certified Information Privacy Professional credential for EU professionals (CIPP/E) and Certified Information Privacy Manager (CIPM).”*

*Oxford University’s International Data Privacy Law journal*



**CIPP/E**

EU laws and regulations

The global standard for the go-to person for privacy laws, regulations and frameworks



**CIPM**

Operations

The first and only privacy certification for professionals who manage day-to-day operations

# Data Protection Officer

## Responsibilities (Art. 39)

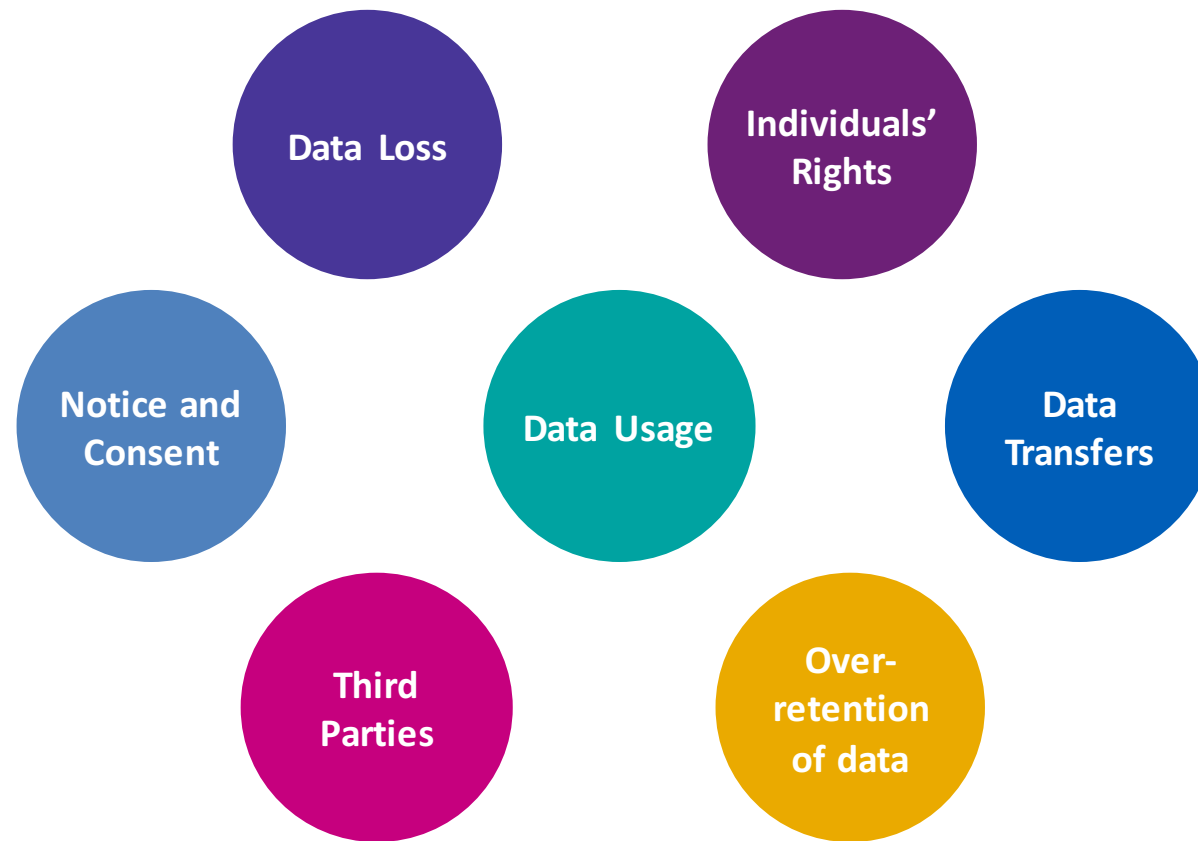
- **Counsel** the entity in regard to applicable data protection laws
- **Monitor** compliance with applicable data protection (GDPR) provisions and alignment with internal policies, including the assignment of responsibilities,
- **Awareness-raising** and **training** of staff involved in the processing operations
- Conduction of data protection **audits** and [D]PIAs
- **Cooperate and communicate** with the responsible regulatory authority

## Data Protection Officer

### Data Protection Risk Management

**(Art. 39 (2)):** *‘The data protection officer shall in the performance of his or her tasks have due regard to the risk associated with processing operations, taking into account the nature, scope, context and purposes of processing.’*

# Privacy Risks





# Key Risk Impacts



Financial  
Impact



Regulatory  
Impact



Reputational  
Impact

## **Data Protection Officer**

### **Positioning in the company (Art. 38)**

- 1) Proper and timely involvement in all relevant aspects to be ensured by the controller
- 2) Support by sufficient resources and access to data and systems and allowance of further qualification
- 3) Independence of instructions and protection against sanctioning by controller as employer
- 4) Point of contact for data subjects
- 5) Professional secrecy and interest protection

# Accountability & GDPR



## Accountability is a Key Principle

The new accountability principle in Article 5(2) requires the controller to demonstrate compliance with the principles relating to personal data and states explicitly that this is the controllers responsibility

# Demonstrating Accountability



Demonstrate compliance by implementing appropriate technical and organisational measures



Implementing measures that meet principles of data protection by design and data protection by default



Maintain relevant documentation



Appoint a data protection officer, if appropriate

## Outsourcing the DPO?

### Shared and external DPOs

**(Art. 37 (2)):** ‘A group of undertakings may appoint a single data protection officer provided that a data protection officer is easily accessible from each establishment.’

**(Art. 37 (6)):** ‘The data protection officer may be a staff member of the controller or processor, or fulfil the tasks on the basis of a service contract.’



## CPO vs. DPO

### Considerations

- Is this mandatory DPO the lead data protection and privacy voice in the organisation?
- Does the DPO's role in working with the regulator make it difficult for the DPO to engage in high-level strategic conversations?
- Would appointing external counsel as DPO create conflict when working with the lead privacy voice in the organisation?
- Remember Art. 38 (3): *'The controller and processor shall ensure that the data protection officer does not receive any instructions regarding the exercise of those tasks.'*



iapp

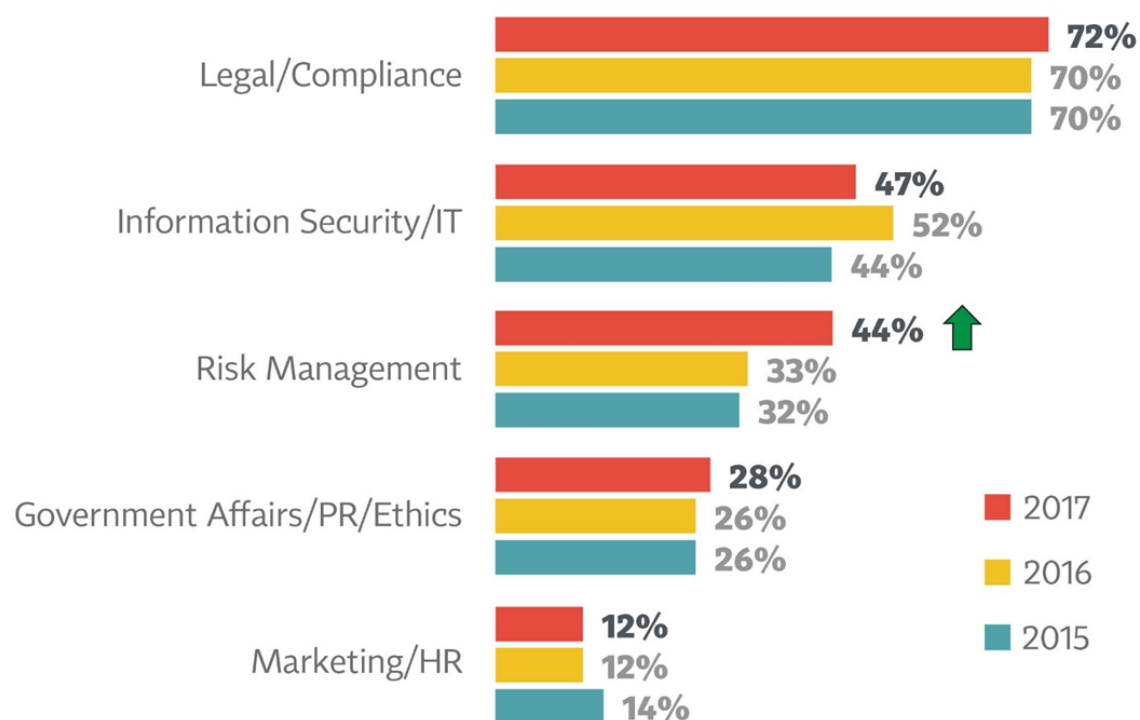
# **IAPP-EY Annual Privacy Governance Report 2017**

iapp EY

## 2017 sees an 11-point increase in the percent working in a risk-management function

- There's also been a directional increase for legal/compliance, the most common functional area by far

### Main Functional Areas Work In



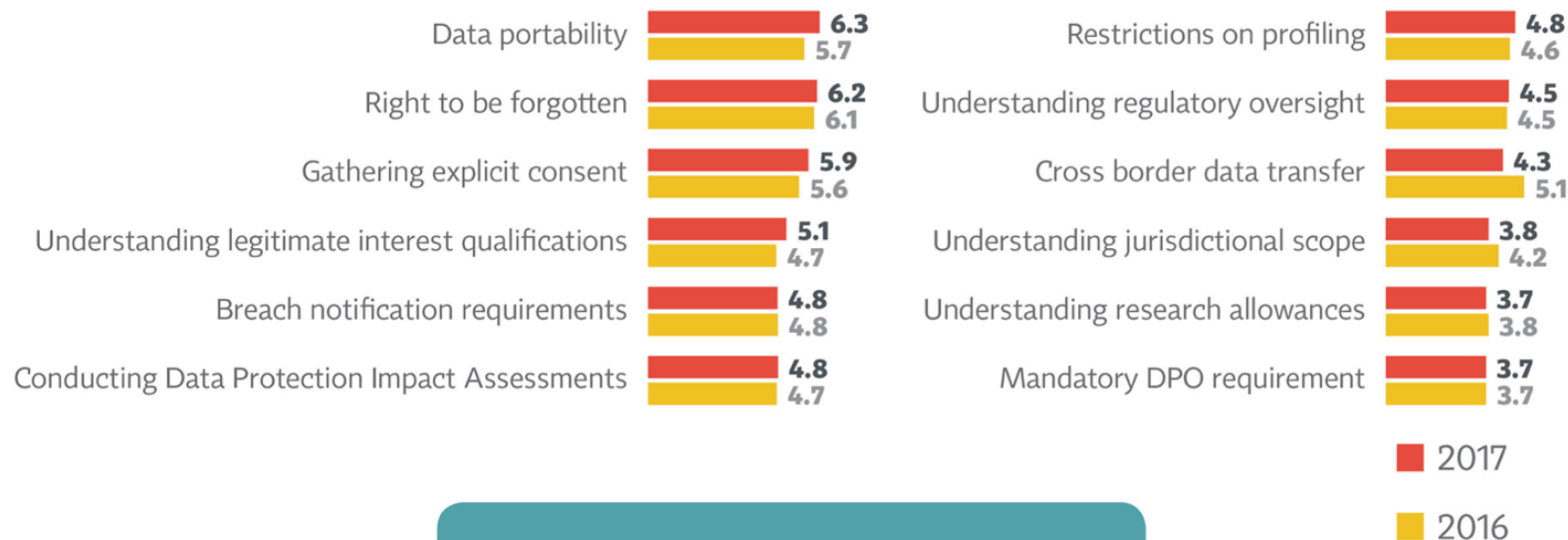
↑ Significantly different from 2016

## Nearly all firms say they fall under the scope of GDPR

- In addition, two of the top three perceived GDPR difficulties are now seen as even more difficult: data portability and gathering explicit consent

