The Future of Advertising & Privacy How online tracking works

Lorrie Faith Cranor

Chief Technologist
US Federal Trade Commission



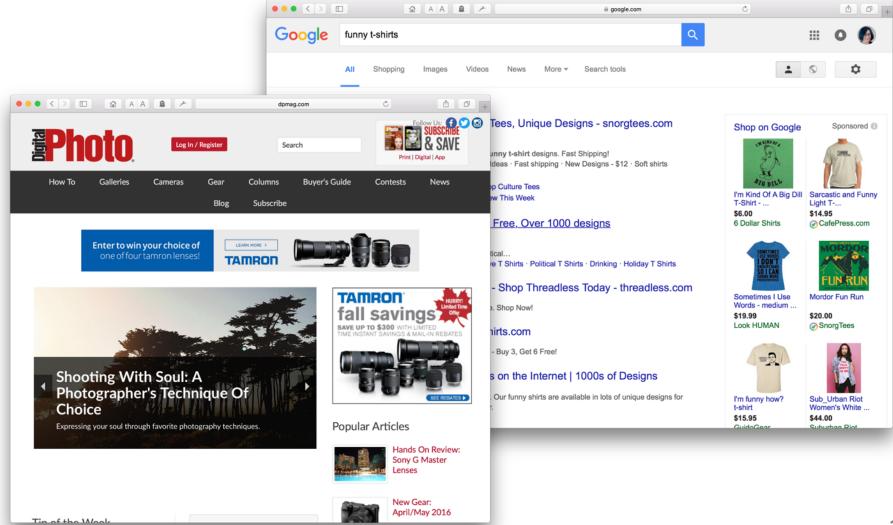


Agenda

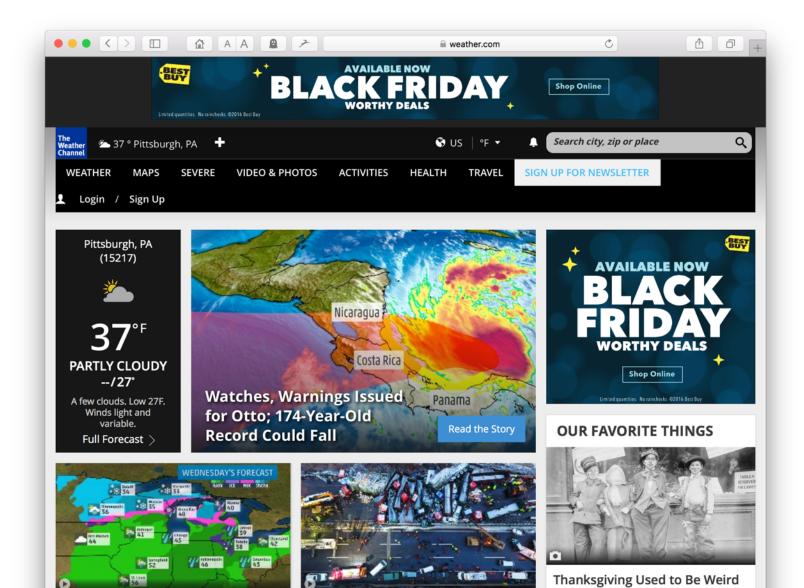
- Types of ads
- Web tracking with cookies
- Web tracking beyond cookies
- Tracking beyond the web
- Opting-out

These views are my own and do not necessarily reflect the views of the Commission or any individual Commissioner

Contextual ads



Run-of-network ads



Targeted ads

Require information about user, usually derived from web browsing history





Retargeted ads

Require information about recent product views at a specific website







Woman Stalked Across 8 Websites By Obsessed Shoe Advertisement

NEWS IN BRIEF

October 12, 2015

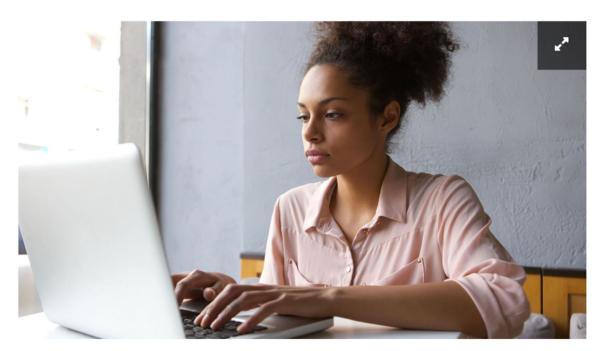
VOL 51 ISSUE 41

News · Technology · Advertising · Fashion









LAWRENCEVILLE, GA—Expressing her growing unease at repeatedly spotting the same picture and text lurking in the corners of her favorite webpages, local woman Laura Spelman confirmed Monday that she has been stalked across eight different sites by an obsessed Nine West shoe advertisement. "When I first saw the ad for the black ballet flats in my Facebook news feed, it seemed harmless enough, but then I went to check the forecast on Weather.com and it was waiting there for me—it's really kind of disturbing," said Spelman, adding that she has taken to scrolling away from the fanatical ad as fast as possible whenever she catches sight of it. "I

Technology for ad tracking

- Cookies
- Third-party cookies
- Ad exchanges
- Cookie syncing
- Other identifiers used for tracking
- Cross-device tracking
- Probabilistic tracking

Hypertext Transfer Protocol (HTTP)

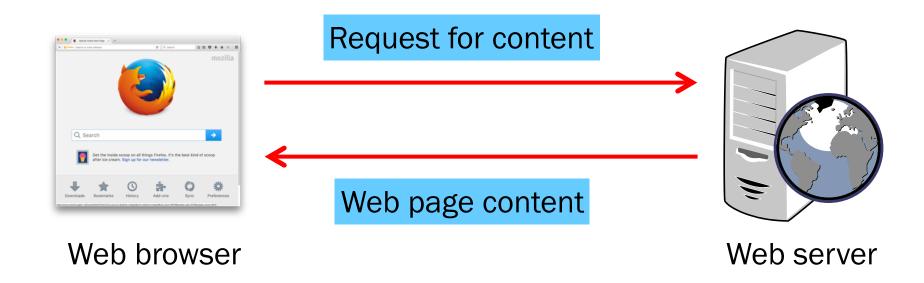


Web browser



Web server

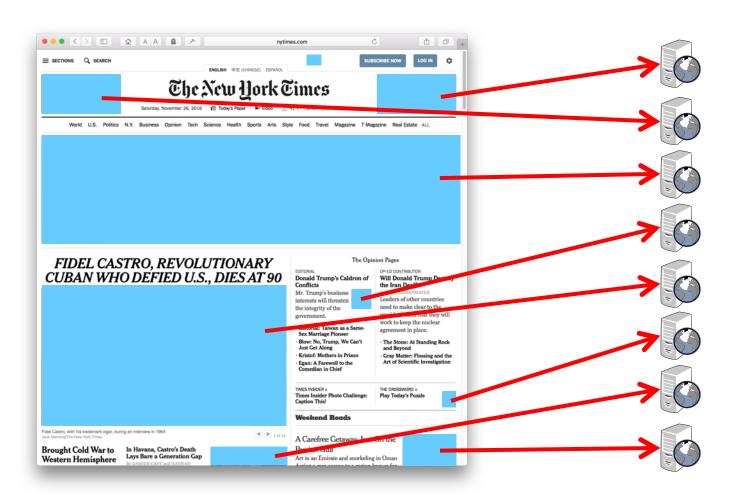
Hypertext Transfer Protocol (HTTP)



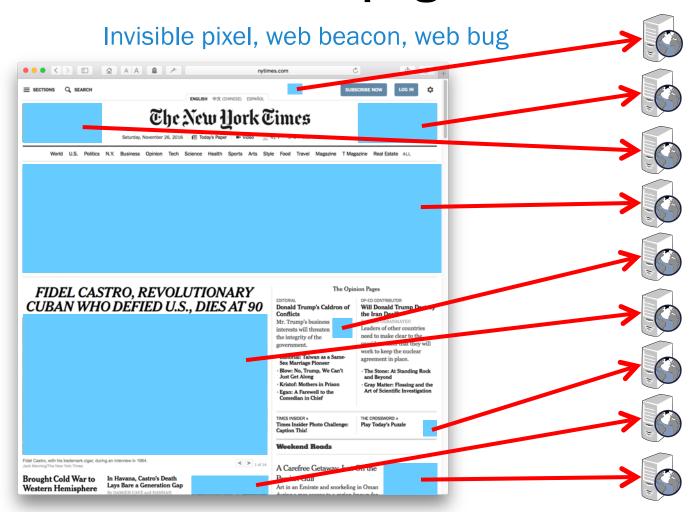
Browser makes HTTP requests for every object embedded in page



Browser makes HTTP requests for every object embedded in page



Browser makes HTTP requests for every object embedded in page



Web servers respond



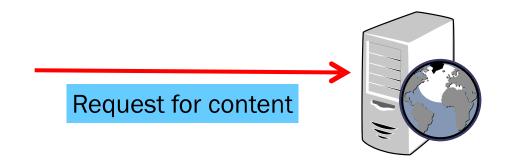


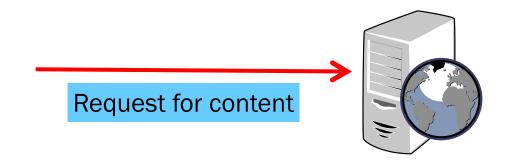
Web servers respond



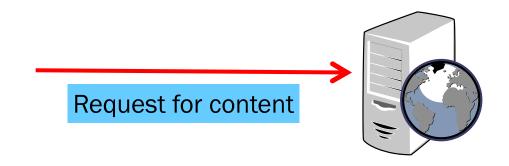
Web servers respond



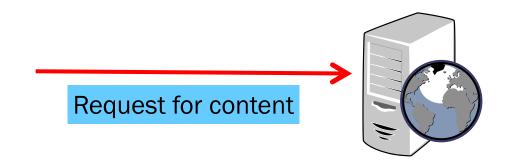




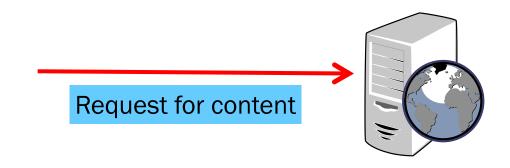
 Address of content being requested



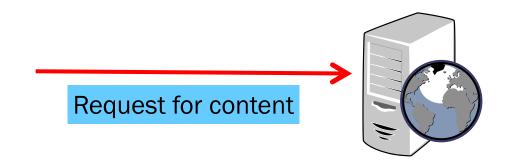
- Address of content being requested
- Text user typed into forms



- Address of content being requested
- Text user typed into forms
- Referring website

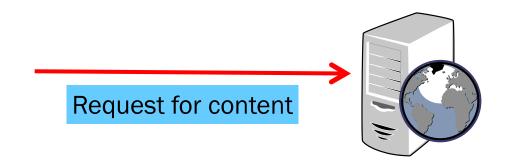


- Address of content being requested
- Text user typed into forms
- Referring website
- Type and version of user agent, platform



- Address of content being requested
- Text user typed into forms
- Referring website
- Type and version of user agent, platform

- Characteristics of user agent and device
 - language, fonts, plugins, etc.



- Address of content being requested
- Text user typed into forms
- Referring website
- Type and version of user agent, platform

- Characteristics of user agent and device
 - language, fonts, plugins, etc.
- Cookies

Content requested

Address of requested content

```
GET /section/sports HTTP/1.1
```

GET /2016/11/26/sports/ncaafootball/ohiostate-buckeyes-michigan-wolverines-overtime.html HTTP/1.1

Search queries or text typed into forms

GET /search?q=womens+soccer HTTP/1.1

Referer

- If you click on a link
 - The page that contains the link you clicked
- If a page is loading embedded content or ads
 - The page in which the content or ads are embedded
- May include search terms and form data

Referer: http://www.nytimes.com/



Referer: http://query.nytimes.com/ search/sitesearch? action=click&contentCollection®io n=TopBar&WT.nav=searchWidget&m odule=SearchSubmit&pgtype=Home page#/womens+soccer/



Browser Characteristic	bits of identifying information	one in x browsers have this value	value	
Limited supercookie test	0.42	1.34	DOM localStorage: Yes, DOM sessionStorage: Yes, IE userData: No	
Hash of canvas fingerprint	7.93	243.84	4794755dcfab8cdd9b1ca201700eeb8e	
Screen Size and Color Depth	4.88	29.43	1680x1050x24	
Browser Plugin Details	6.29	78.11	Plugin 0: WebKit built-in PDF::: (Portable Document Format: application/pdf: PANOPTICE PANOPTICE	
Time Zone	3.65	12.52		1 · 1 1 · 1/
DNT Header Enabled?	0.82	1.76		1.111.1
HTTP_ACCEPT Headers	4.75	27.0		
Hash of WebGL fingerprint	8.5	361.74	Is your browser safe a	gainst tracking?
Language	1.07	2.1	en-us	
System Fonts	6.86	116.14	Andale Mono, Arial, Arial Black, Arial Hebrew, Arial Narrow, Arial Rounded MT Bold, Arial Unicode MS, Book Antiqua, Bookman Old Style, Calibri, Cambria, Cambria Math, Century, Century Gothic, Century Schoolbook, Comic Sans M S, Consolas, Courier, Courier New, Garamond, Geneva, Georgia, Helvetica, H elvetica Neue, Impact, Lucida Bright, Lucida Calligraphy, Lucida Console, Luci da Fax, LUCIDA GRANDE, Lucida Handwriting, Lucida Sans, Lucida Sans Ty pewriter, Lucida Sans Unicode, Microsoft Sans Serif, Monaco, Monotype Corsi va, MS Gothic, MS PGothic, MS Reference Sans Serif, MYRIAD PRO, Palatin o, Palatino Linotype, Tahoma, Times, Times New Roman, Trebuchet MS, Verd ana, Wingdings, Wingdings 2, Wingdings 3 (via javascript)	
Platform	3.03	8.14	MacIntel	
User Agent	8.41	339.95	Mozilla/5.0 (Macintosh; Intel Mac OS X 10_11_6) AppleWebKit/602.2.14 (KHT ML, like Gecko) Version/10.0.1 Safari/602.2.14	
Touch Support	0.5	1.41	Max touchpoints: 0; TouchEvent supported: false; onTouchStart supported: fal	
Are Cookies Enabled?	0.2	1.15	Yes	15

