A decorative border composed of numerous small squares in various colors (red, yellow, green, orange) arranged in a roughly rectangular shape, framing the central text.

PICTURE THE FUTURE

THE WORLD AUDIENCES SUMMIT 2012

展绘未来 全球受众研究峰会

KANTAR MEDIA

PICTURE THE FUTURE THE WORLD AUDIENCES SUMMIT 2012

EMERGENCE OF PRIVACY

A PANORAMIC VIEW

George Pappachen

Chief Privacy Officer

KANTAR

KANTAR MEDIA

Privacy in the News.....WSJ....FT.....Facebook informs investors privacy is appreciable risk of data business

Sears settles with FTC in privacy flap

The FBI wants in on behavioral targeting



Icon Aims to Avoid Government Regulation of Online Advertising

BusinessWeek

The FTC Takes On Targeted Web Ads

Jon Leibowitz, Obama's top consumer watchdog, hints that he's losing patience with the behavioral-targeting practices of Internet marketers.

By Douglas MacMillan

On a side table in his Washington offices, Federal Trade Commission Chairman Jon Leibowitz keeps a framed image of Arnold Schwarzenegger from the 1984 film *The Terminator*. It was given to Leibowitz a couple of years ago by one of the FTC's regional offices, an homage to his crackdown on spyware that surreptitiously gathers information on Web users' surfing habits.

Now, Leibowitz wants to terminate—or at least rein in—a different practice he finds no less harmful to consumers: delivering ads to individuals based on the Web pages they visit and searches they carry out. Appointed by President Barack Obama in February to run the country's top consumer watchdog, Leibowitz has made so-called behavioral targeting a top priority.