### GDPR Obligation Difficulty

(Mean Score on 0-10 Scale: 0=Not at All Difficult; 10=Extremely Difficult)

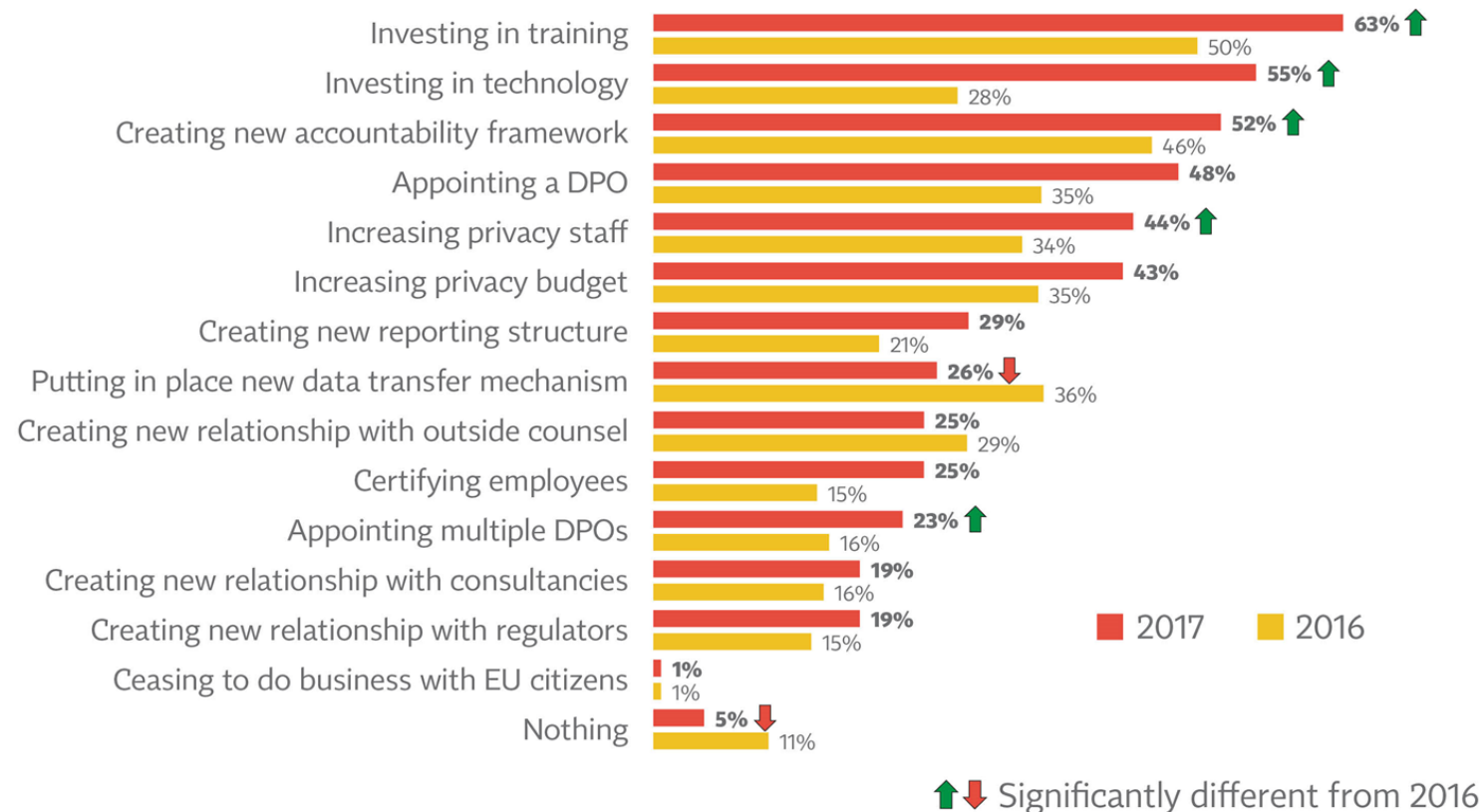


**Over 95% of firms say they fall under the GDPR scope**

## 2017 sees large increases in most of the steps firms say they're taking to prepare for GDPR



### Steps Being Taken to Prep for GDPR (Base: Falls Under GDPR)

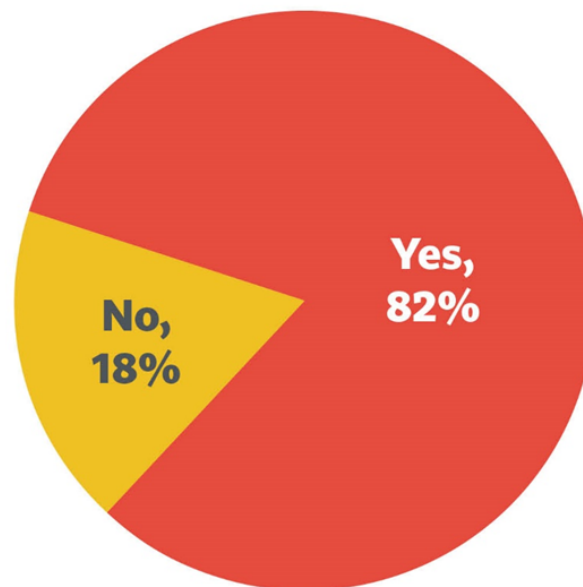




**More than 8 in 10 firms falling under the scope of GDPR say they'll need to adapt products to comply**



**Expect To Adapt Products and Services**  
(Base: Falls Under GDPR)



**Among those who will spend more for GDPR, the lion's share will be for tech solutions and outside counsel**

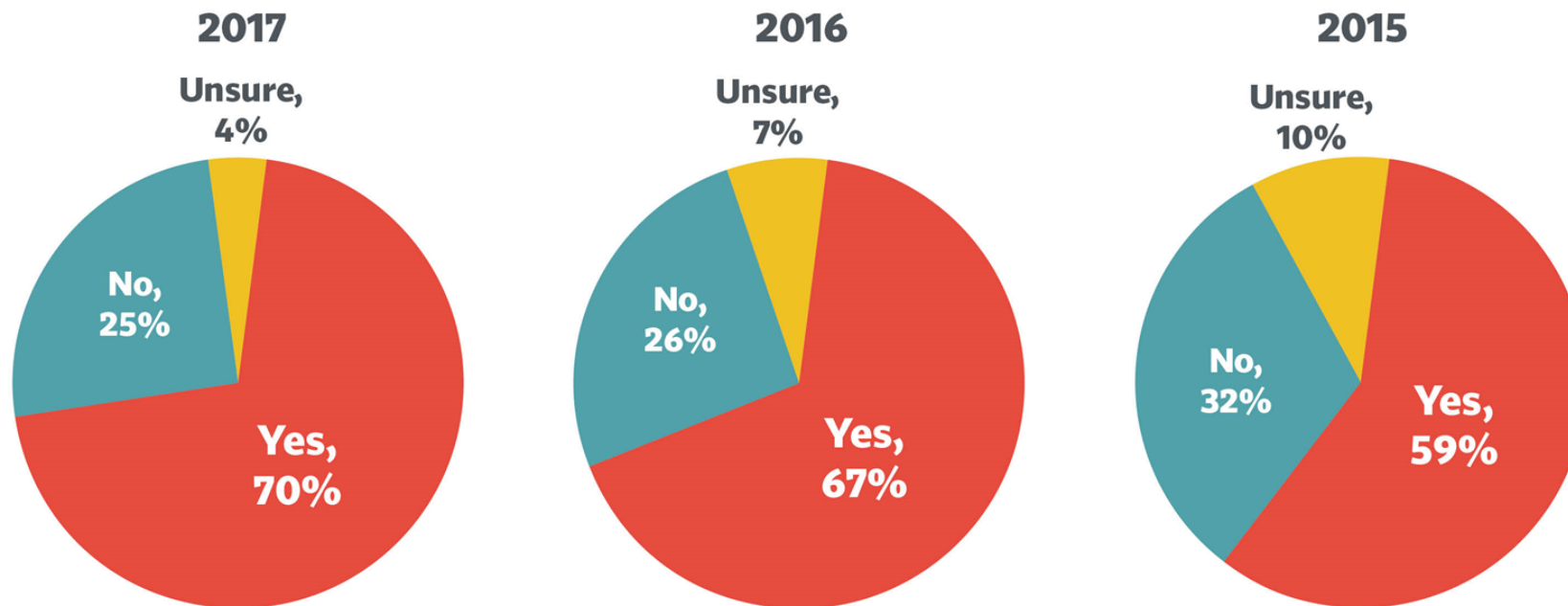


**Distribution of Additional GDPR Compliance Budget**  
(Base: Falls Under GDPR, Will Spend More)



## Use of Privacy Impact Assessments is up directionally from 2016, to 70% of respondents

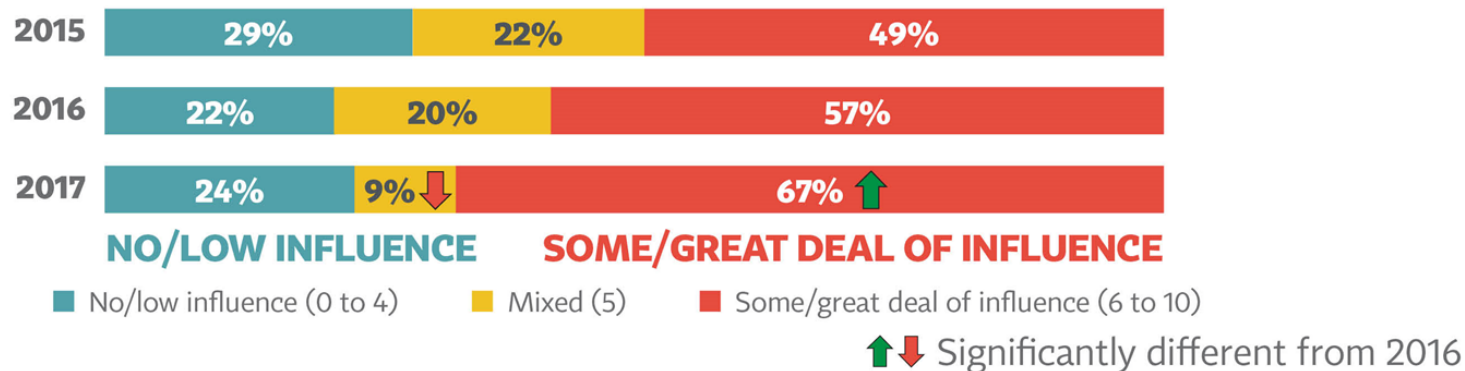
### Use of PIAs



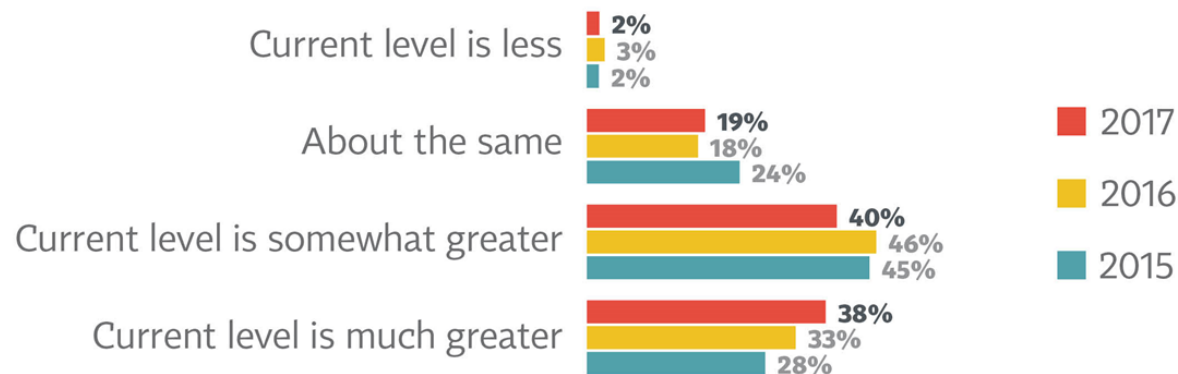
## After an 8-point jump, the percent saying privacy has influence on initiative planning is up another 10 points