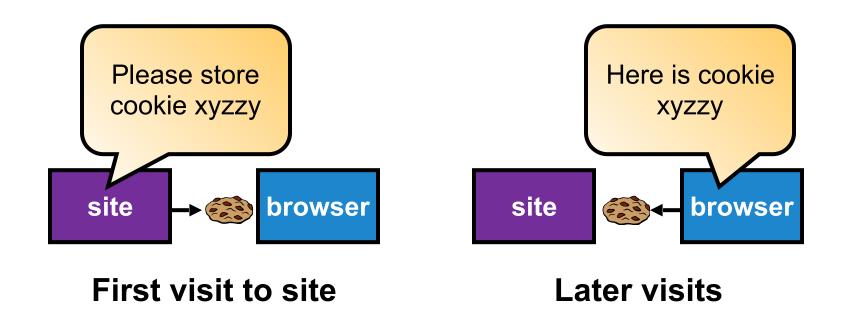
Cookies



- Maintain state as you move around a website
 - Shopping carts
 - Multi-page forms
 - Saving preferences
- Recognize return visitors

Basic cookies

- A cookie stores a small string of characters
- A web site asks your browser to set a cookie
- Browser sends cookie whenever you return to site



Cookie parameters

- By default, cookies are sent back to any host in a domain forever
- Sites can set time limit for cookies
 - Session cookies only sent for duration of browsing session
- Sites can restrict cookies to only certain hosts, directories, or files

Send me with any request to x.com until 2018

Send me with requests for index.html on y.x.com for this session only

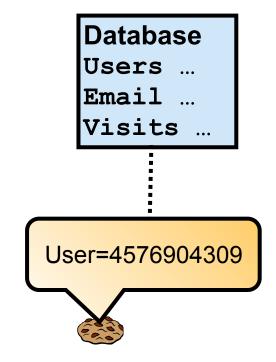
Cookie content

 Cookies can store user info or a database key that is used to look up user info

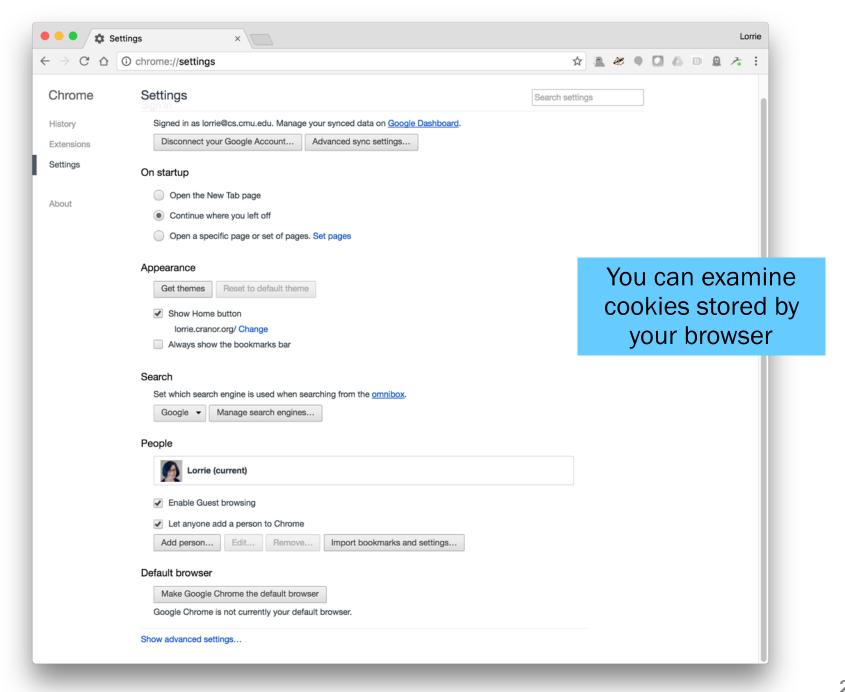
User=Joe Email=Joe@x.com Visits=13

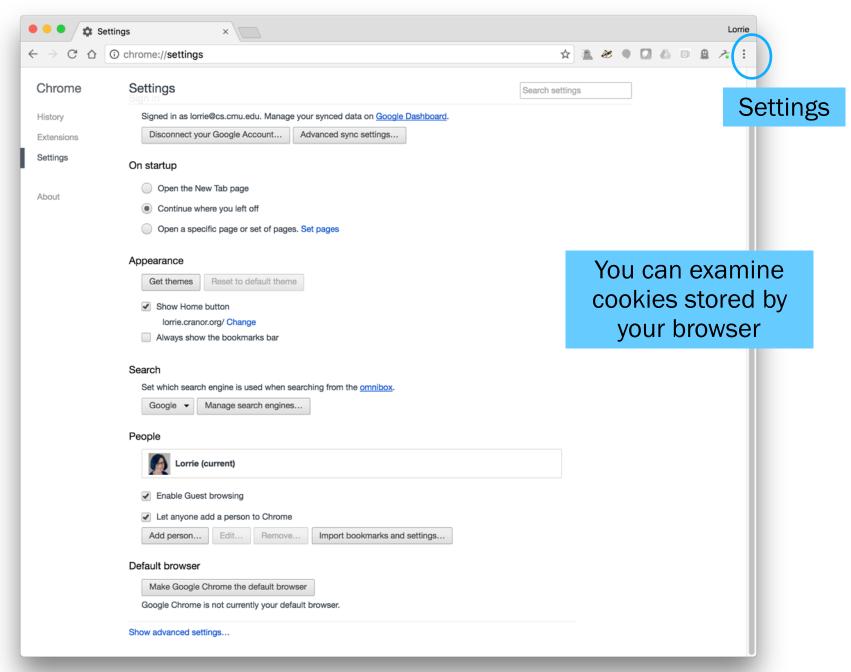
Cookie: user=joe; email=joe@x.com; visits=13