KANTAR

BLURRING OF THE LINES

MEDIA OWNERS



MARKETERS



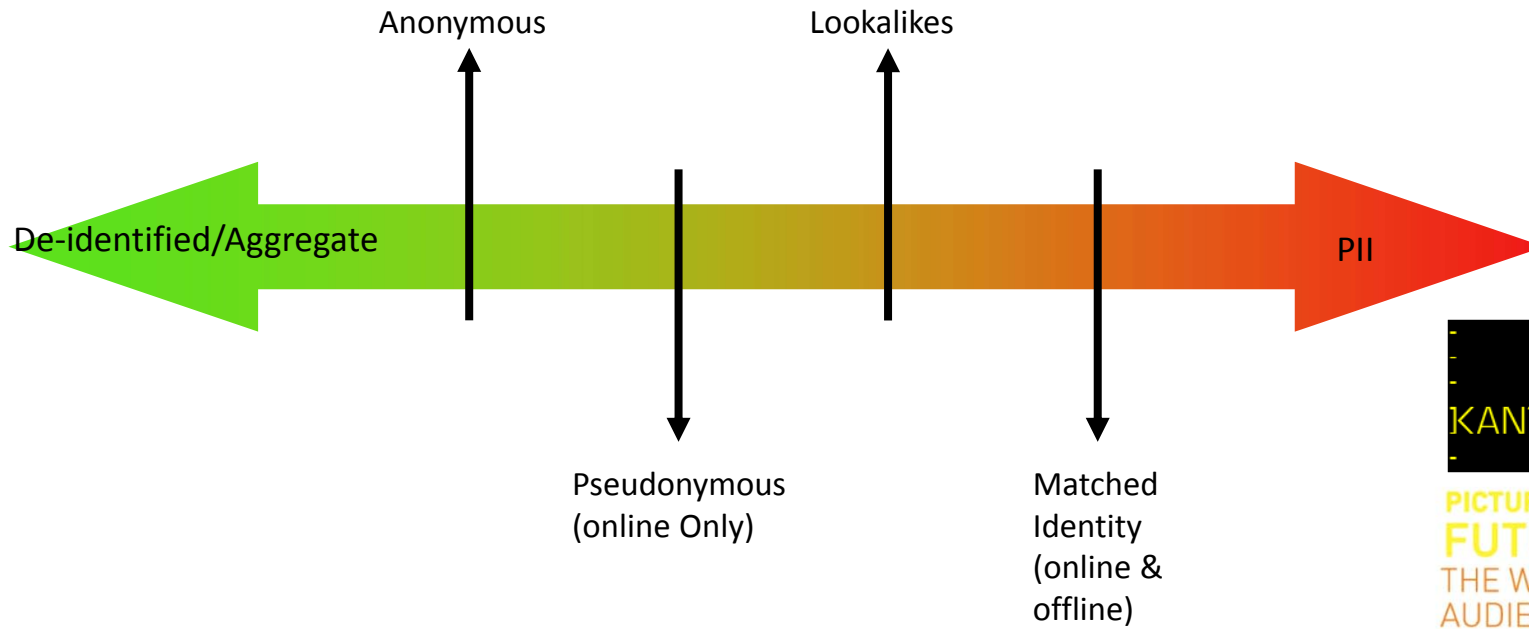
**NEW DIGITAL
& DATA PLAYERS**



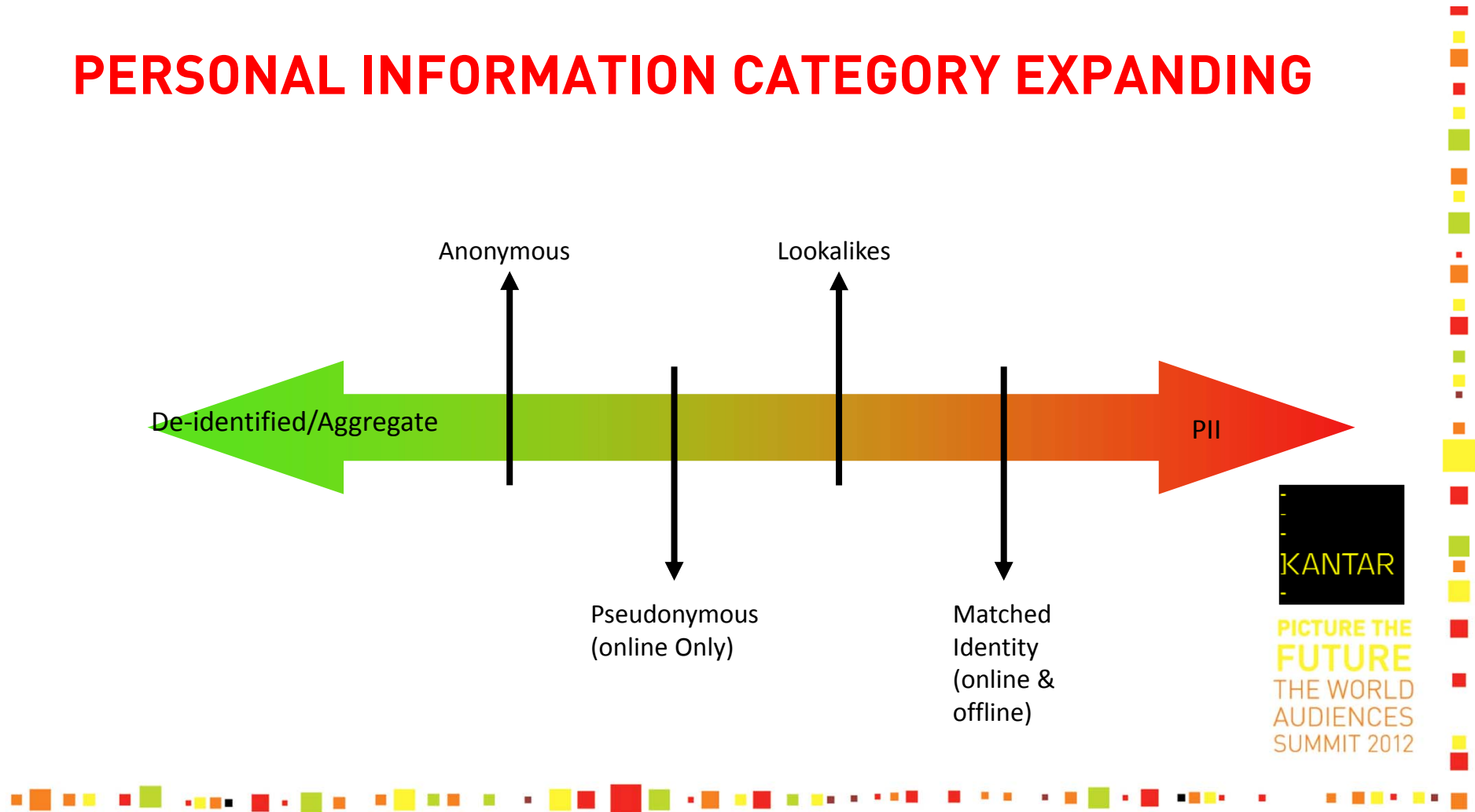
PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