### Privacy Influence on Planning and Implementation



### Current Influence Level vs. A Few Years Ago



**For questions or to request  
additional information:**

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[www.iapp.org](http://www.iapp.org)



# GDPR and advertisers

Catherine Armitage, Senior Public Affairs Manager  
World Federation of Advertisers

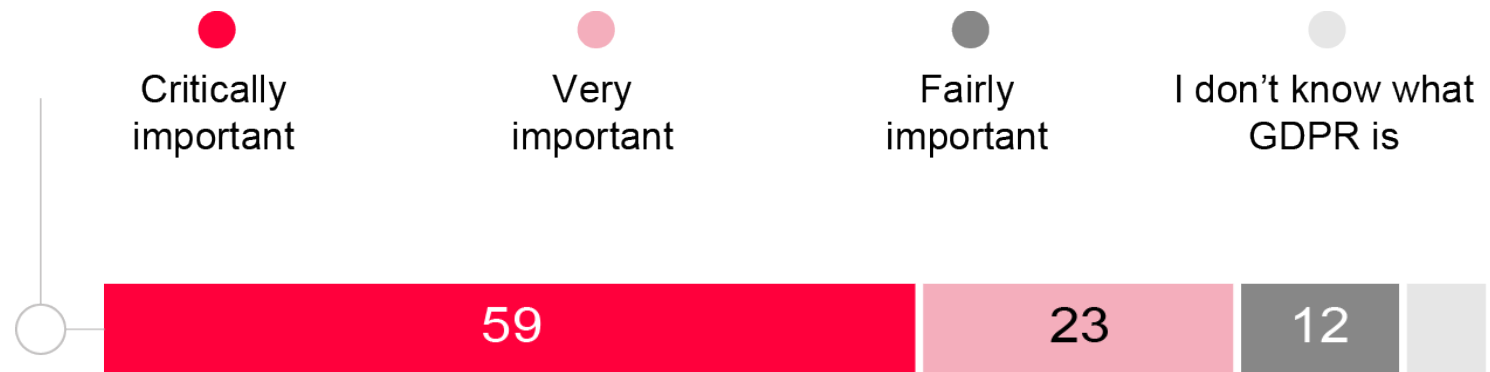


## World Federation of Advertisers: bringing together the world's biggest marketers

 Abbott	 AB InBev	 adidas GROUP	 Air Asia	 Arla	 BACARDI-MARTINI	 BARCLAYS	 BDF Beiersdorf	 Booking.com	 bp	 BROWN-FORMAN	 Carlsberg	 CATHAY PACIFIC	 citi	 Coca-Cola
 COLGATE-PALMOLIVE	 COTY	 DANONE ONE PLANET. ONE HEALTH.	 Deigual.	 T..	 DIAGEO	 ebay	 Emirates	 ESTÉE LAUDER COMPANIES	 FERRERO	 FrieslandCampina	 GENERAL MILLS	 GM	 bel	 GRUPO BIMBO
 gsk do more feel better live longer	 Hagberg	 HEINEKEN	 Henkel	 HERSHEY'S The Hershey Company	 hp	 HUAWEI	 IKEA	 intel	 JDE JACOBS DOUWE EIGENTS	 Johnson & Johnson	 JUST EAT	 Kellogg's	 Kimberly-Clark	 LEGO
 L'ORÉAL	 LVMH MOÛT HENNESSY • LOUIS VUITTON	 MARS	 mastercard	 MATTEL	 mazda	 McDonald's	 Mondelēz International	 mundi pharma	 Nestlé	 Nike	 NISSAN MOTOR CORPORATION	 NOVARTIS	 orange	 PEPSICO
 Pernod Ricard	 Pfizer	 PHILIPS	 P&G	 RBS The Royal Bank of Scotland Group	 Reckitt Benckiser	 Red Bull	 SANOFI	 Santander	 SAP	 Johnson A FAMILY COMPANY	 Shell	 Singapore TOURISM BOARD	 SONY	 Standard Chartered
 SWAROVSKI	 TATA	 Telefonica	 telenor group	 TOMTOM	 Unilever	 VESTEL	 VISA	 vodafone	 VOLKSWAGEN AUTOMOBILKORPORATION	 VOLVO	 YILDIZ HOLDING			

# GDPR is critically important for 59% of brand owners

Q: Is implementing GDPR a priority for your organisation?

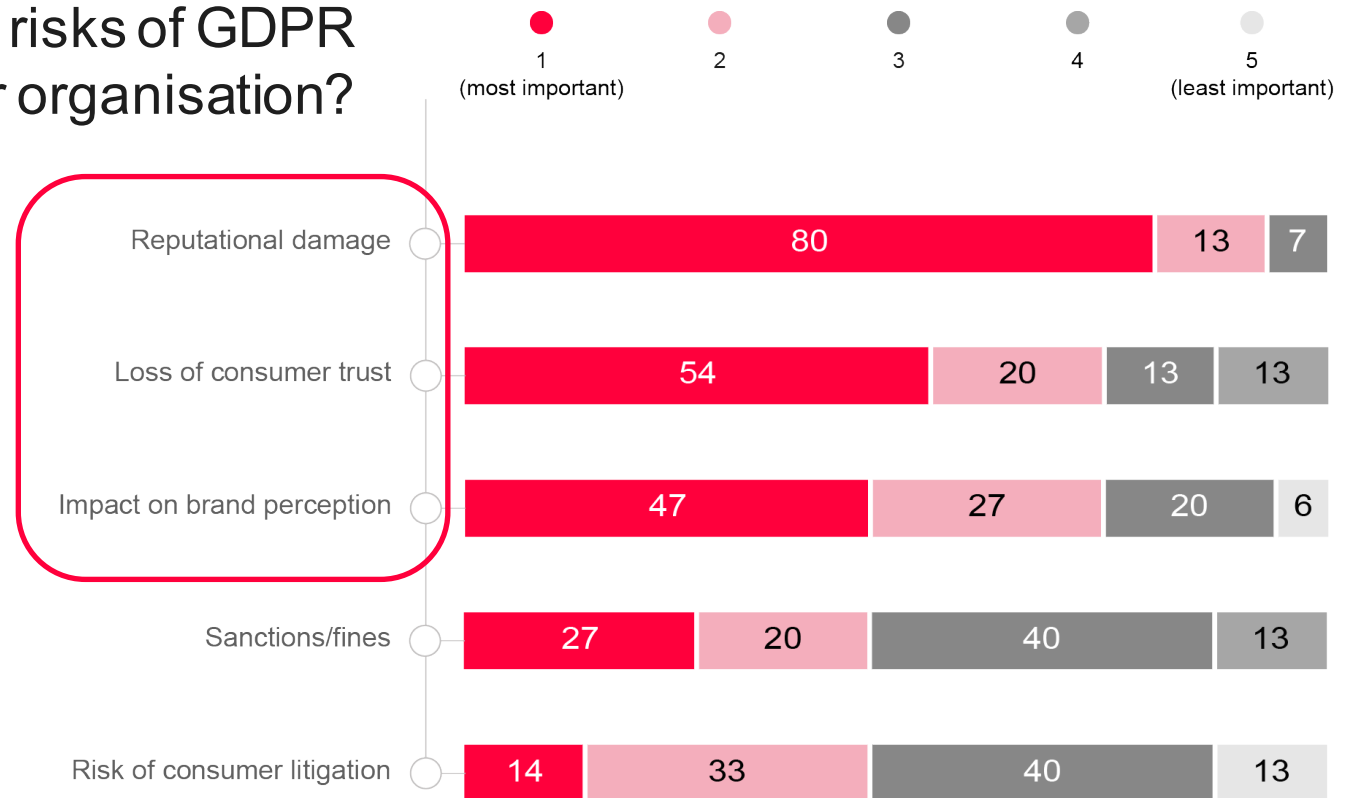


Values represent percentage (%)

# Losing consumer trust is the biggest risk

Q: What are the biggest risks of GDPR non-compliance for your organisation?

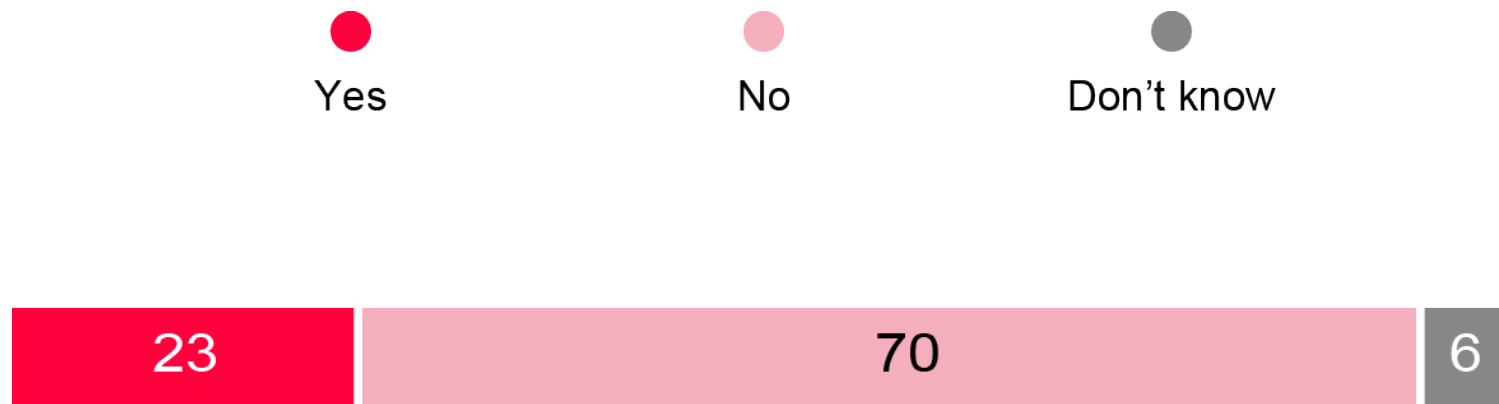
Trust/reputation



Values represent percentage (%)

## 70% of marketers not fully aware of the impact

Q: Do you think that marketers in your organisation are fully aware of the implications of GDPR for future marketing campaigns?