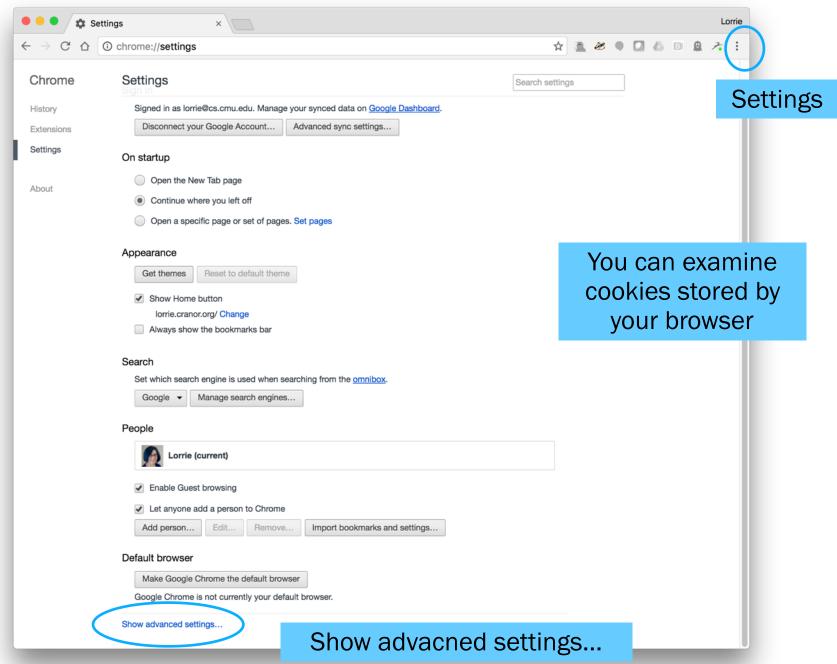
 User is just as linkable either way

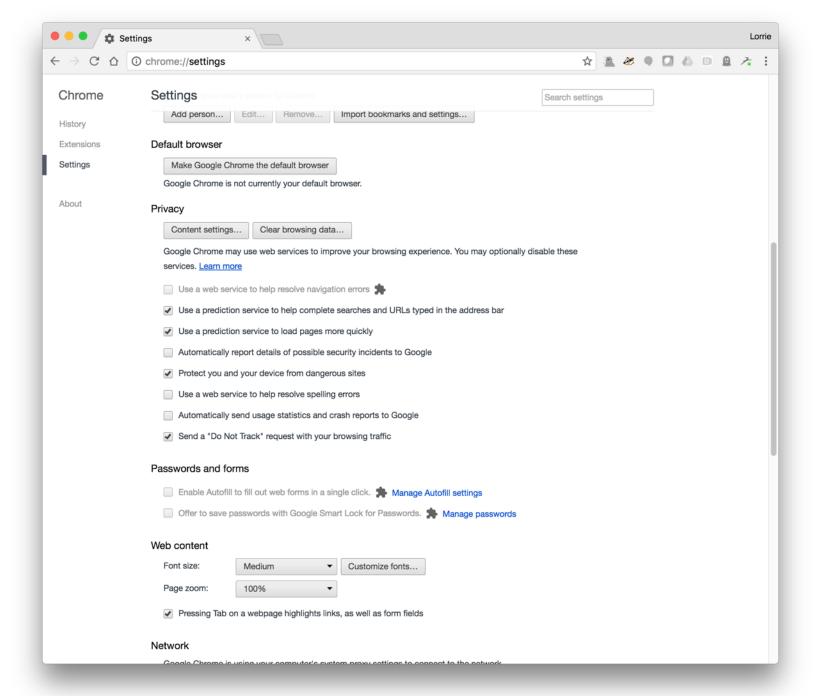


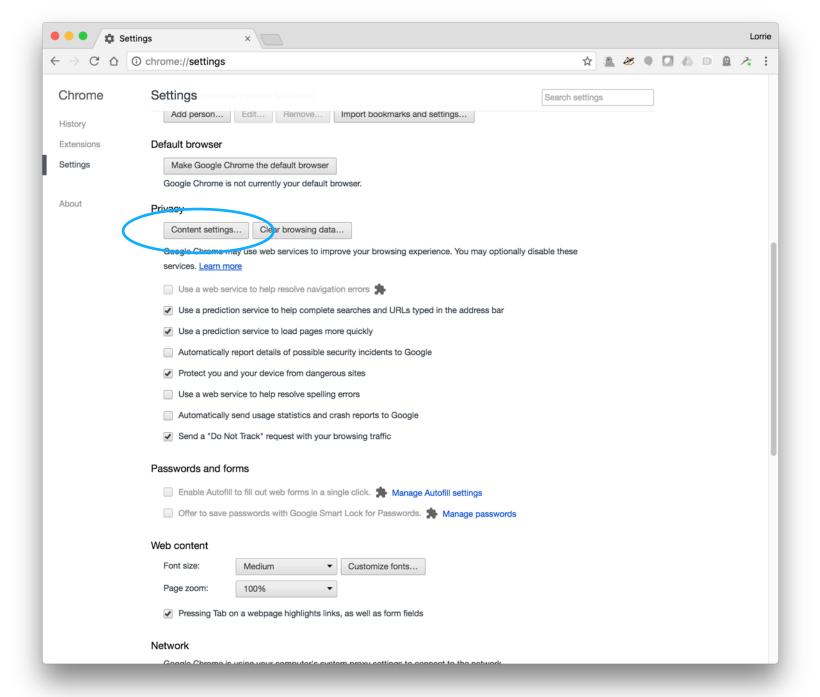
Cookie: user=457690439

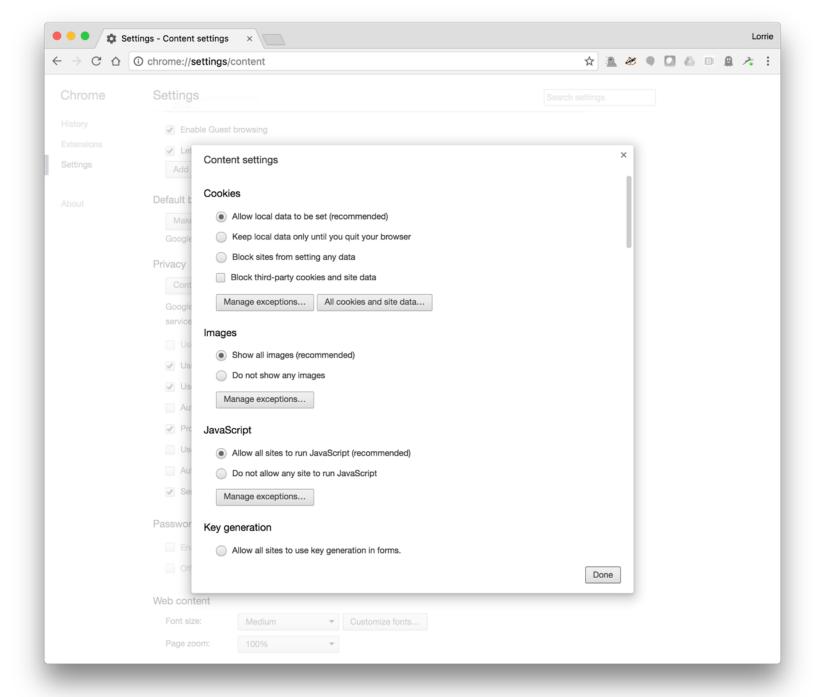


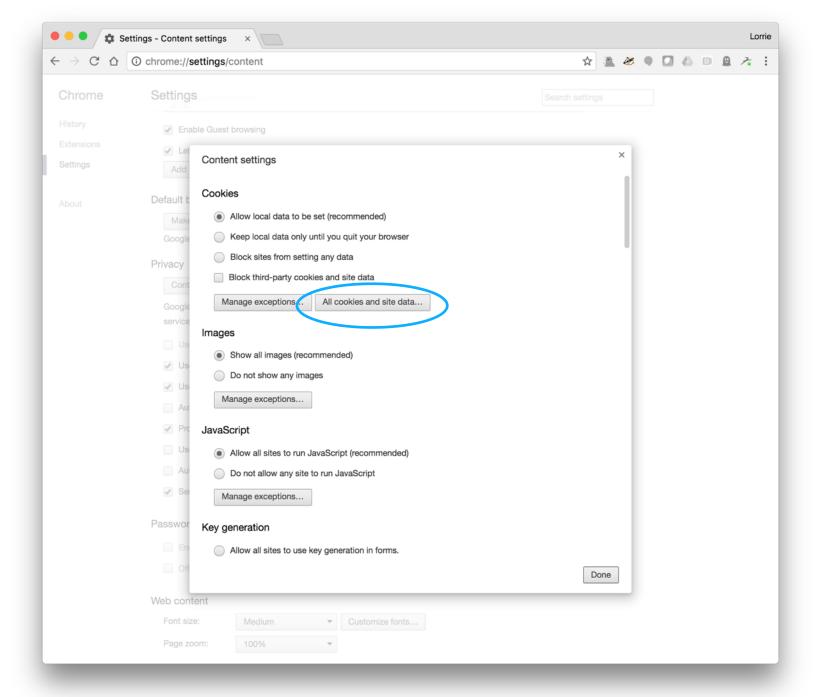


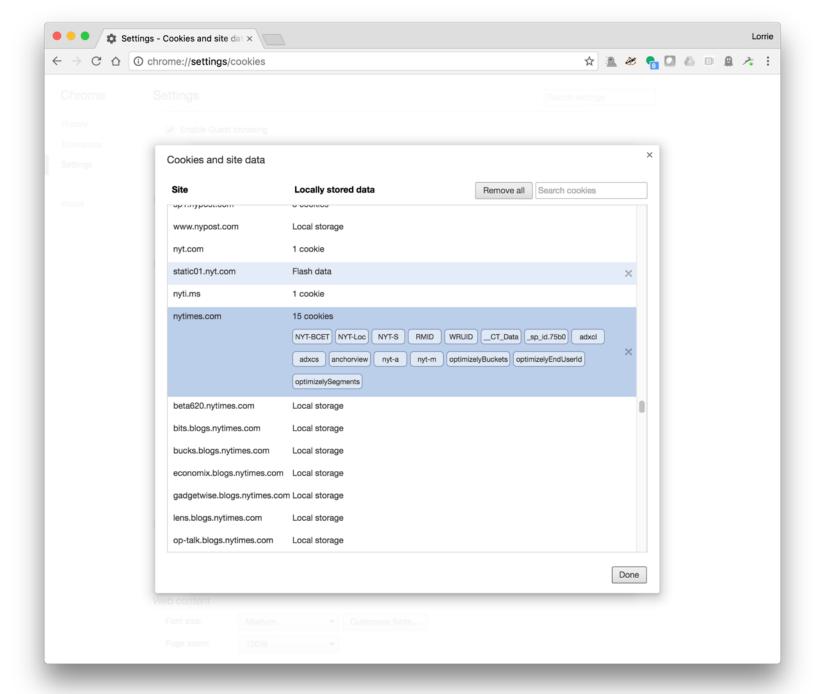


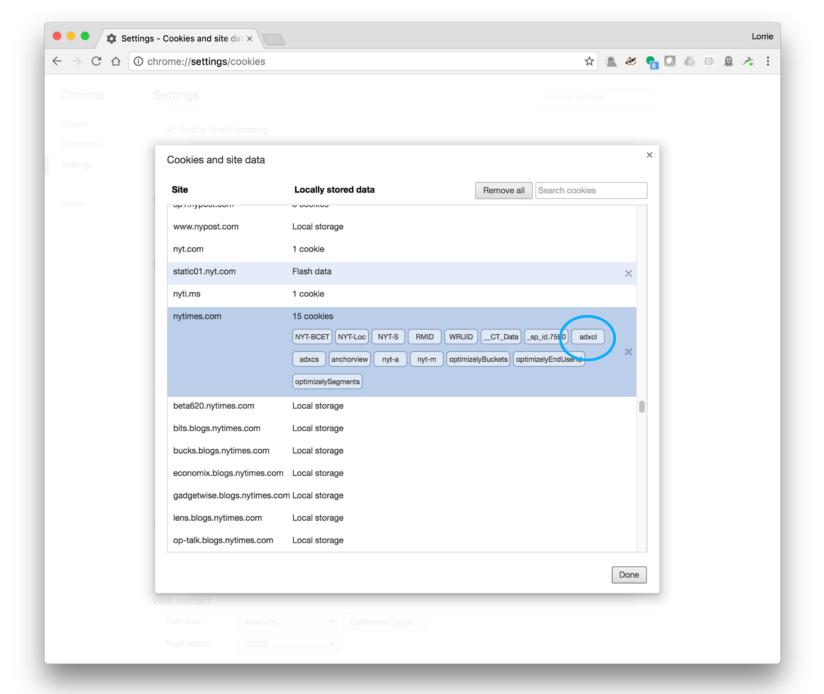


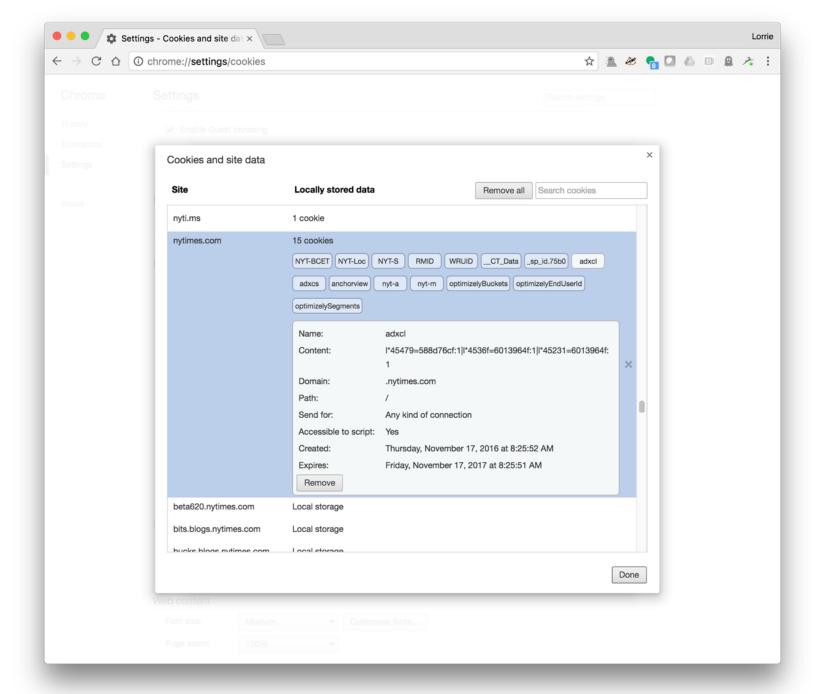


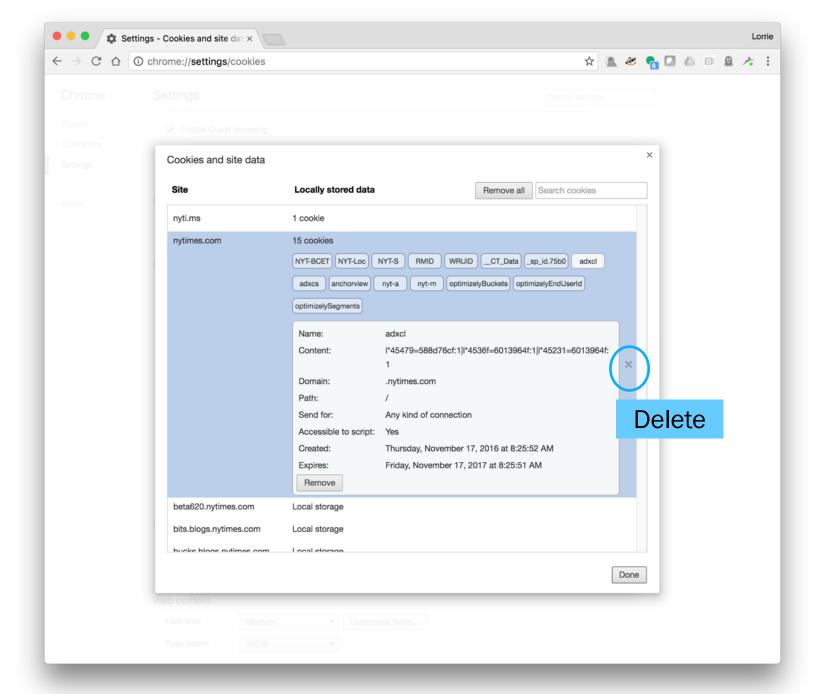


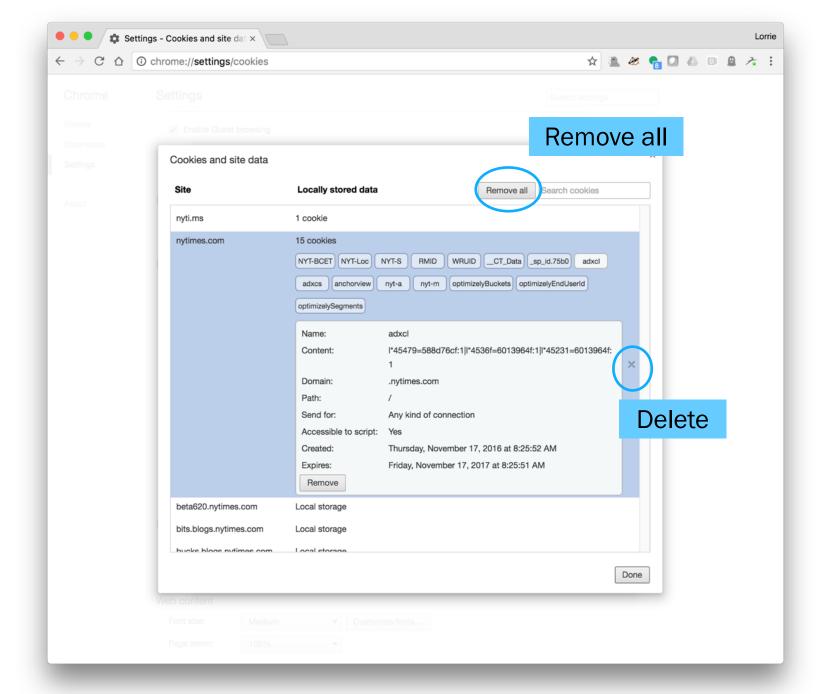






