Privacy Targets: Three User Studies on Internet Privacy and Targeted Advertising

By: Aleecia McDonald
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Abstract:
Targeted advertising, including behavioral advertising, collects data about an individual’s online activities to select advertisements to display. Targeted ads have enjoyed commercial success, and have the potential to reduce costs to advertisers while increasing relevance to consumers. However, there are questions about consumer’s online privacy, and there is both regulatory and legislative interest in these topics. In three studies user studies we found limited understanding of technologies used in targeted advertising including confusion between cookies and history. We studied participants’ views about behavioral advertising to other popular types of advertising (contextual, affiliate, cloud-based, and DPI-based) and found they would prefer random ads in all cases except for contextual. A small subset of the population welcomes the benefits of targeted advertising while a small subset reject it. In the middle, most respondents try to ignore ads and do not see any reason to share their data with advertisers. Some people who are very privacy protective would not pay for privacy because they feel it is wrong to pay for privacy. While most respondents are aware behavioral advertising takes place, many do not believe there could ever be ads based on their email content, despite using Gmail. It appears mental models of privacy protections in the off-line world carry over into online expectations of privacy. Discussion will conclude with suggestions for policy makers and technologists.

About the Speaker:
Aleecia M. McDonald is a PhD candidate in Engineering & Public Policy at Carnegie Mellon University, where she is a member of the CyLab Usable Privacy and Security (CUPS) research laboratory. Her interests span the intersection of Internet technology, policy, economics, and law. Ms. McDonald's research includes the efficacy of industry self regulation, behavioral economics and mental models of privacy, network traffic analysis to combat spyware, automotive privacy, and RFID technology. In addition to a decade of experience working for software startups, Ms. McDonald holds an MS in Public Policy and Management and a BA in Professional Writing, both from Carnegie Mellon. Her findings have been featured in media outlets such as the Washington Post, Ars Technica, Free Press' Media Minute, and have contributed to testimony before the Federal Trade Commission.