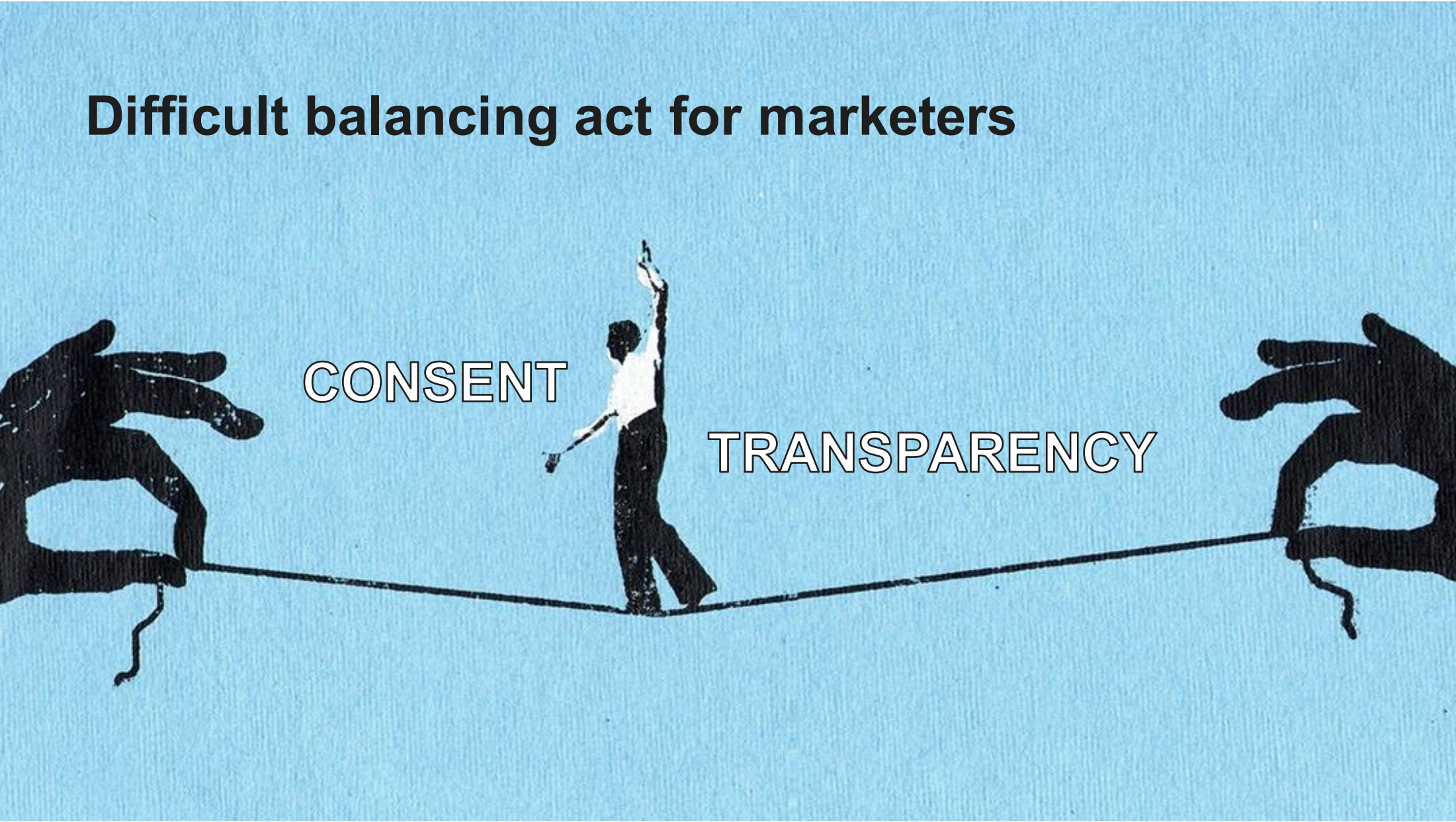
Values represent percentage (%)




# Difficult balancing act for marketers

CONSENT

TRANSPARENCY



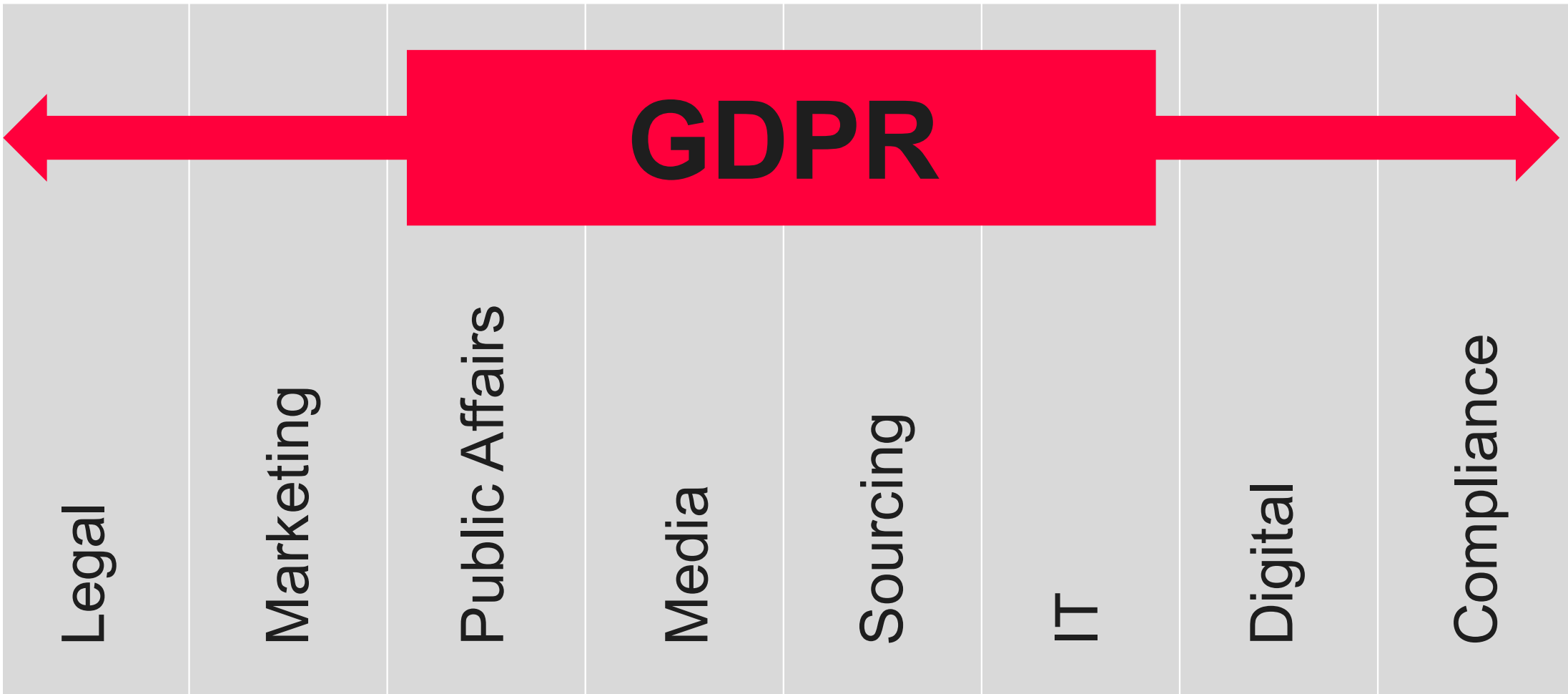


The background of the image is a dense, chaotic pile of numerous folders and papers in various colors including orange, yellow, green, and blue. The folders are stacked haphazardly, with many papers protruding from the tops, creating a sense of overwhelming volume and disorganization. This visual metaphor represents the 'data stored across different parts of the organisation' mentioned in the text.

**Connecting the dots  
between data stored across  
different parts of the  
organisation is #1 challenge  
for brand owners**

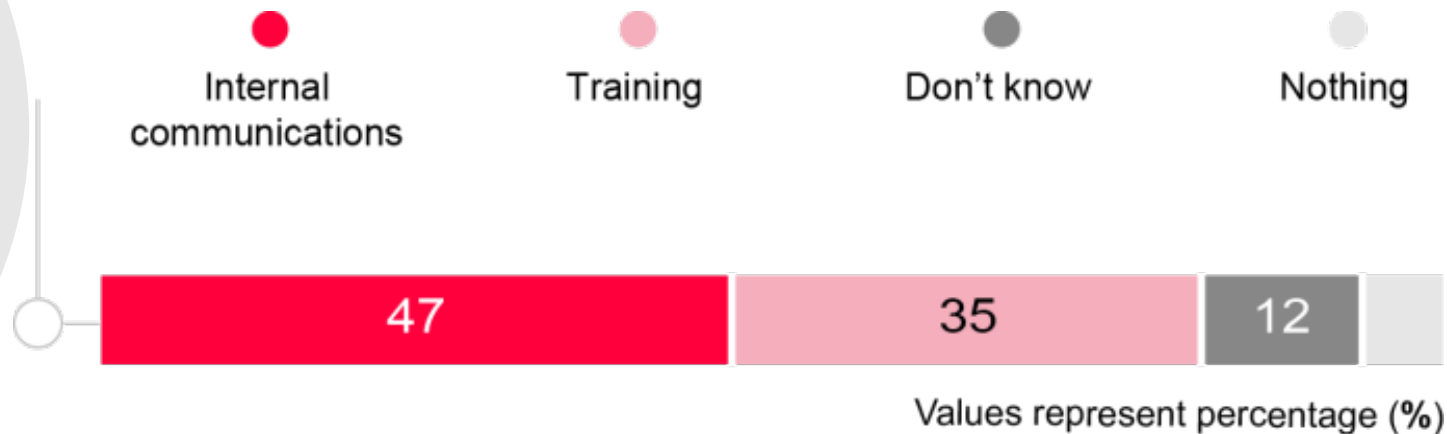
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## GDPR requires different teams to work together

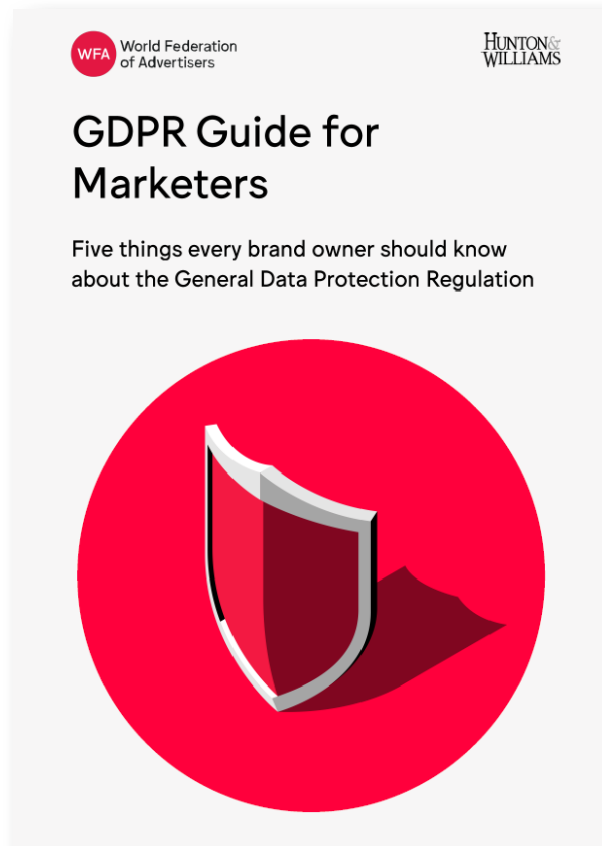


# Raising awareness is key

Q: What steps is your company taking to raise awareness of GDPR internally?