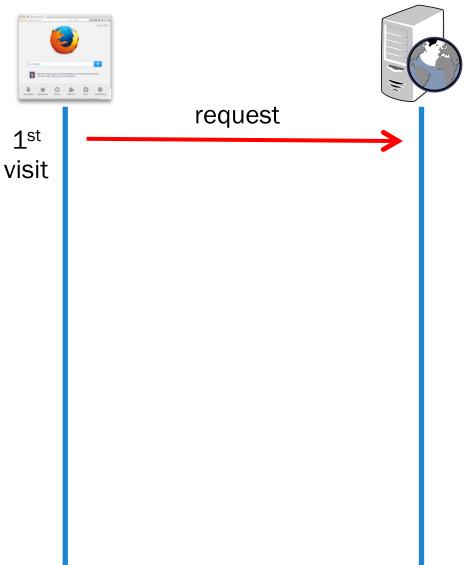








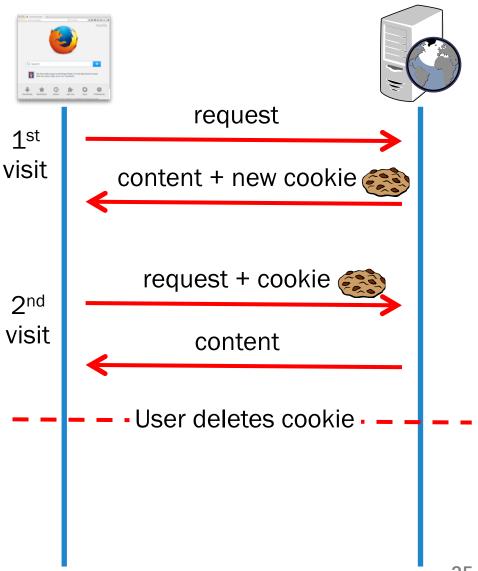


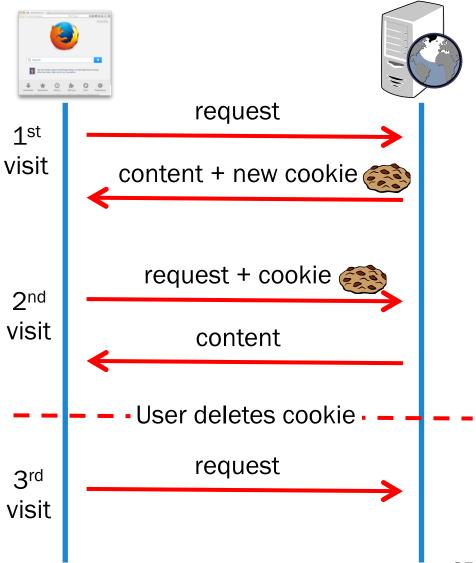


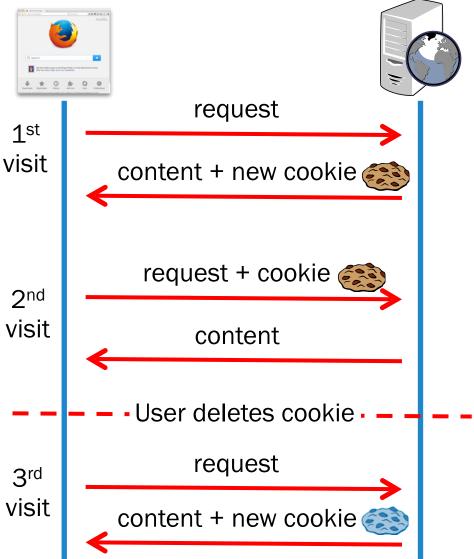










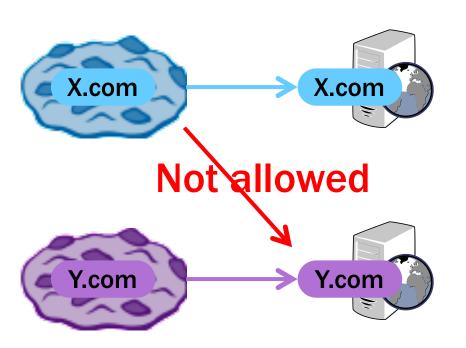


Same origin policy

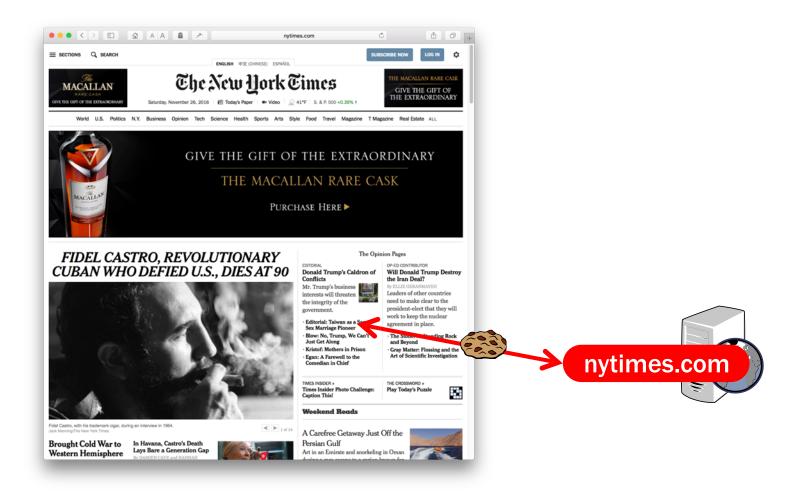


Same origin policy

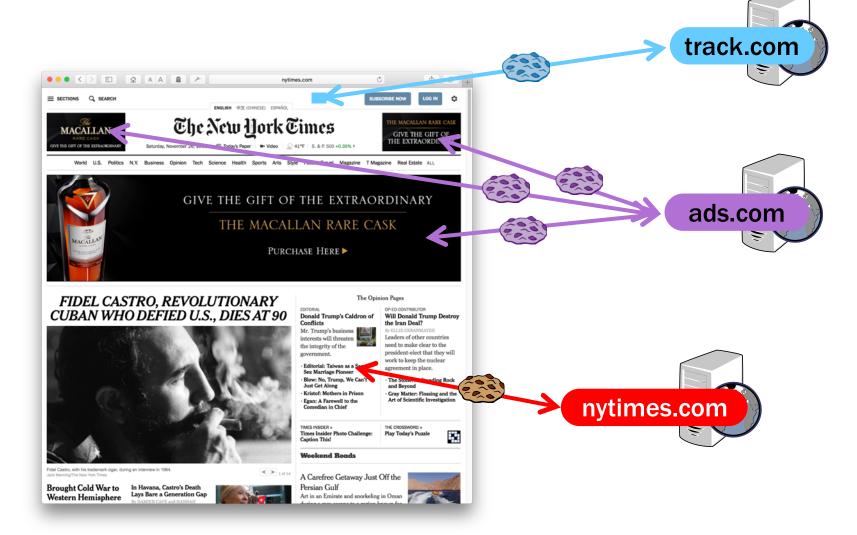
- Browsers can send cookies back only to the domain that set them
- Restriction designed to prevent tracking across sites
 - But, there are ways around this....