PERSONAL INFORMATION CATEGORY EXPANDING



KANTAR
PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



THE BIG PICTURE: TECHNOLOGY AND INFORMATION

Technology has created a transition from data to information:

Need to re-define personal information

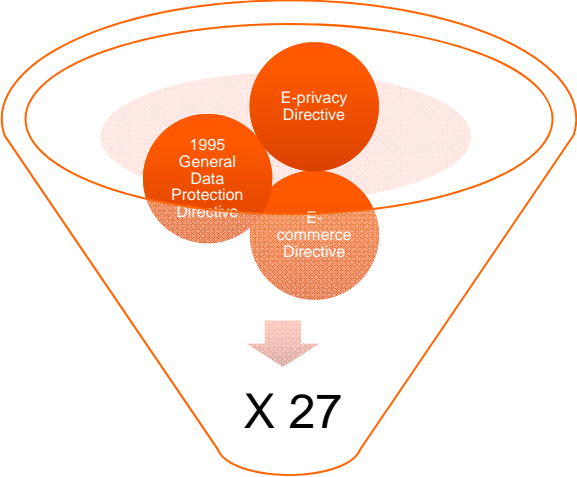
Need to educate consumers about:

- Cross-device data use
- Improved benefits and improved lives
- Consumer Choice & Control options
- Develop incons and transparency platforms
- Moved away from opt-in/opt-out fights

PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012

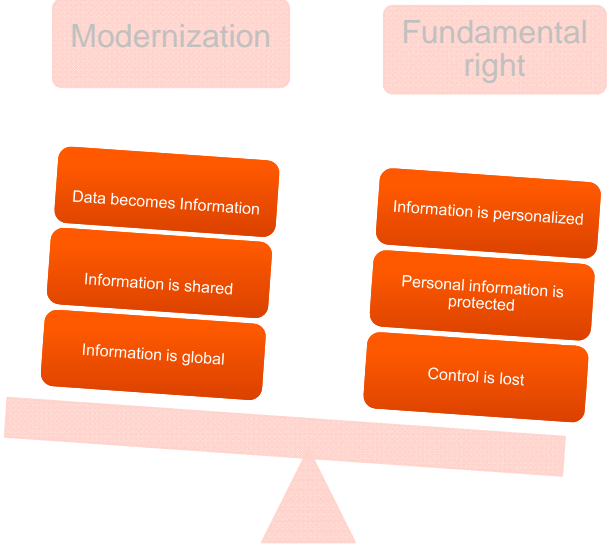
CONCERN: EMERGING PRIVACY RULES UNBALANCED

1995...