# Bridging the gap between legal and marketing







World Federation of Advertisers  
London, Brussels, Singapore

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info@wfanet.org  
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twitter @wfamarketers  
youtube.com/wfamarketers  
linkedin.com/company/wfa



# Europe online: an experience driven by advertising

September 2017



# Project Research Scope



Consistent approach in all markets: quantitative research to obtain a rich understanding of attitudes towards online advertising and privacy

## 1 Quantitative interviews

c.1,000 online interviews per market  
10 minutes interviews

## 2 Target

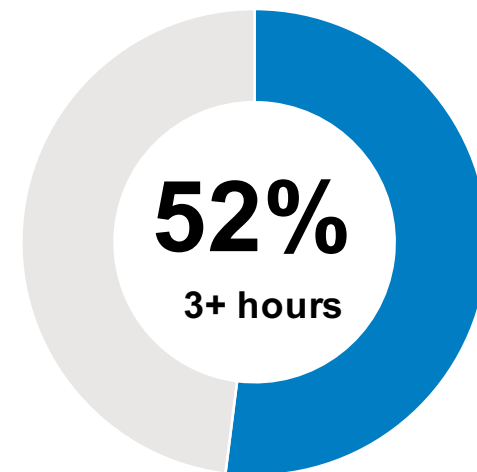
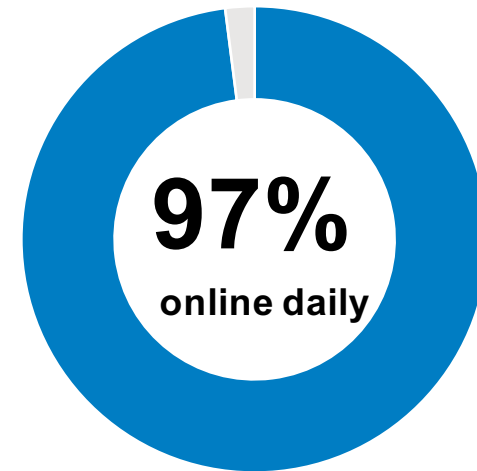
Internet users 16+ years old in 11 European countries:  
UK, DE, FR, NL, IT, PL, CZ, HU, RO, SK, EE

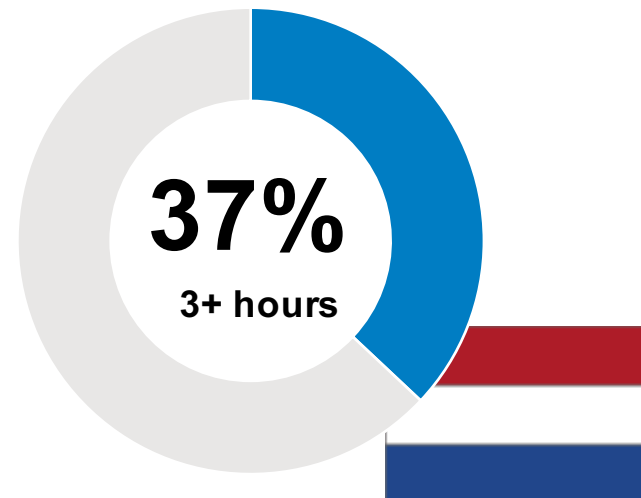
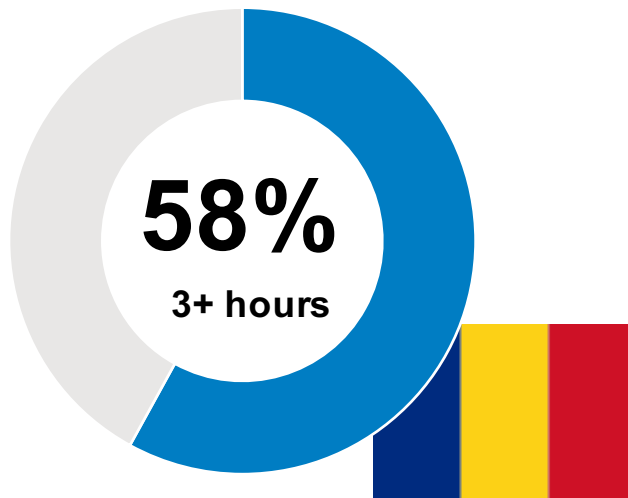
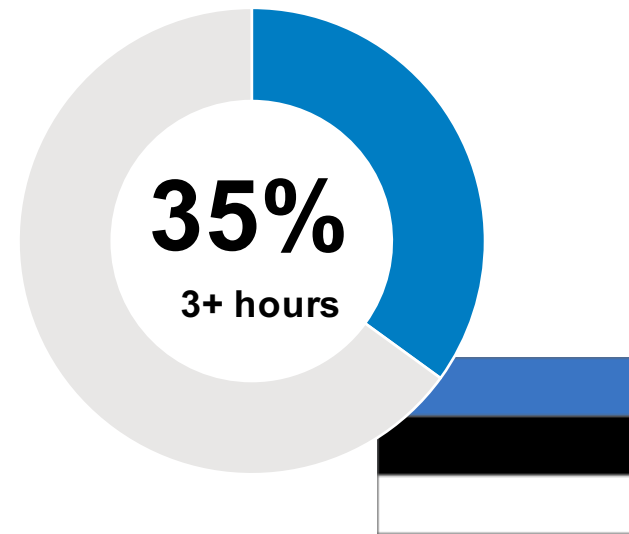
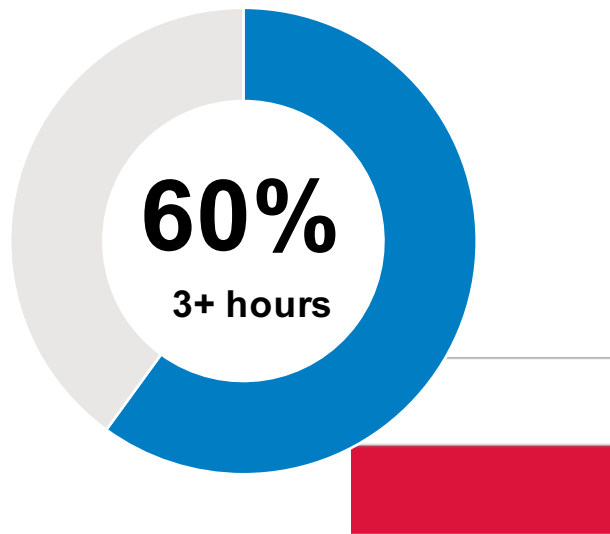
## 3 Timing

Interviews conducted during July 2017



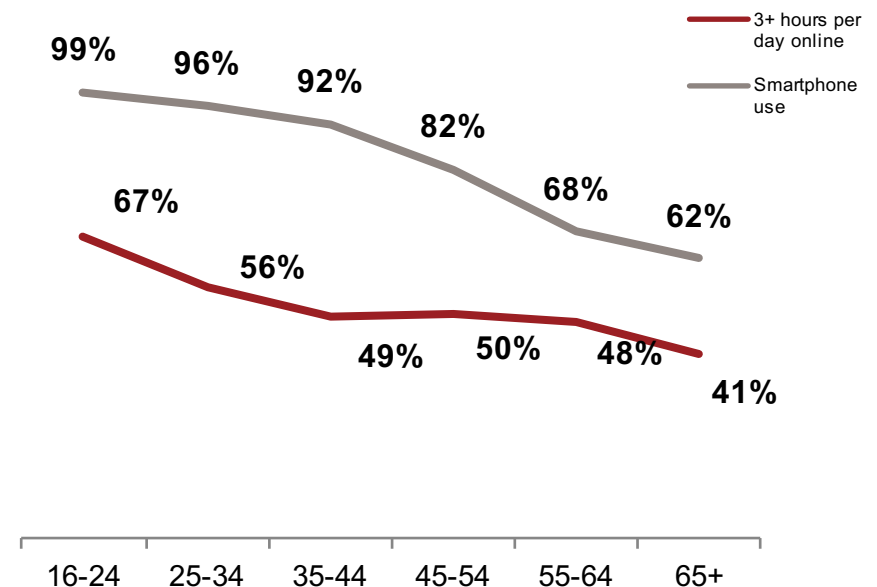
Most European internet users are online daily, using a variety of devices and engaging in a diverse array of activities



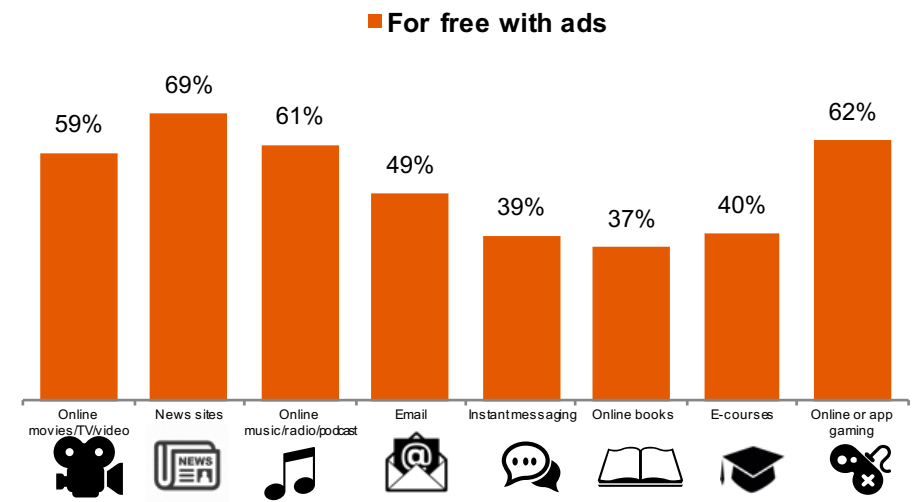


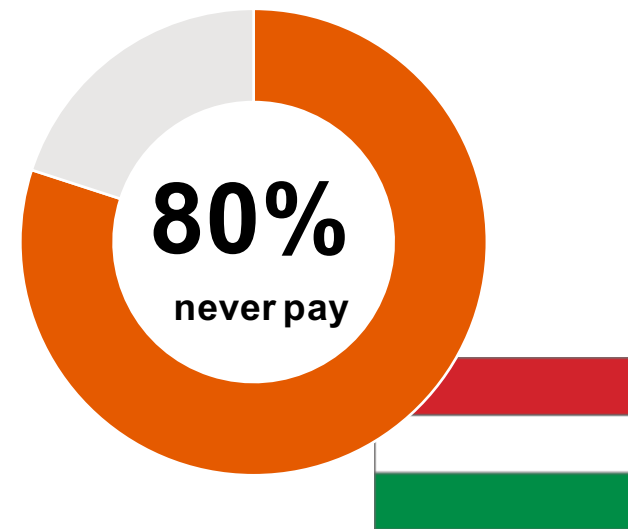
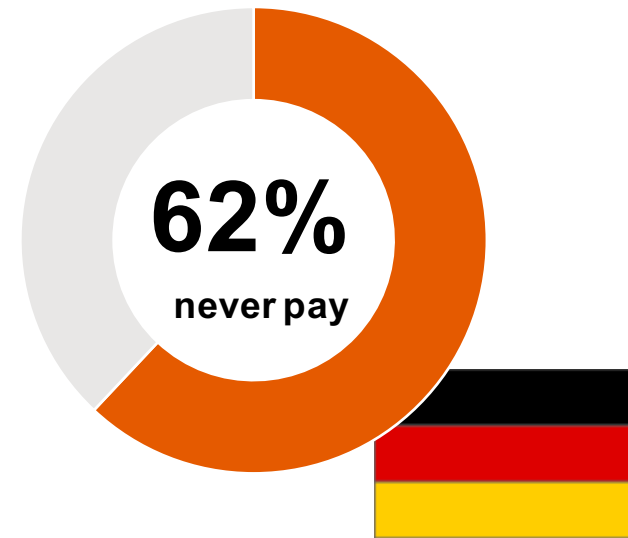
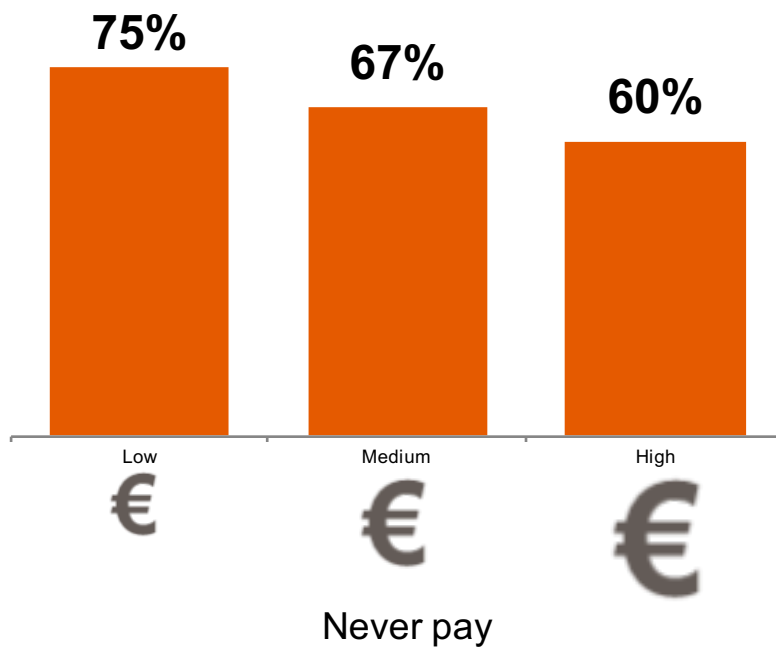