Third-party cookies

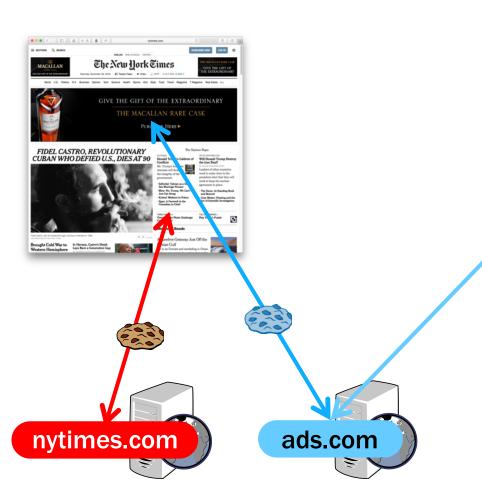


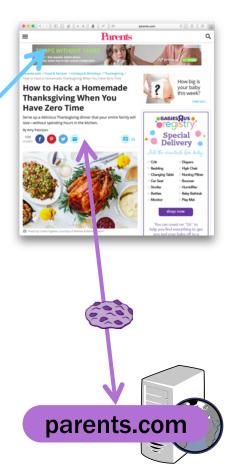
Third-party cookies

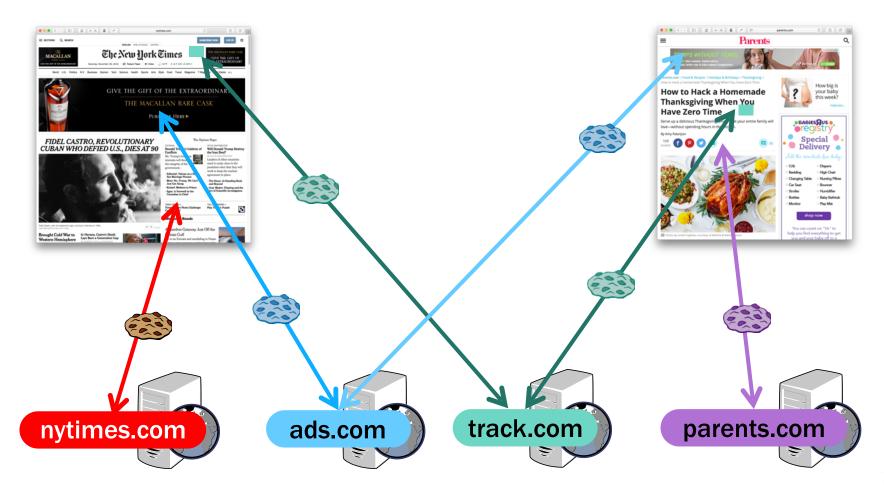


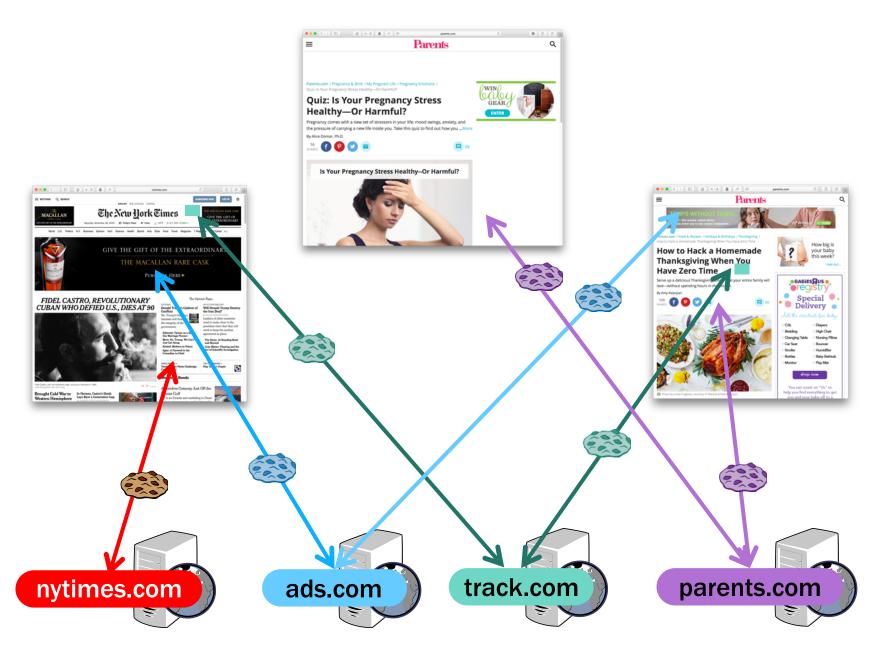


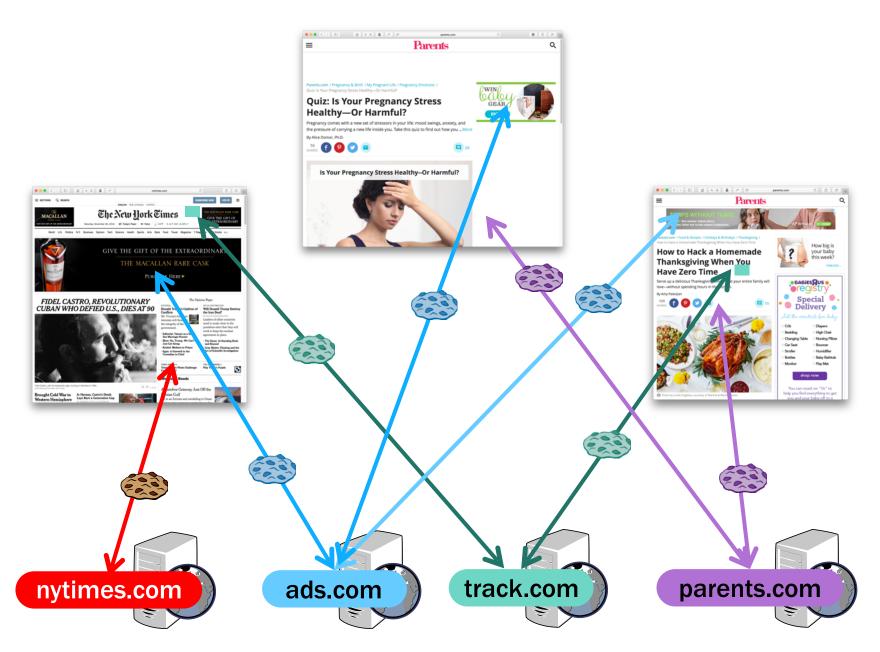


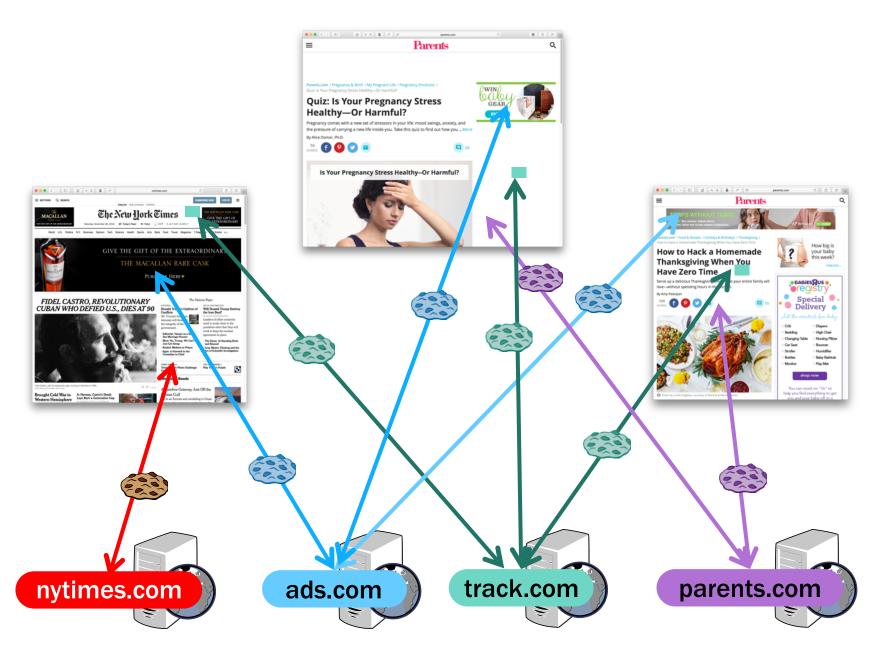


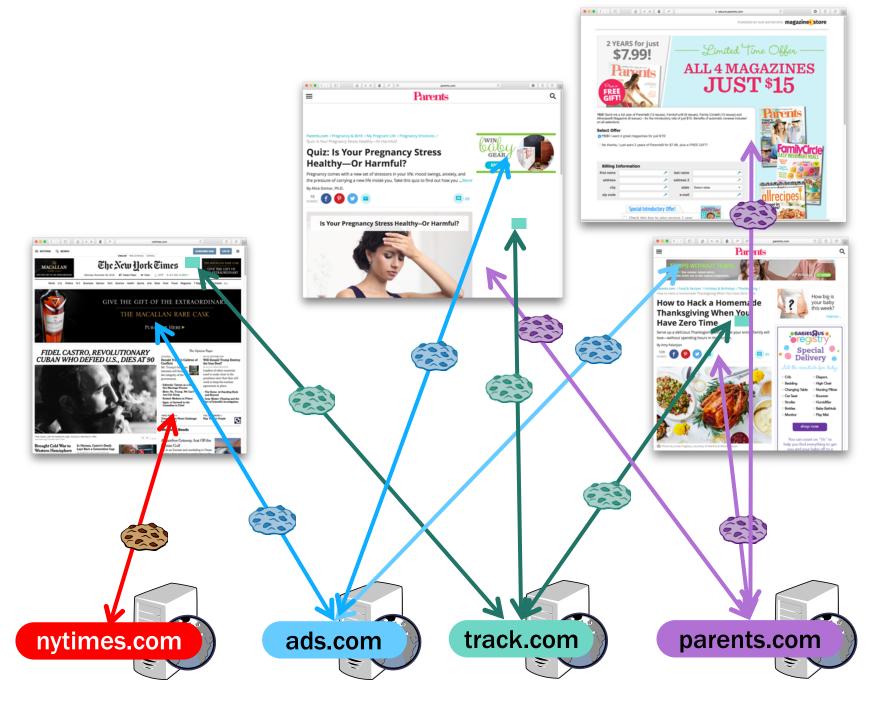


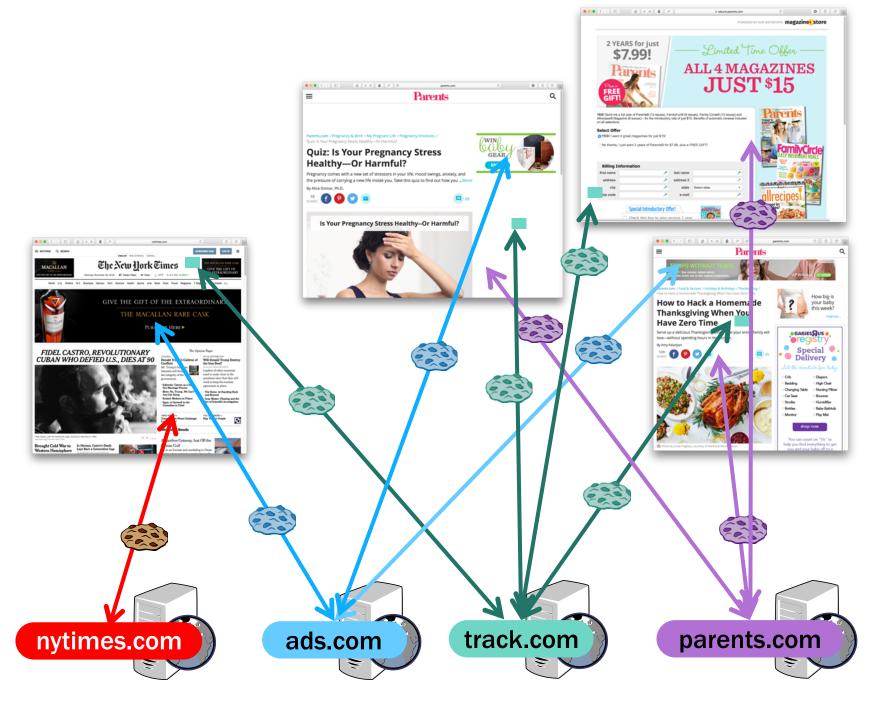


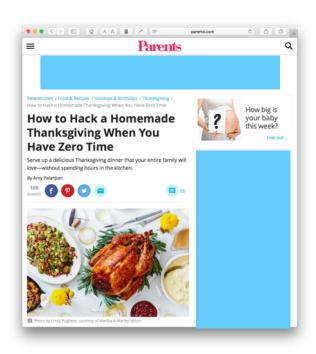


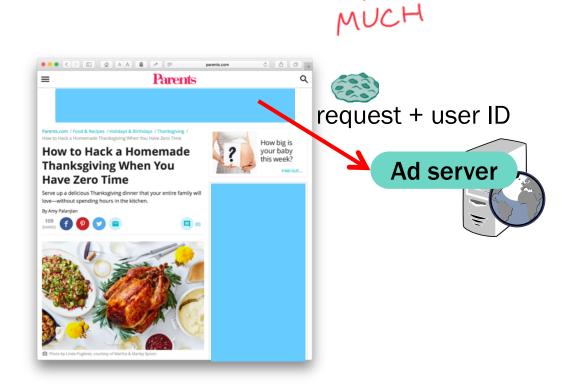


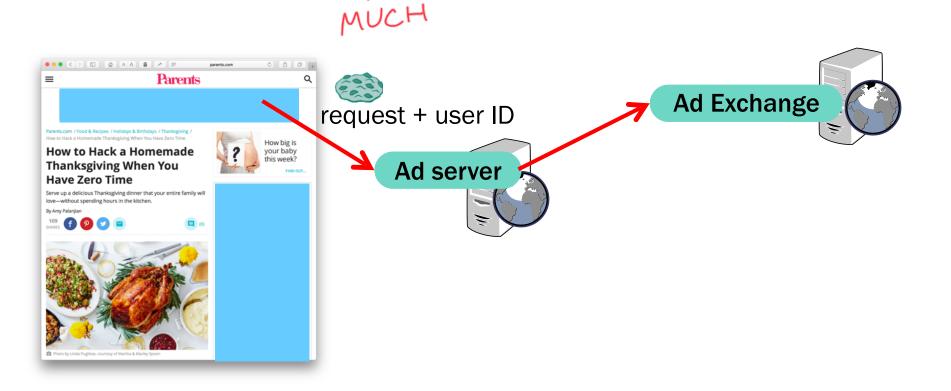


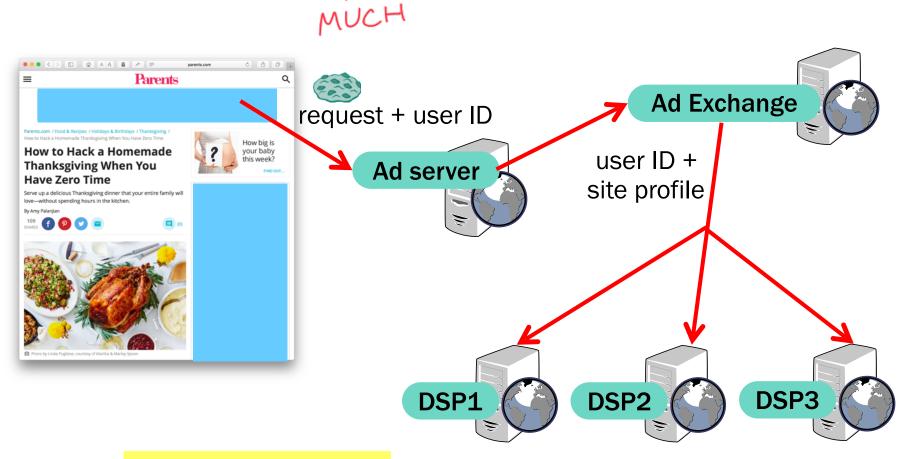






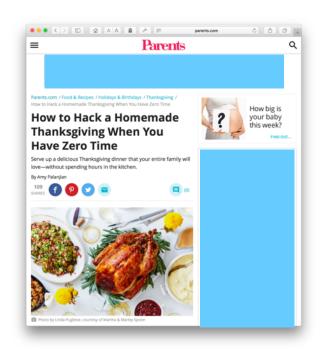


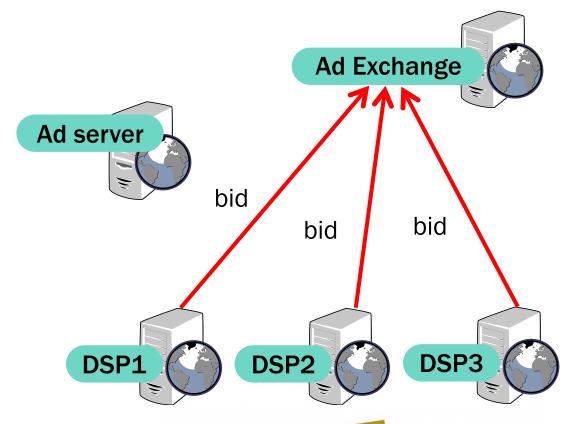




Demand-side platform

MUCH

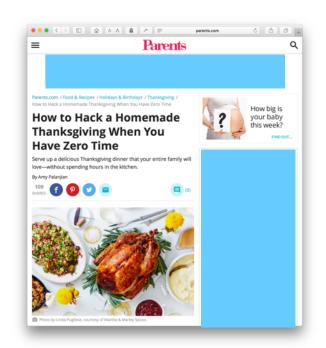


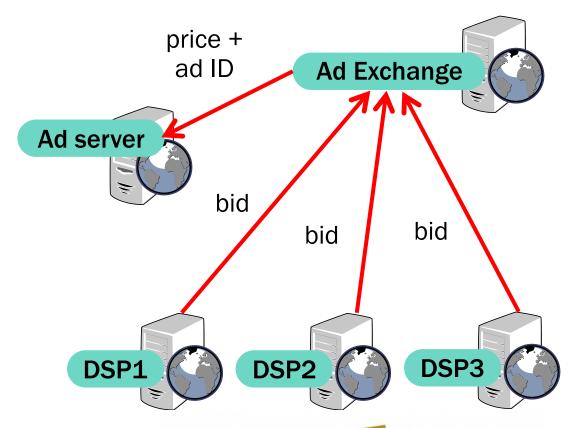