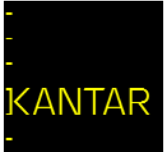


Multiple privacy regimes

... 2012

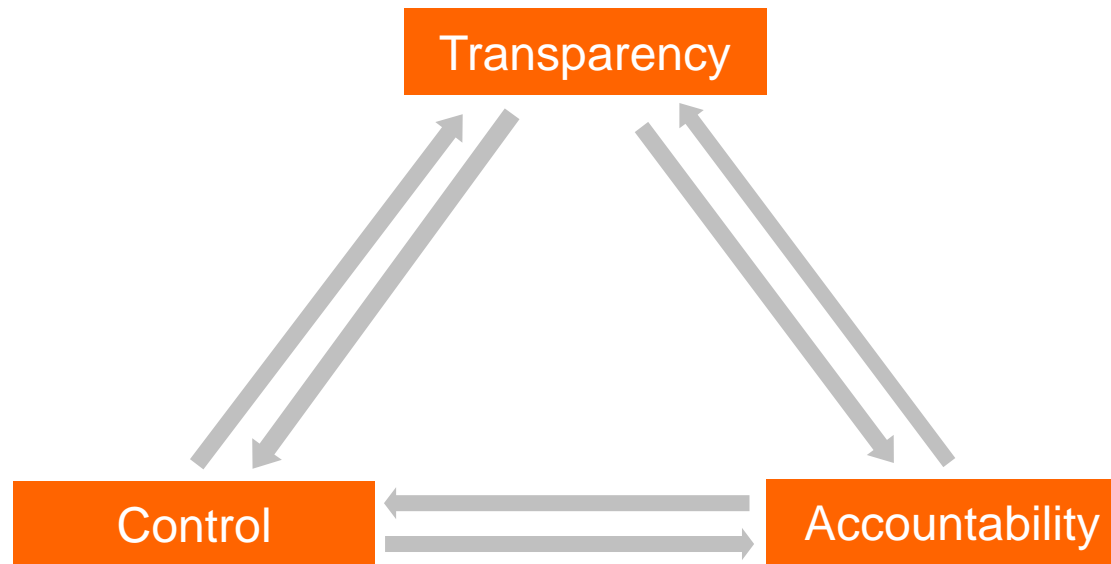


uniform privacy framework

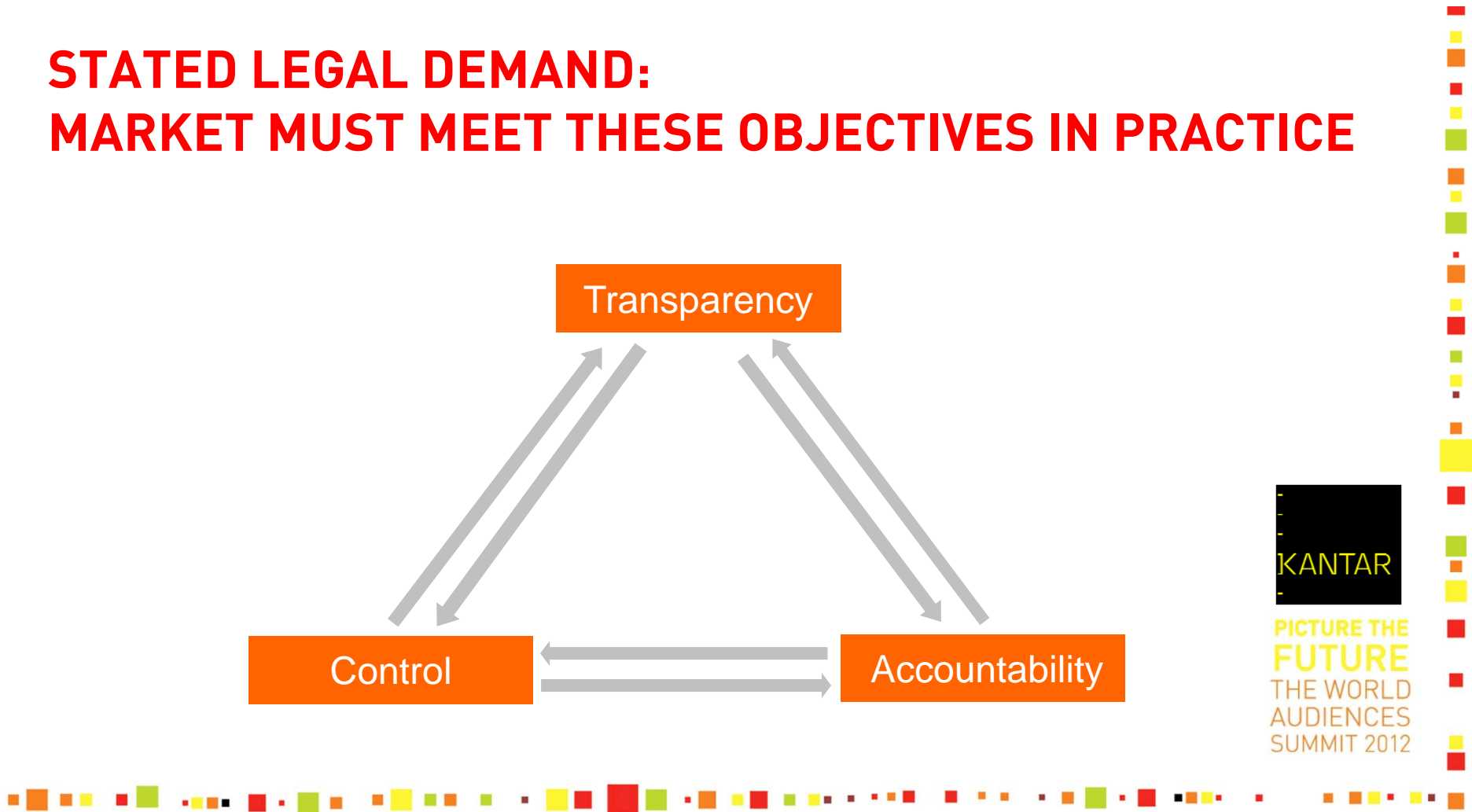


PICTURE THE FUTURE