Younger users are more likely to be online more frequently and to use smartphones than older internet users

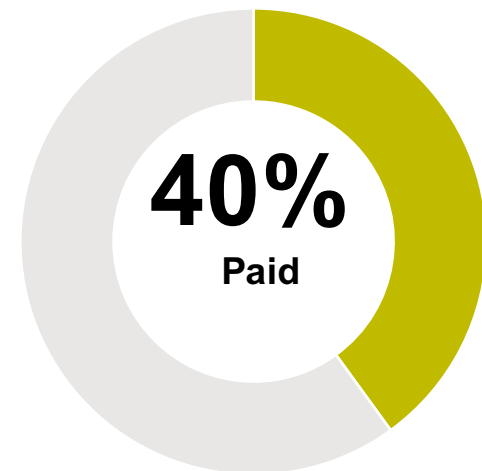
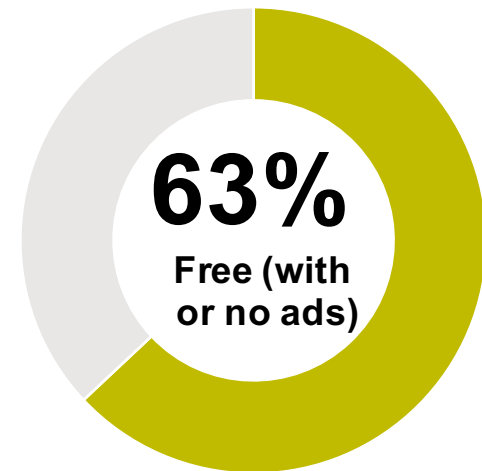


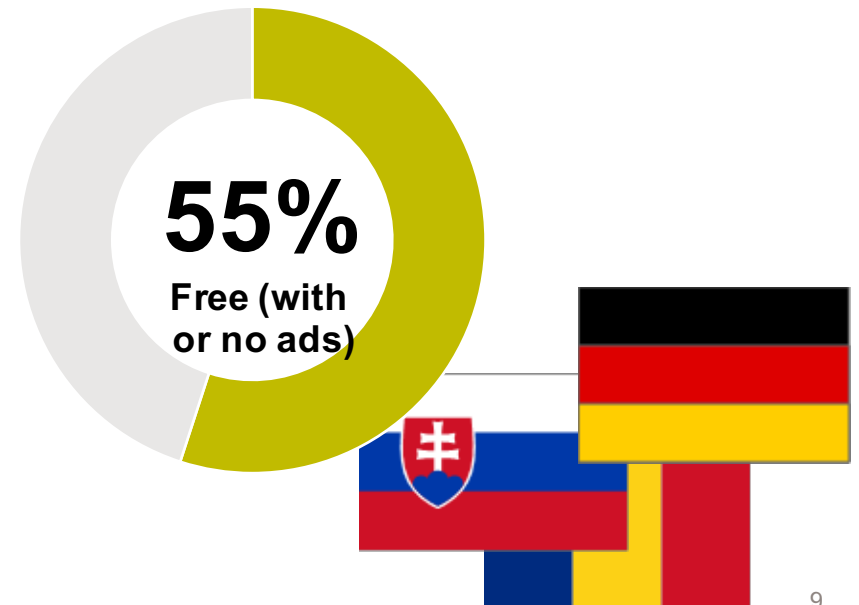
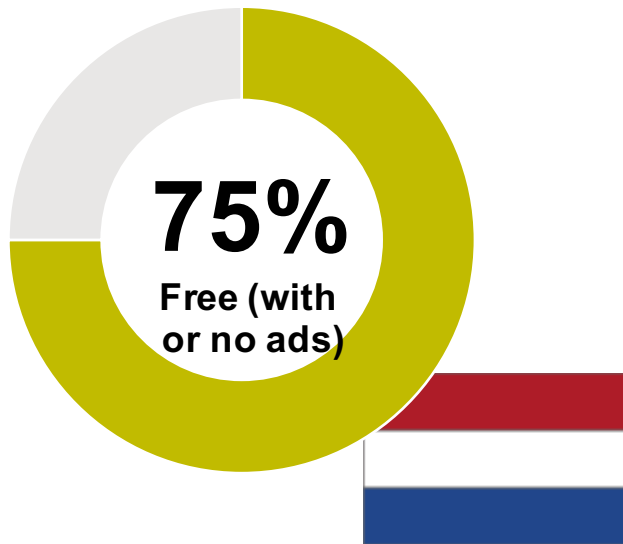
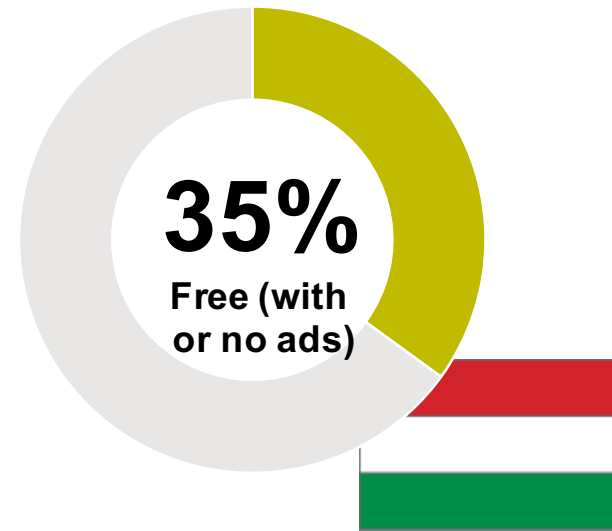
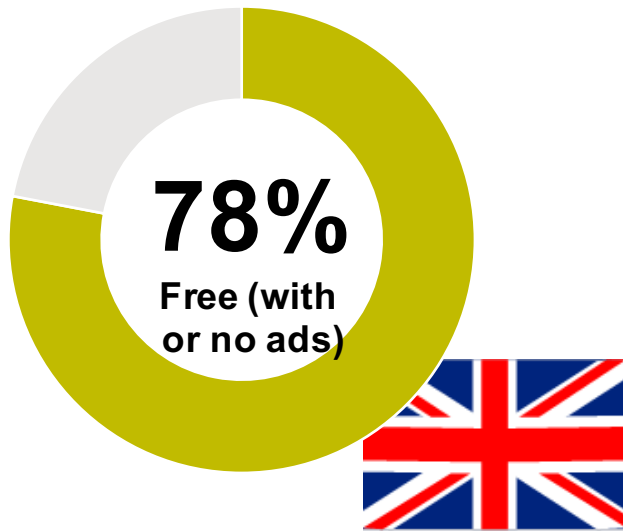
The European online experience is essentially free and ad-supported, with two-thirds of users never paying for services or content





Online users are more satisfied with their free (with or without ads) than their paid online experiences



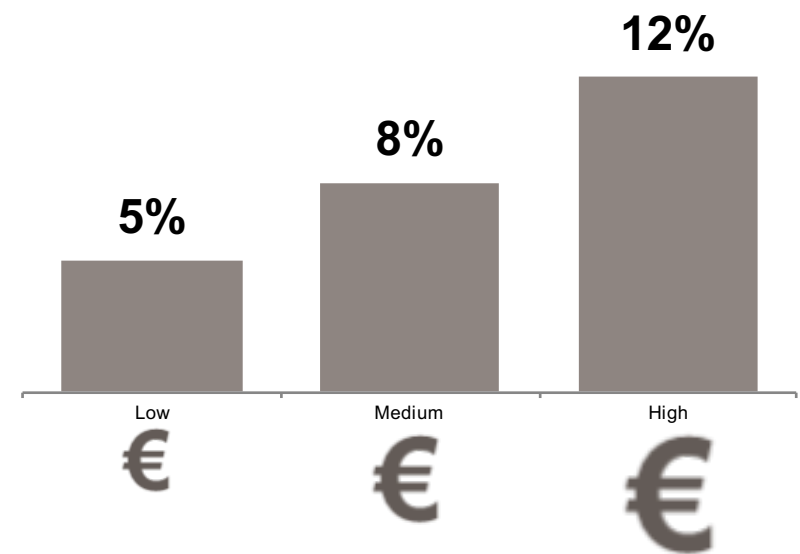




Online users would avoid paying for services or content – most would stop accessing their most used free site/app (with or without ads) if it became paid for



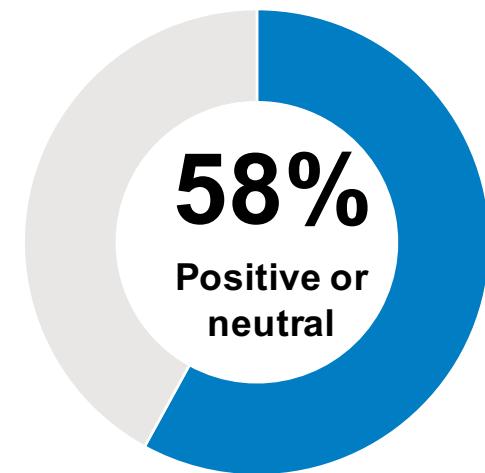
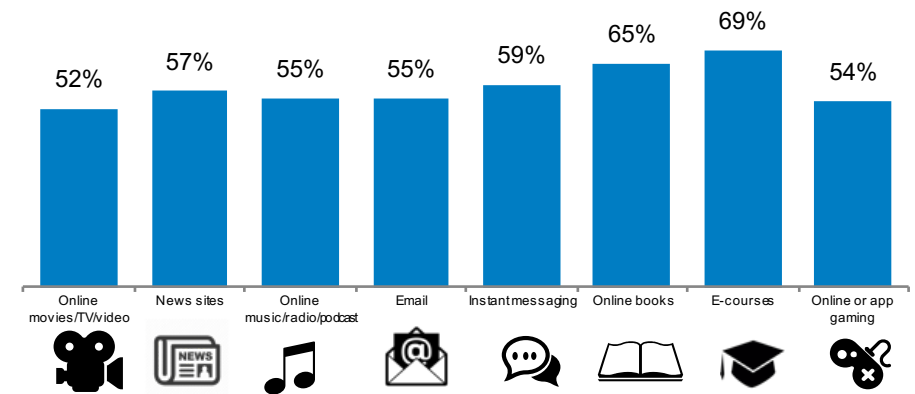
Those on higher incomes are more than twice as likely to pay in order to keep accessing their most used site than those on lower incomes