Real Time Bidding



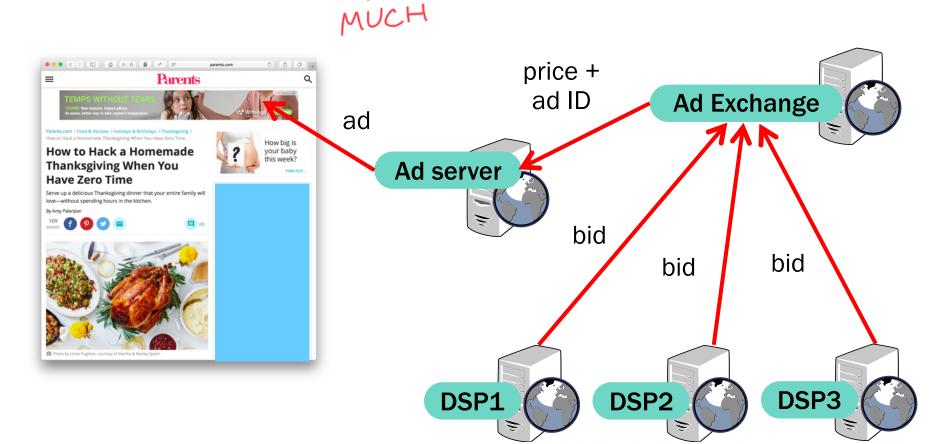
MUCH





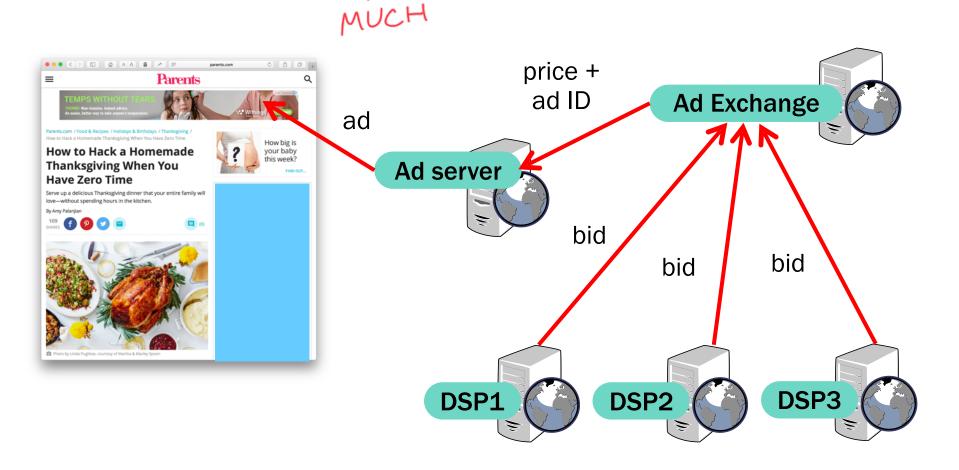
Real Time Bidding





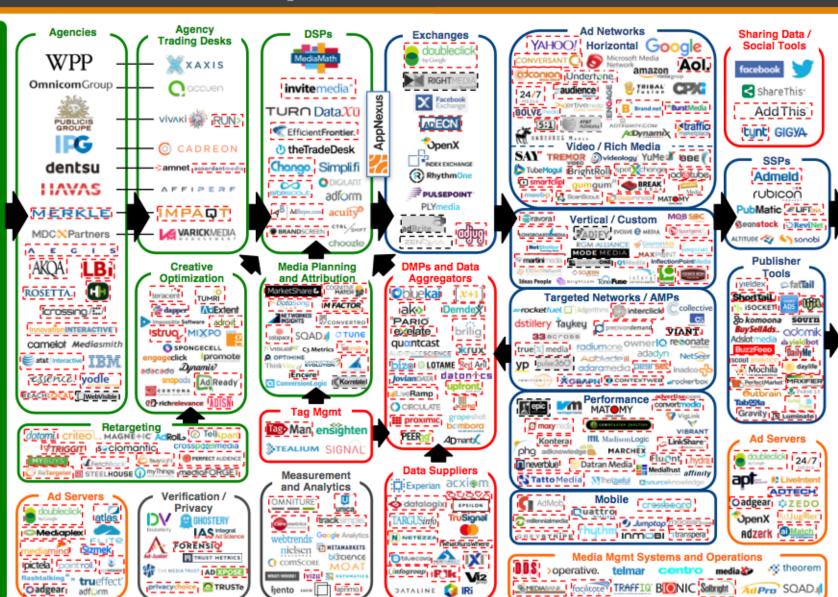
Real Time Bidding





Elapsed time < 1/3 second

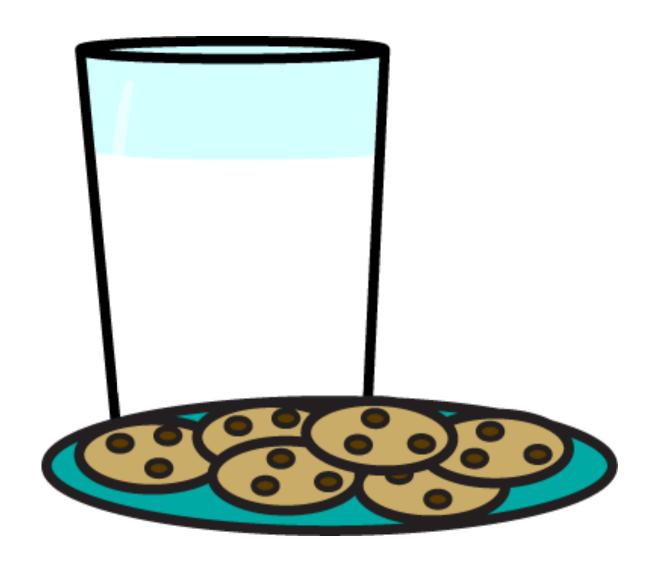
DISPLAY LUM Ascape



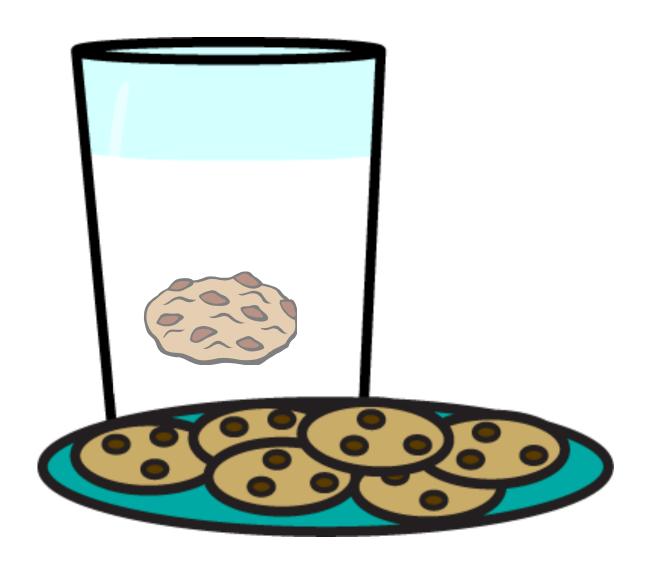




Cookie syncing



Cookie syncing

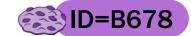


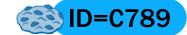
Cookie syncing



- Every website sets its own cookie
 - Knows user by a different ID
 - Can't share cookies due to same-origin policy
- In order to recognize user to bid at auction, common IDs are needed
 - Cookie syncing links IDs from different cookies
 - Can also be used to respawn deleted cookies







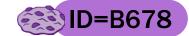


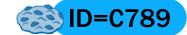


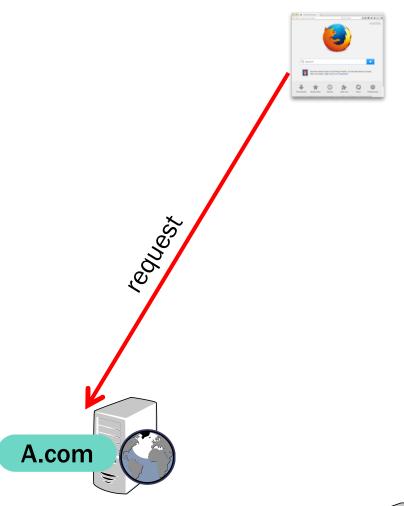








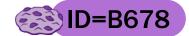




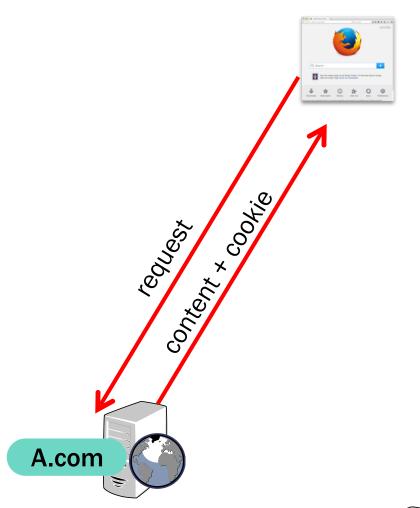








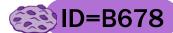


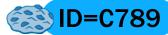


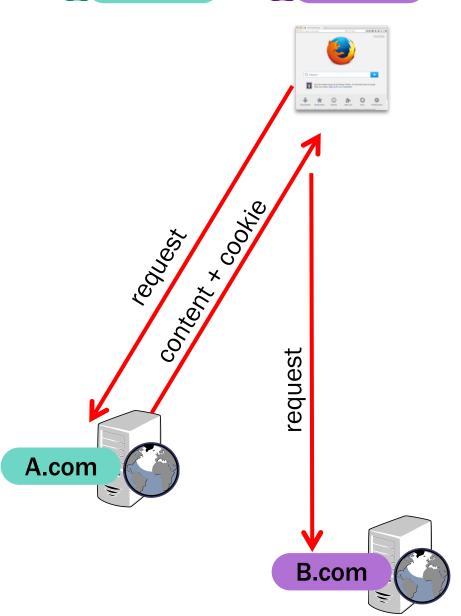






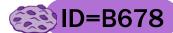


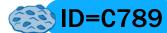


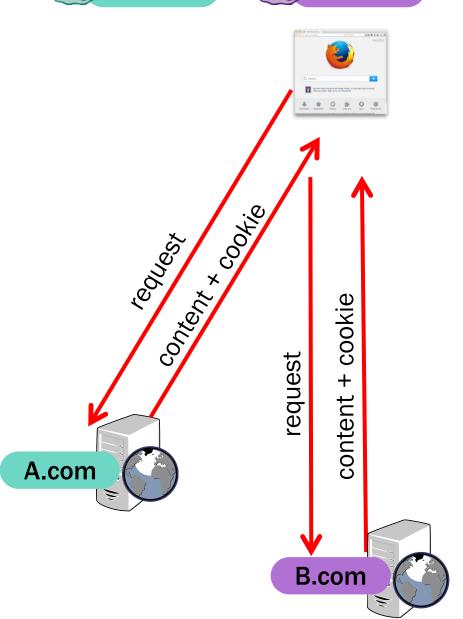




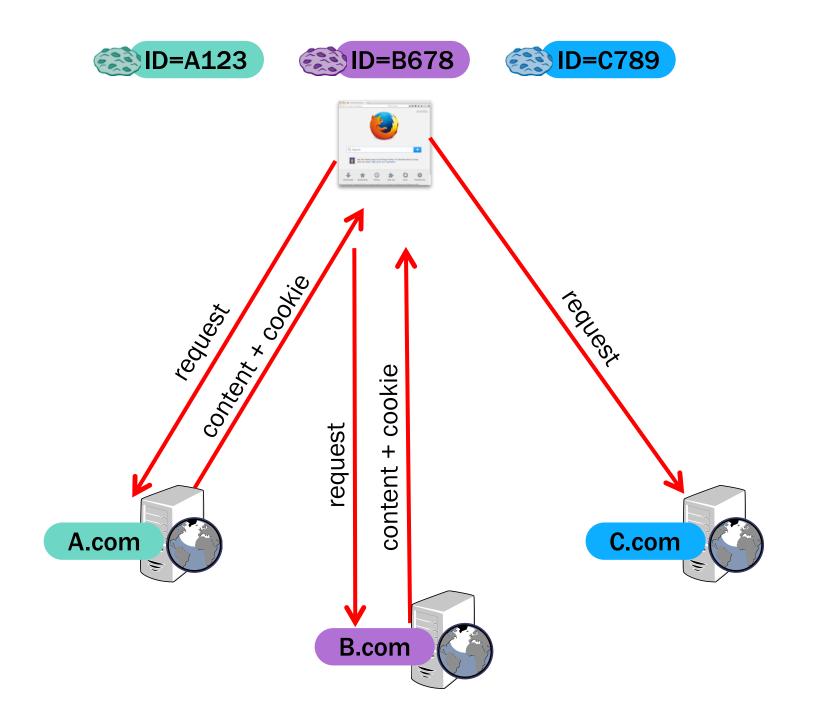


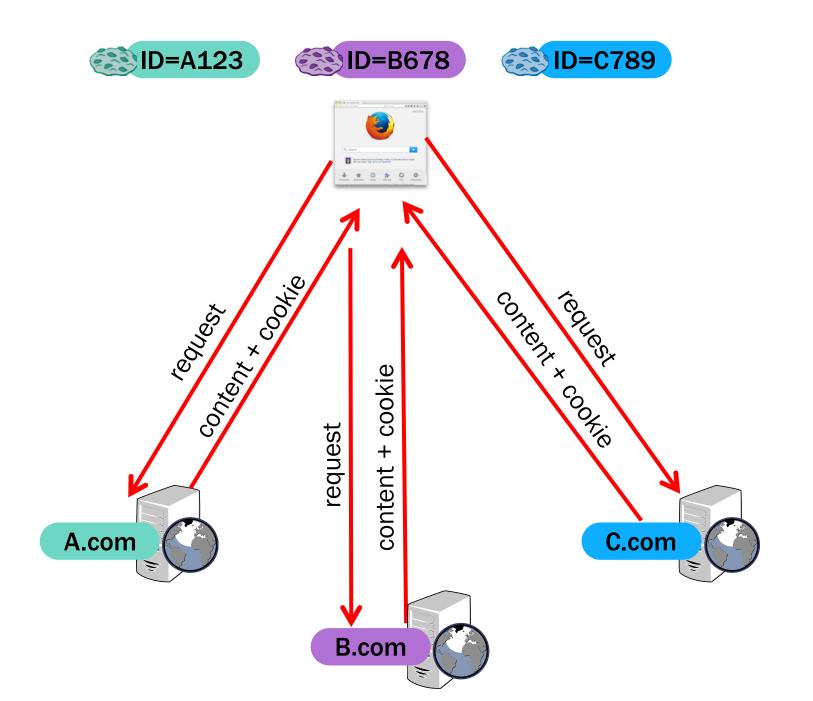




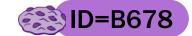


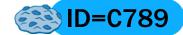












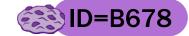




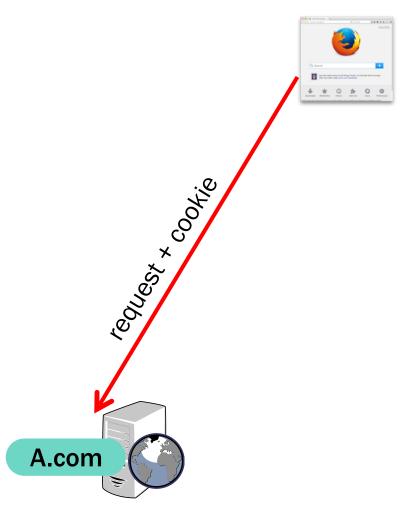








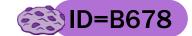




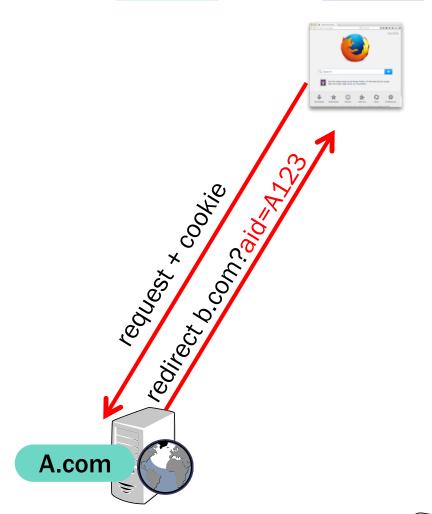








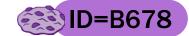


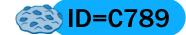


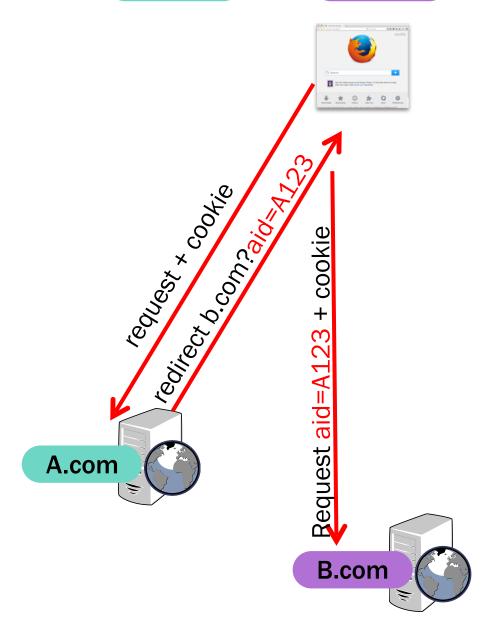






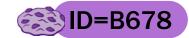




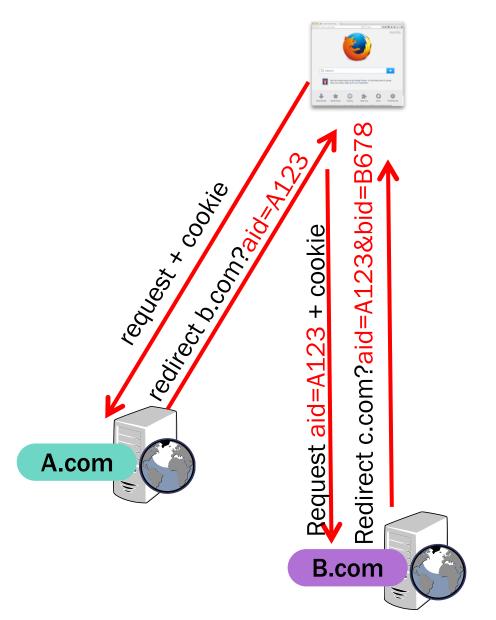




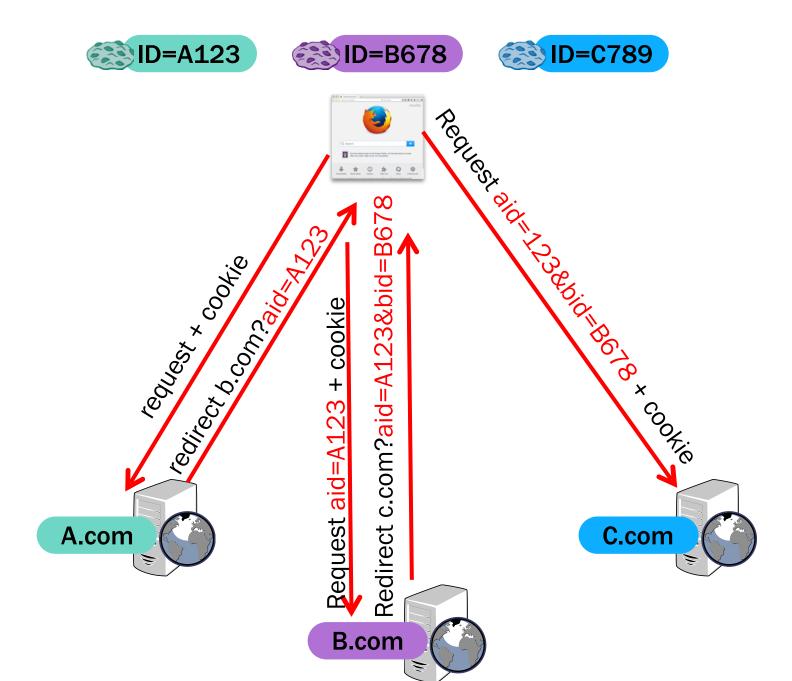


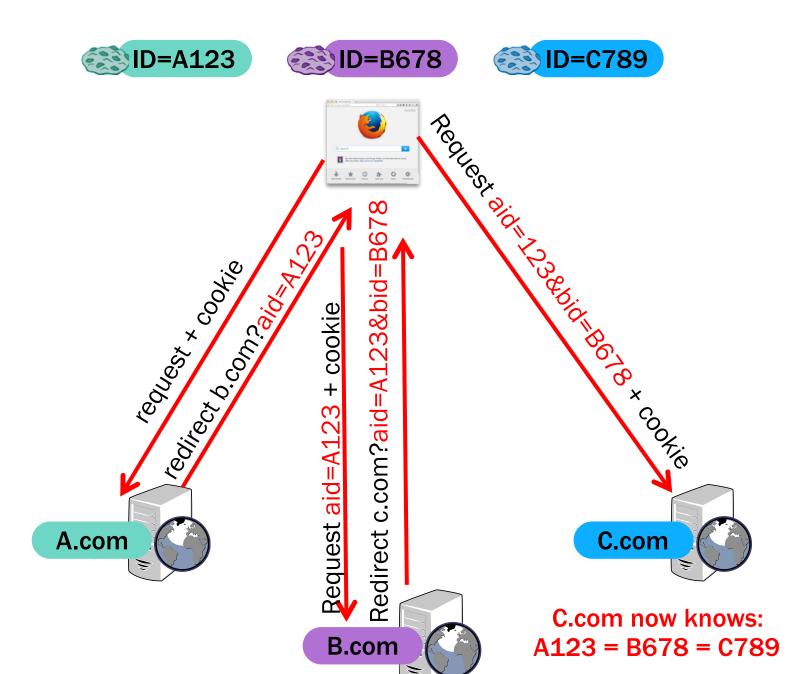






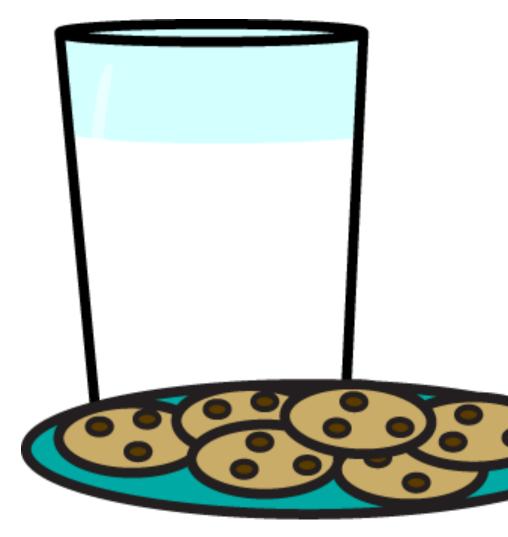






Once cookies are synced

 Companies can exchange data about users behind the scenes, merge profiles



Once cookies are synced

 Companies can exchange data about users behind the scenes, merge profiles



Identifiers beyond cookies

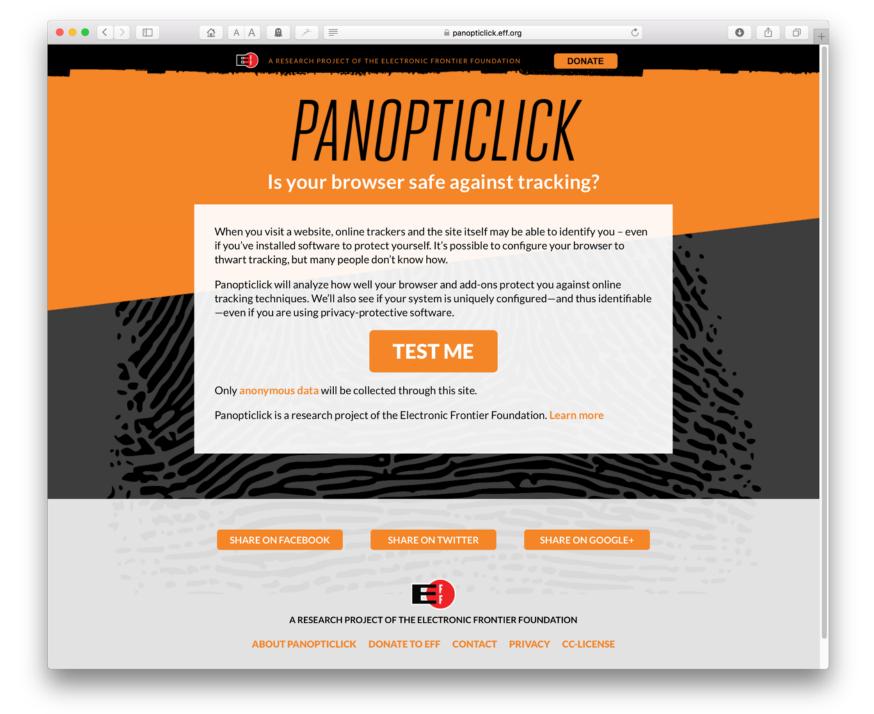
- IP address
- Storage associated with browser pluggins
 - Local Shared Object (LSO)
 - Silverlight IsolatedStorage
- HTML5 DOM storage

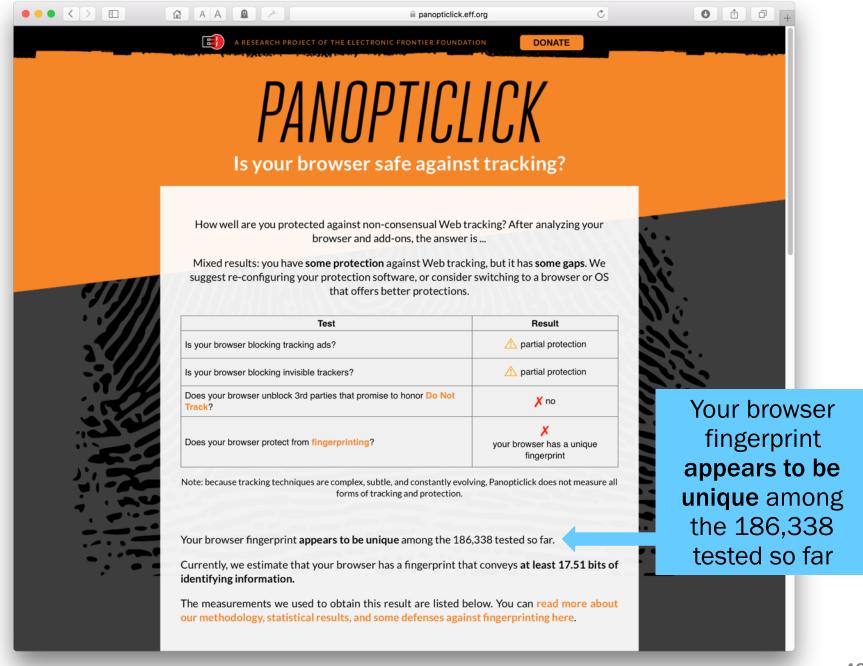
- Cache mechanisms
 - ETags
 - Pixel hack (unique ID stored as a colored pixel)
- Javascript mechanisms
 - History sniffing
 - Browser fingerprinting

Browser fingerprinting

- Combination of device and browser characteristics forms a fairly unique fingerprint
 - Fonts
 - Timezone
 - Screen size and color depth
 - Browser plugins
 - **—** ...







Mobile device & location tracking

 Mobile device advertising IDs



- used to target, retarget, and frequency cap ads served through mobile apps
- Can be reset by user
- Limit ad tracking setting limits ad targeting
- Apple: IDFA
- Google: AAID



- Apps may collect location and send to advertisers
 - Multiple ways to obtain location, sometimes without notifying user
- Retail tracking based on MAC addresses when mobile devices search for wifi

Cross-device tracking







- Link a user's activity across their devices
 - Seamless user experience
 - Allow users to pickup where they left off on another device
 - Develop a user's profile across devices
 - Target ads across devices
 - Measure success of ad campaigns across devices
- Deterministic user logs in or provides consistent identifier
- Probabilistic infer user identity from IP address, location, browsing patterns, etc.
 - Websites may share hashed email addresses with ad networks to enable linking without transmitting PII

Audio beacons

- Ultrasonic inaudible sounds played by an ad
- Software in app activates microphone and listens for beacon sound played by another device in vicinity
- Identifies devices likely owned by same person
- Allows advertisements on mobile device to relate to programming user is watching on TV







Data matching

- Matching offline and online data
- Allows marketers to see whether online ad results in offline purchase
- Hashed email address or other identifiers compared





Opt-out cookies



- Some third-party trackers allow you to opt-out of tracking by setting an opt-out cookie
- Opt-out cookie is used only to signal that you don't want to be tracked
- Deleting the cookie removes the opt-out
- Industry association websites let you set optout cookies for dozens of sites in one place
 - Aboutads.info





Home Principles Consumers Companies Participants Resources News & Media Resources Blog Enforcement Contact



Digital Advertising Alliance (DAA) Self-Regulatory Program

Advertising Option Icon

Latest News: DAA Announces Mobile Privacy Enforcement to Begin September 1, 2015

The Digital Advertising Alliance (DAA) has announced that enforcement of its Principles in the mobile environment will begin on September 1, 2015, including new guidance specific to mobile, such as cross-app data, precise location data and personal directory data. The Council of Better Business Bureaus (CBBB) and Direct Marketing Association (DMA) will extend their ongoing independent oversight of the DAA Principles on browswers to the mobile space. Read the press release here.



Make choices with participating companies under the DAA Principles

The Digital Advertising Alliance (DAA) establishes and enforces responsible privacy practices across industry for relevant digital advertising, providing consumers with enhanced transparency and control. Through multifaceted <u>Principles</u> that apply to data gathered from a particular device in either the desktop or mobile environments, the DAA program addresses practices for multi-site data collection and use. The DAA is an independent non-profit organization led by the <u>leading advertising and marketing trade</u> associations.