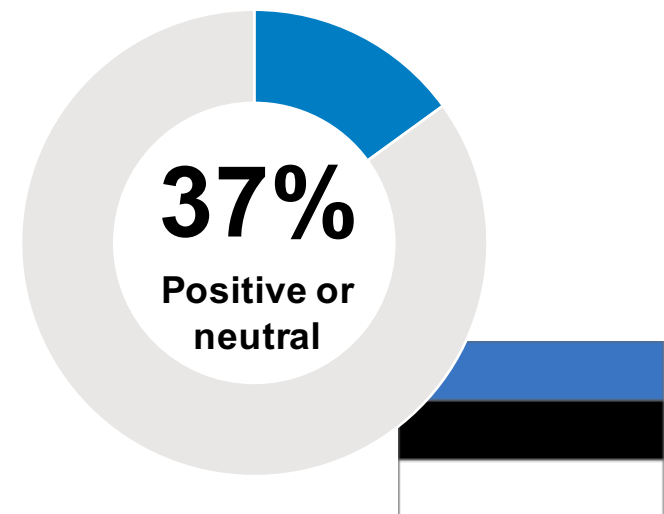
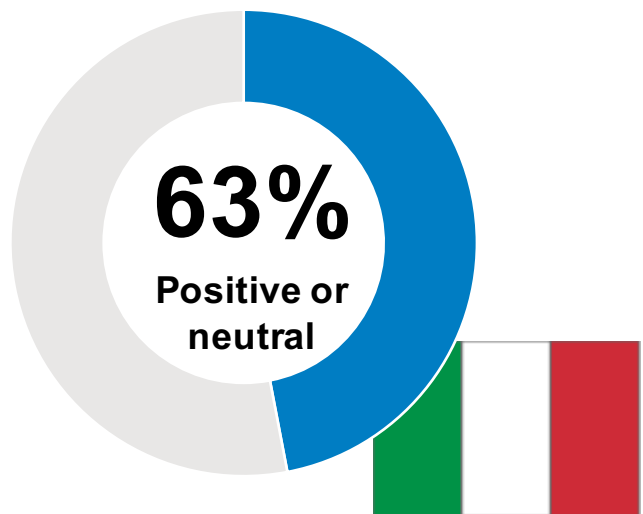
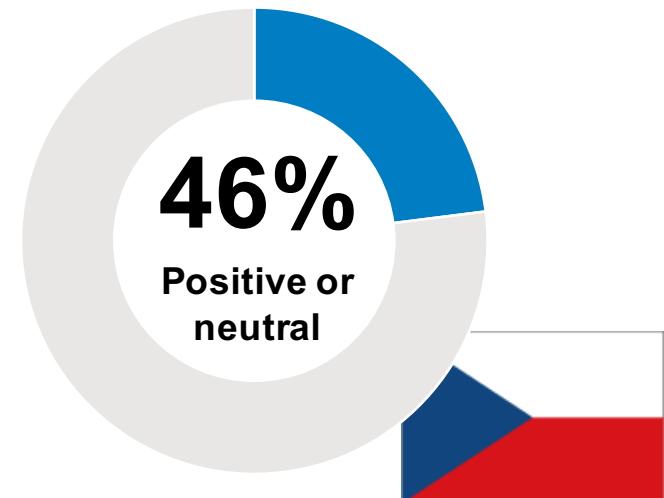
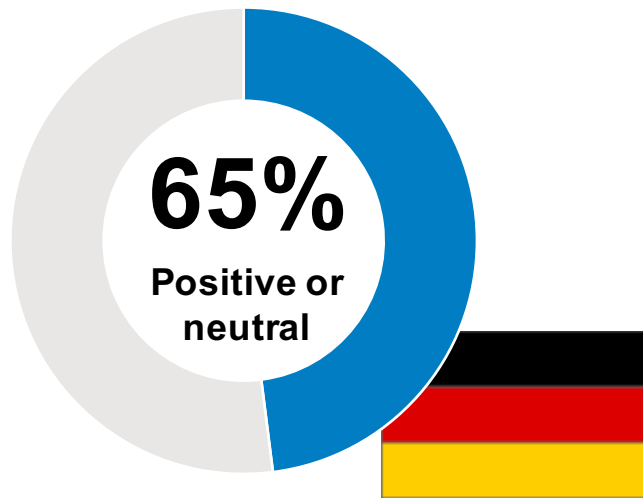


European online users are generally positive or neutral about online advertising



■ Positive or neutral about online ads





European online users are happy for their data to be accessed in order to get access to free content supported by advertising



I prefer to pay for news, content and services to keep my browsing data private

I prefer free news, content and services allowing my browsing data to be accessed



I prefer paid-for news, content and services without advertising

I prefer free news, content and services with advertising



## Approach 1

“I would like to be able to approve or disapprove the use of my browsing data for advertising every time I use a site or app, even if this would mean that I have to give consent every time before being able to access the site or app”

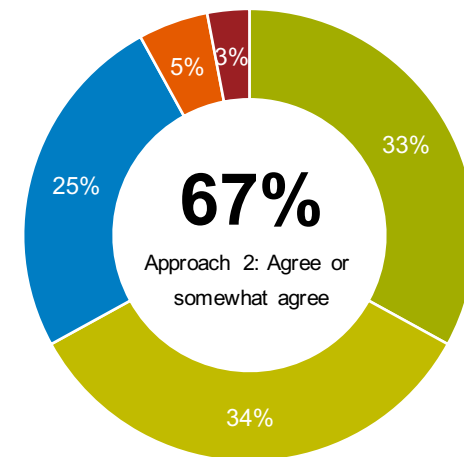
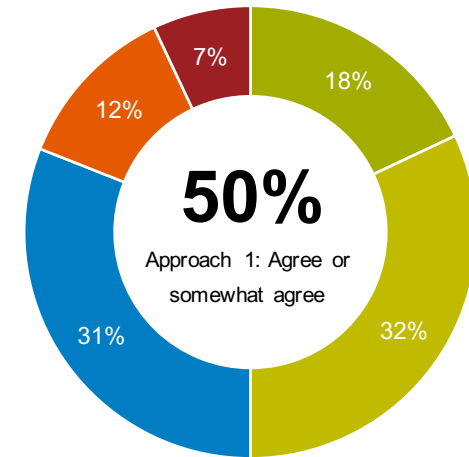


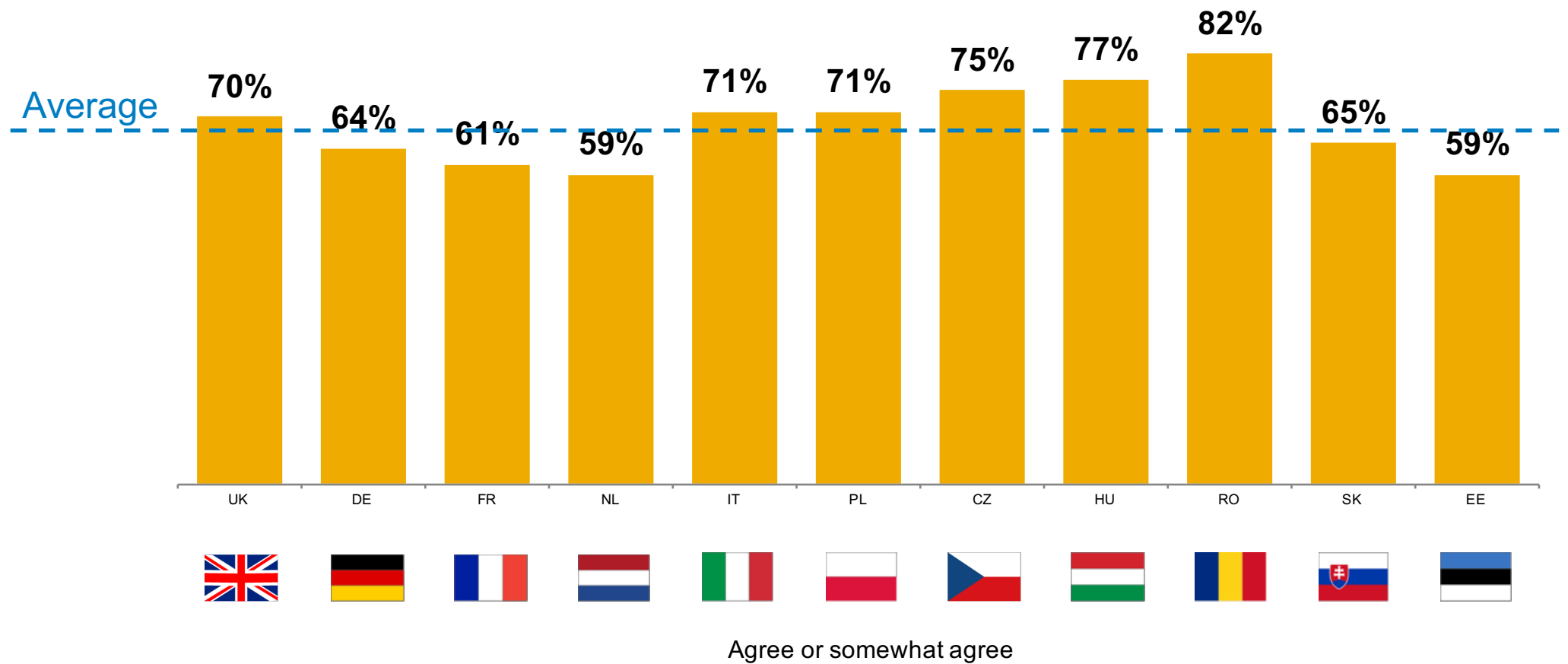
## Approach 2

“I would like to be able, with a couple of clicks, to obtain detailed information about how my browsing data is used on advertising, including the reasons I see a particular ad and who is accessing my browsing data, as well as to be in control of this process and being able to regulate or stop the use of my data”



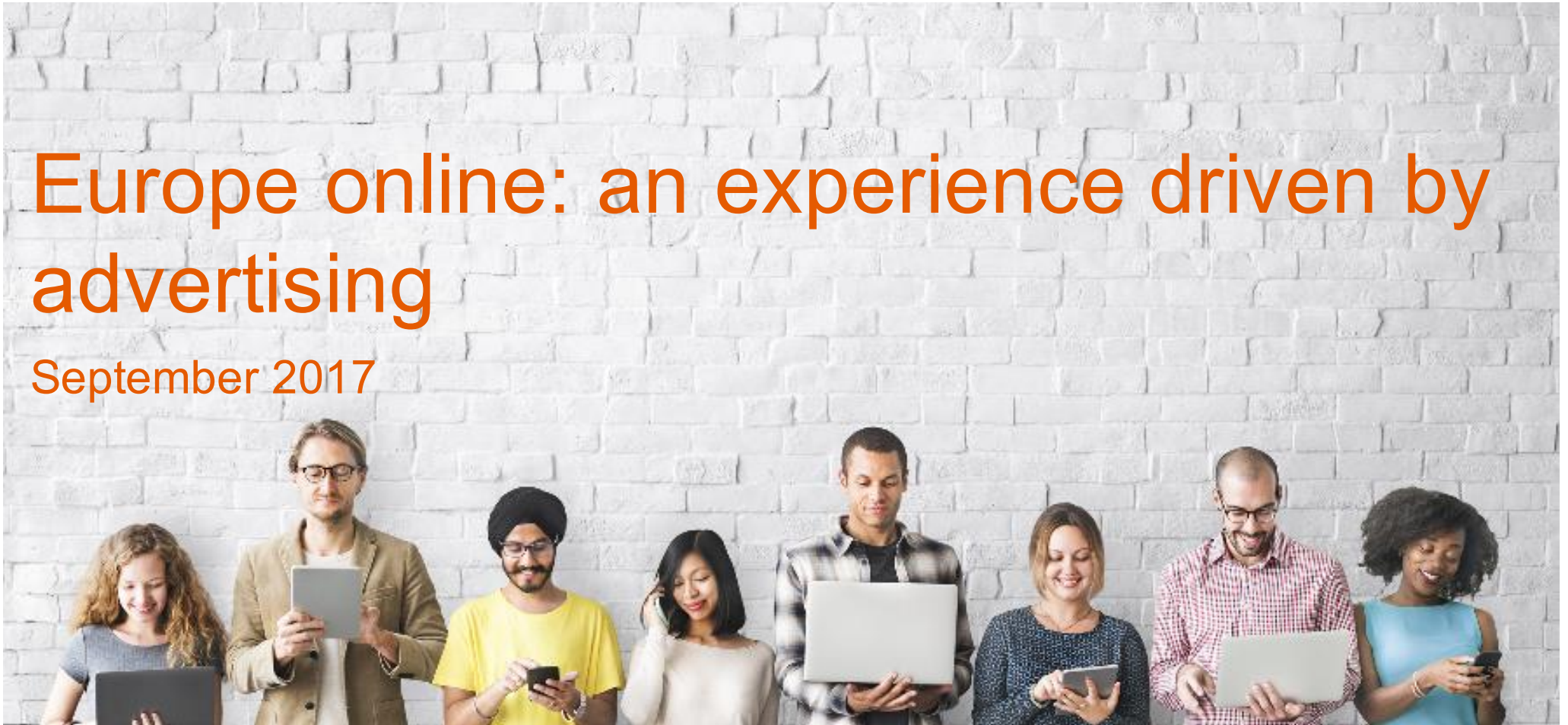
Online users have more interest in being able to access information about their data use than in requiring the approval of cookie data every time they access a site





# Europe online: an experience driven by advertising

September 2017



# Methodology (1)



- The study was commissioned by IAB Europe and EDAA and was conducted online using a 10 minute survey instrument consisting mainly in closed questions during 2017.
- Eleven countries were covered (see table below) and 1,000 or more interviews were completed on each. The target respondent was online users 16 or more years old.