For Consumers

Participating Associations



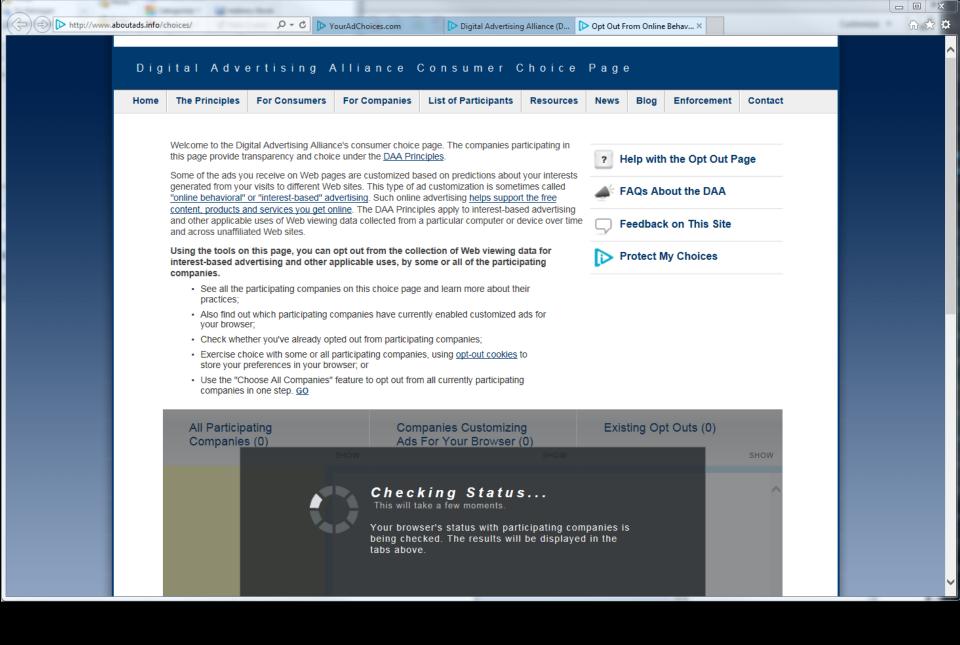


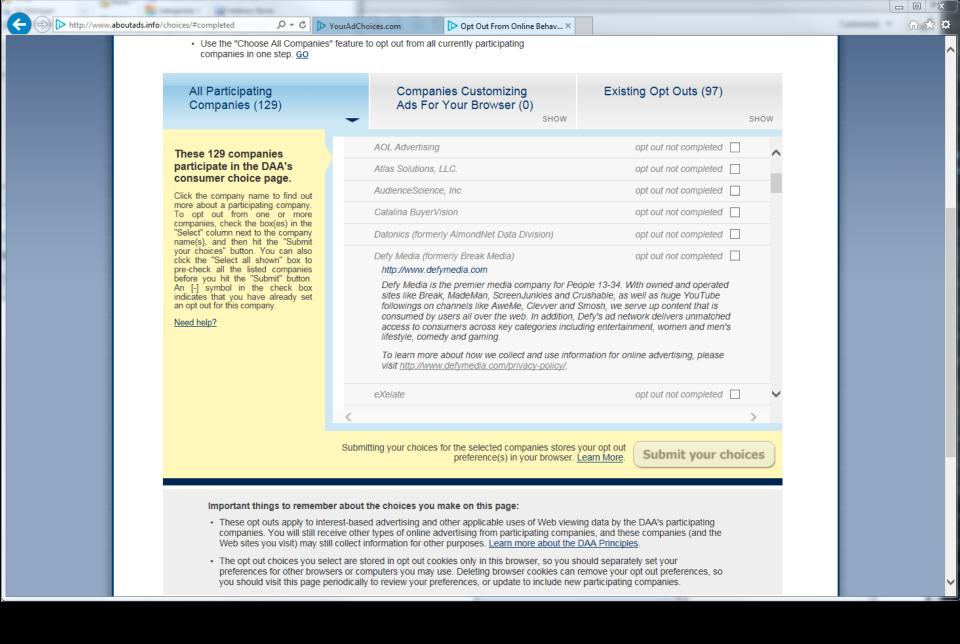






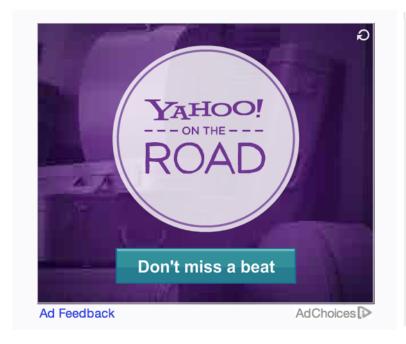
☆☆☆





Adchoices

- Symbol to indicated ads are targeted
- Click for more information and to opt-out







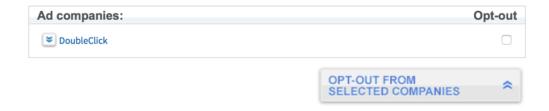


How Data Powers Your Experience

Pfizer endeavors to provide you with relevant, useful information tailored to your specific interests. We partner with online advertising companies to serve you ads likely to be of interest based on your web browsing activity.

Pfizer wants to provide you with clear information about how our ads are delivered to you and tools to control the types of advertising you receive from Pfizer. Below you will find a list of online advertising companies whose tracking of your browsing activity have been used to target this ad. You may click on the links below to find more information about these companies and to opt-out of their use of your information to target ads.

For more detailed information about our use of OBA and this opt-out tool, please refer to our <u>Privacy Policy</u>. In addition, you may contact us at <u>privacy.officer@pfizer.com</u>



About interest-based advertising



Opt out of more companies



What happens when I opt out?



About the Self-Regulatory Program for Online Behavioral Advertising



Learn how interest-based advertising works

Protect your privacy



Select All

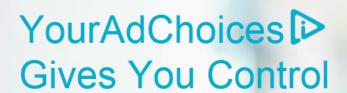
Ghostery

© 2014 Ghostery, Inc. All rights reserved.









When you click on the YourAdChoices Icon, you get control over how information about your interests is used for relevant advertising.

- > Put the YourAdChoices Icon to Work for You
- > Take Control with YourAdChoices
- > What's Behind the YourAdChoices Icon
- > The Benefits of Relevant Advertising





Take Control with YourAdChoices

Exercise choice on the Web for desktop and mobile—or mobile apps—with one or more participating companies.

Learn More

What's Behind the YourAdChoices Icon

YourAdChoices is brought to you by the Digital Advertising Alliance (DAA). Find













AdChoices icon study



- 1,505 participants
- Recruited through Amazon Mechanical Turk
- Between subjects online survey

Why did I get this ad? D



The New Hork Times

Tuesday, October 25, 2011 Last Update: 11:21 PM ET



Search

CLICK HERE

Follow Us 4





Subscribe to Home Delivery Personalize Your Weather

Switch to Global Edition >

JOBS REAL ESTATE AUTOS ALL CLASSIFIEDS

WORLD U.S. POLITICS NEW YORK BUSINESS DEALBOOK TECHNOLOGY SPORTS SCIENCE HEALTH OPINION ARTS Books Movies Music Television Theater STYLE

Dining & Wine

Fashion & Style

Home & Garden

Weddings/

Europe Faces New Hurdles in Crisis Over Debt

By STEVEN ERLANGER and RACHEL DONADIO 20 minutes ago

On the eve of a European Union summit meeting, crucial financial measures were still unresolved.

 Tempers Flare as European Meeting Nears

I.B.M. Names Virginia Rometty as New Chief Executive

By STEVE LOHR 22 minutes ago

The selection of Ms. Rometty, a senior vice president at

I.B.M., will make her one of the highest-profile women executives in corporate America.

Archive Offers





Dilip Vishwanat for The New York Times

Baseball's Game of Telephone

By PAT BORZI 3 minutes ago

Monday night's bullpen debacle by the Cardinals has put a new spotlight on baseball's reliance on landlines.

New Poll Finds a Deep Distrust of Government

By JEFF ZELENY and MEGAN THEE-BRENAN 3 minutes ago

With Election Day just over a year away, a deep



OPINION »

OP-ED I CLIFFORD WINSTON Are Law Schools and Bar Exams Necessary?

The barriers to entry for the legal industry exist to protect lawyers from competition with non-lawyers.

- · Brooks: The Fighter Fallacy | ■ Comments
- Nocera: Jobs's Biographer
- Cohen: Defending the E.U.
- · Bruni: Have Glock
- Editorial: Refinancing
- Room for Debate: Will Amazon Kill Off Publishers?



Varied icon and taglines



Varied icon and taglines



- Why did I get this ad?
- Interest based ads
- AdChoices
- Sponsor ads
- Learn about your ad choices
- Configure ad preferences
- 'No tagline'





What people think happens if they click



56% More ads will pop up

Will take you to a page where you can buy advertisements on this website

27% Will take you to a page where you can opt out of tailored ads

Some taglines have better results

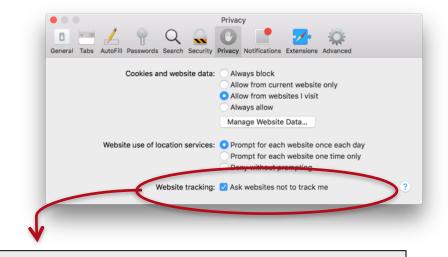
Configure Ad Preferences

- 42% More ads will pop up
- Will take you to a page where you can buy advertisements on this website
- Will take you to a page where you can opt out of tailored ads

2015 online surveys

- 2015 study of online adults by Kelly Scott Madison agency
 - 26% are familiar with AdChoices campaign
 - 9% know what icon means
- 2015 Ipsos study of online adults on behalf of TRUSTe
 - 68% of US smartphone users concerned about tracking for targeted ads
 - 37% aware of AdChoices icon

Do Not Track

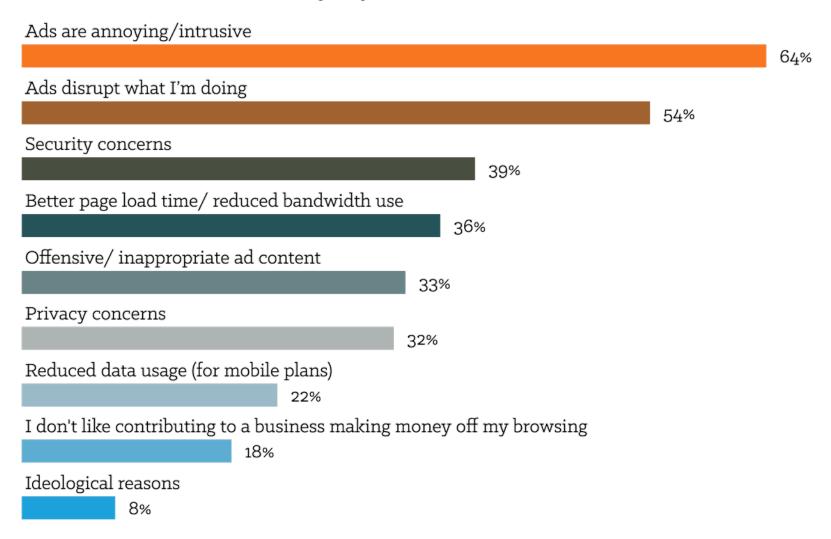


Website tracking: <a> Ask websites not to track me

- Proposed W3C standard
- Allows web browsers to signal to websites that users do not want to be tracked
- Built into major web browsers but not widely adopted by websites

People use ad blockers because ads are annoying and disruptive

Why do you use an ad blocker?





Cookie blockers and ad blockers

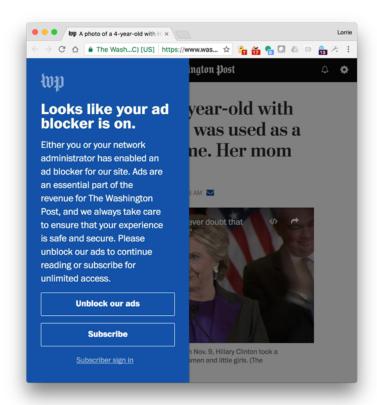
 Lots of tools for blocking cookies, tracking, and ads



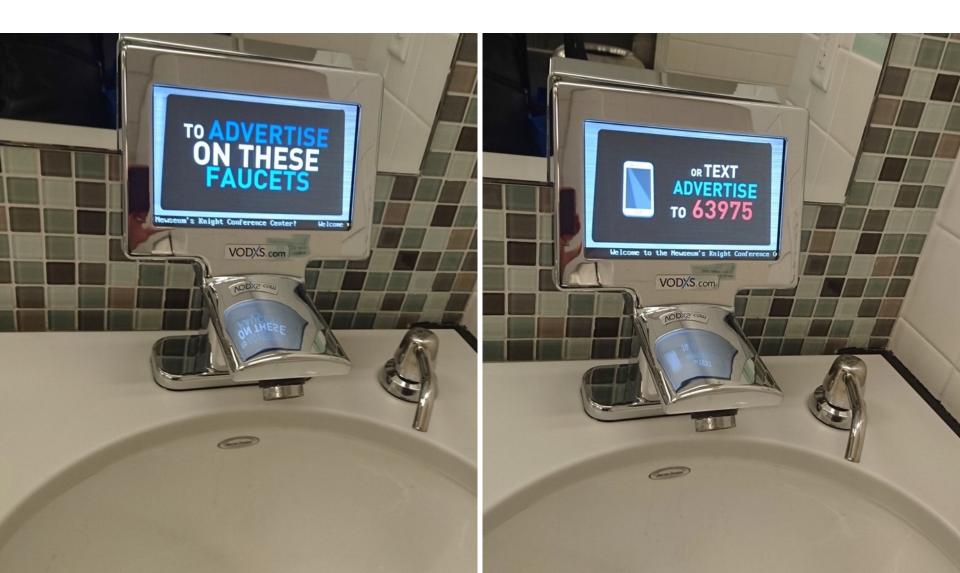


 Some websites are asking or requiring users to unblock





The future of advertising?



ftc.gov/tech

Icranor @ ftc.gov