Country	Sample
UK	1001
DE	1000
FR	1000
NL	1000
IT	1001
PL	1000
CZ	1001
HU	1001
RO	1000
SK	1000
EE	1016
TOTAL	11,020

- Geo-demographic quotas (region, age, gender) were used during fieldwork to ensure a fair representation of the online population of each country.
- The results were weighted to be representative of region, age and gender by country, and then merged together taking into consideration their respective online population size (see table below)

Country	Online population (millions)
UK	59.5
DE	70.6
FR	54.5
NL	15.8
IT	39.2
PL	26.3
CZ	8.6
HU	7.2
RO	10.8
SK	4.6
EE	1.2

## Methodology (2)

To define income categories, we looked at the income distribution in each country and split roughly it in thirds – low, medium and high, then aggregated these three categories across countries.

Country	Currency	Income classification LOW	Income classification MEDIUM	Income classification HIGH
UK *	Pound Sterling	up to 15,499	15,500 -34,999	35000 or more
DE	Euro	up to 2500	2500 - 3999	4000 or more
FR	Euro	up to 1999	2000-3499	3500 or more
NL	Euro	up to 1999	2000-3499	3500 or more
IT	Euro	up to 1499	1500 - 2499	2500 or more
PL	Zloty	up to 2999	3000 - 5999	6000 or more
CZ	Koruna	up to 25000	25001 - 40000	40001 or more
HU	Forint	up to 200000	200001 - 350000	350001 or more
RO	Leu	up to 2500	2501 - 4000	4001 or more
SK	Euro	up to 999	1000 - 1999	2000 or more
EE	Euro	*incomes are monthly income before taxes, except in the UK, where it's annual income up to 999	1000 - 1999	2000 or more

All work was conducted in accordance with the ISO 9001 quality assurance standard, the ISO 20252 international standard for Market, Opinion and Social Research and in accordance with the UK Market Research Society's Code of Conduct.

# The “Like a bad movie” campaign making space for compromise on the e-privacy regulation

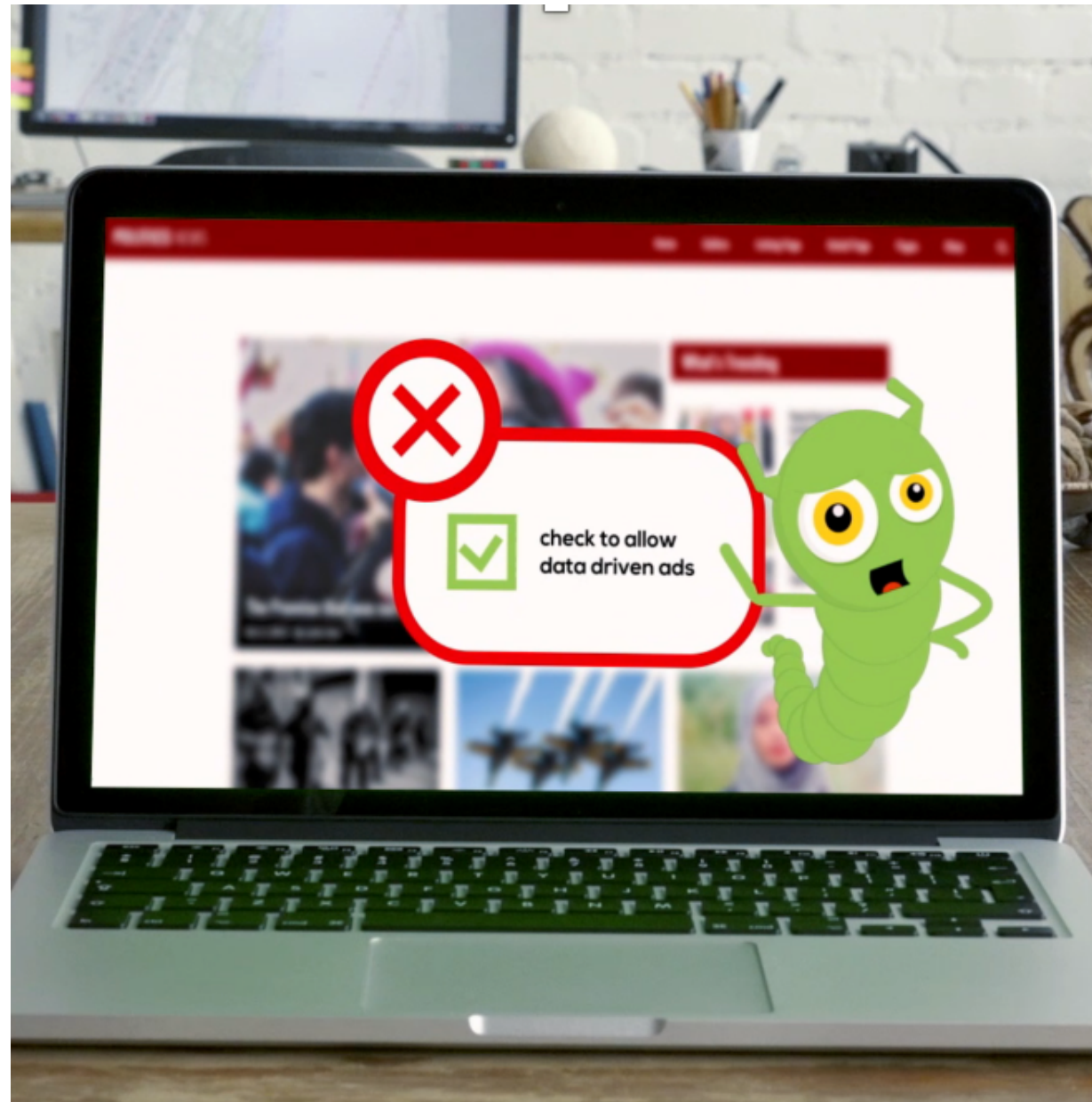
*Brett Kobie*

*SVP | Digital, Social & Creative Strategy*

*28 November 2017*



FLEISHMANHILLARD





# Where we started

## A very negative direction of travel

*The e-privacy regulation was moving quickly in a direction that would not only endanger the data-driven advertising business model but would be detrimental to the experience of all internet users.*

## A toxic narrative & short timeline

*The story of data-driven advertising was one-sided and very negative. The file was moving fast, leaving industry associations an extremely short timeline to influence the debate.*

---

## The industry challenge

*Policymakers were “dug in” to their positions and industry needed to prompt them to question their resolve and create space for compromise.*



# The industry's communications imperative

Upend the toxic OBA  
narratiVE

---

Prompt policymakers to doubt  
their hardline stance

---

Make room for compromise



## The industry's strongest asset: Unintended consequences for consumers

### Showcasing absolute absurdity

*The LIBE Committee's draft of the e-privacy regulation suggested a number of scenarios in which European internet users would end up unwitting victims.*

*We set out to showcase these Kafkaesque scenarios in a way that was easy to understand, memorable and clearly consumer-focused.*





## The campaign concept

The draft e-privacy regulation could do inexplicable damage to a user's internet experience.

Consumers would be faced with consent fatigue, fewer sources of high-quality journalism and be forced to pay more money for services and content that used to be low-cost or free.

In short. The e-privacy regulation sounds...  
**like a bad movie.**

THE DRAFT E-PRIVACY REGULATION IS

**LIKE A BAD MOVIE.**

BUT WE CAN STILL CHANGE THE ENDING.

#LIKEABADMOVIE  
LIKEABADMOVIE.EU



**TAP FOR SOUND**

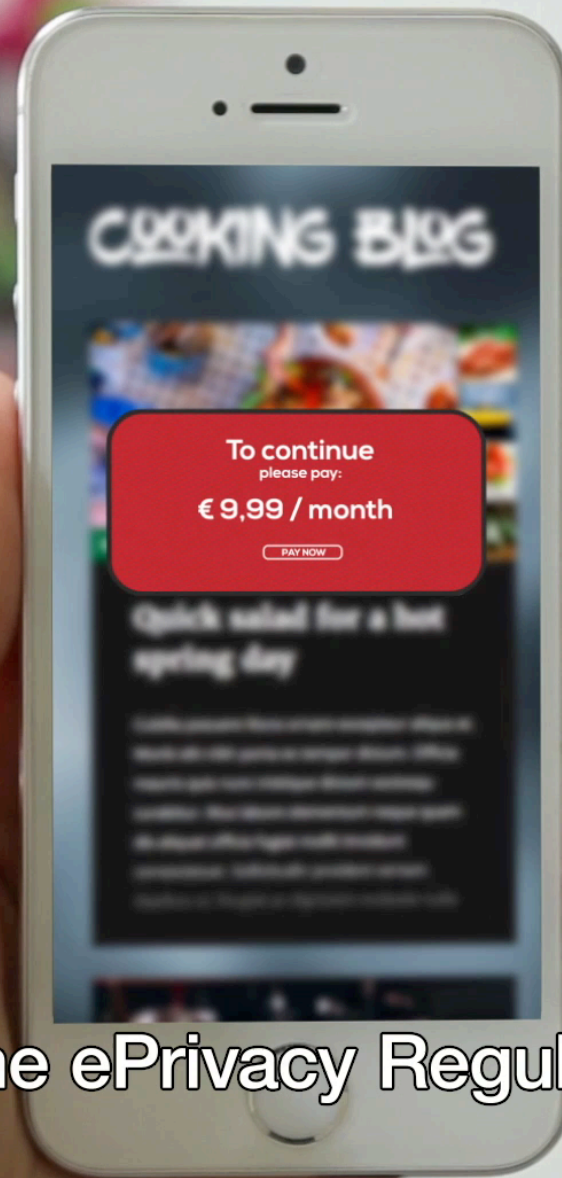




**TAP FOR SOUND**







The ePrivacy Regulation

# Impact on media and social media

**POLITICO**

**W&V**  
Werben & Verkaufen

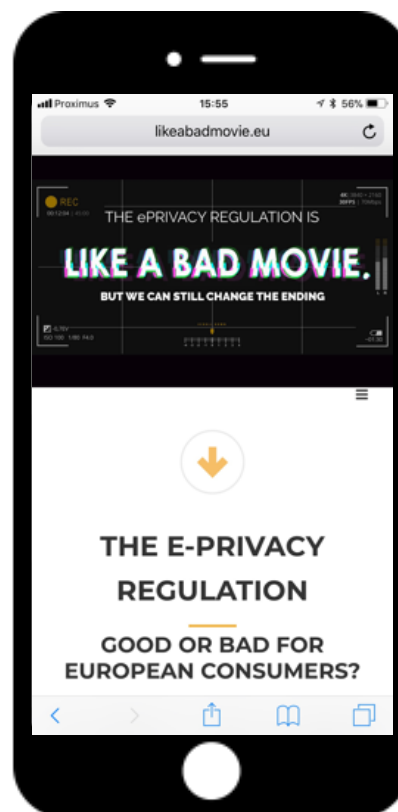
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◀ 2,500 unique visits to Campaign  
50,000+ video views  
across platforms



# campaign timeline



## In summary

A clear shift of the needle

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Policymakers suddenly aware  
of possible unintended  
consequences

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A thinning of support in  
European parliament -

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committee and plenary  
More room for compromise in  
trilogue as member states  
more aware of controversy