THE WORLD AUDIENCES SUMMIT 2012

STATED LEGAL DEMAND: MARKET MUST MEET THESE OBJECTIVES IN PRACTICE

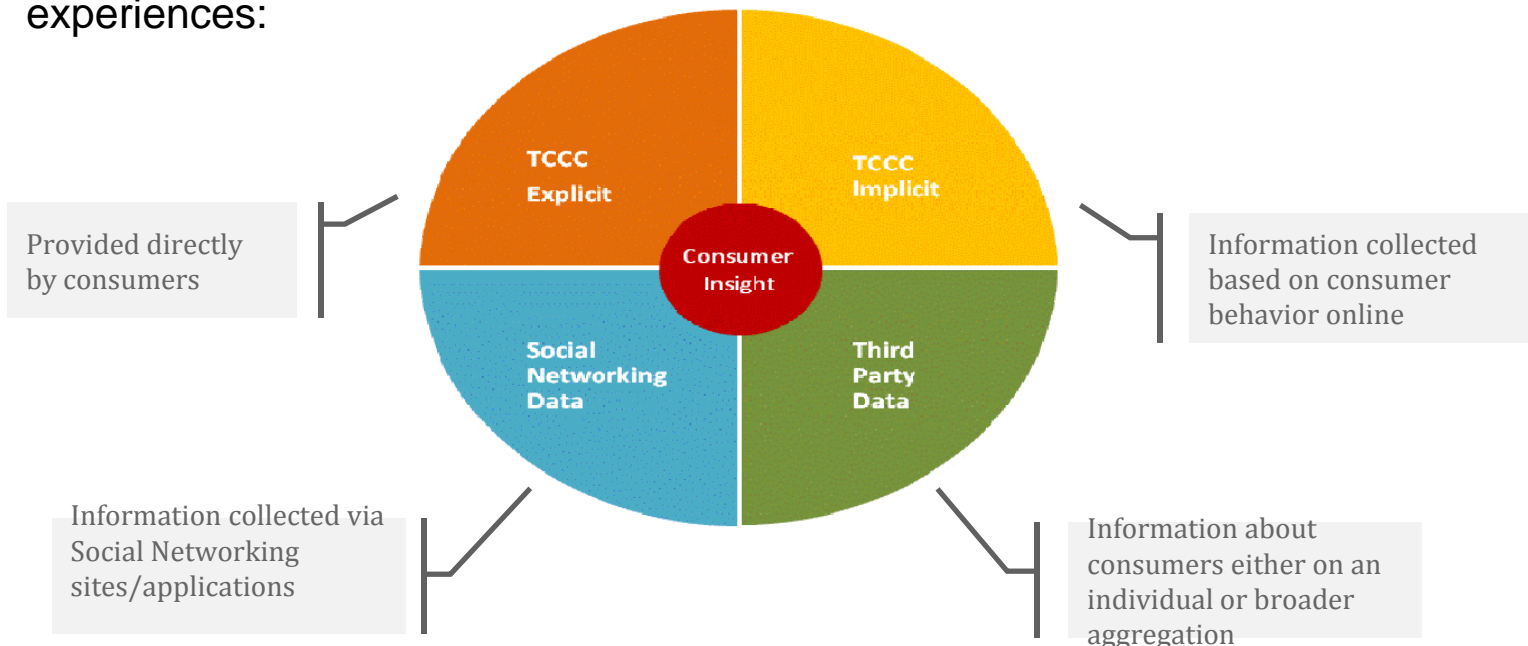


PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012

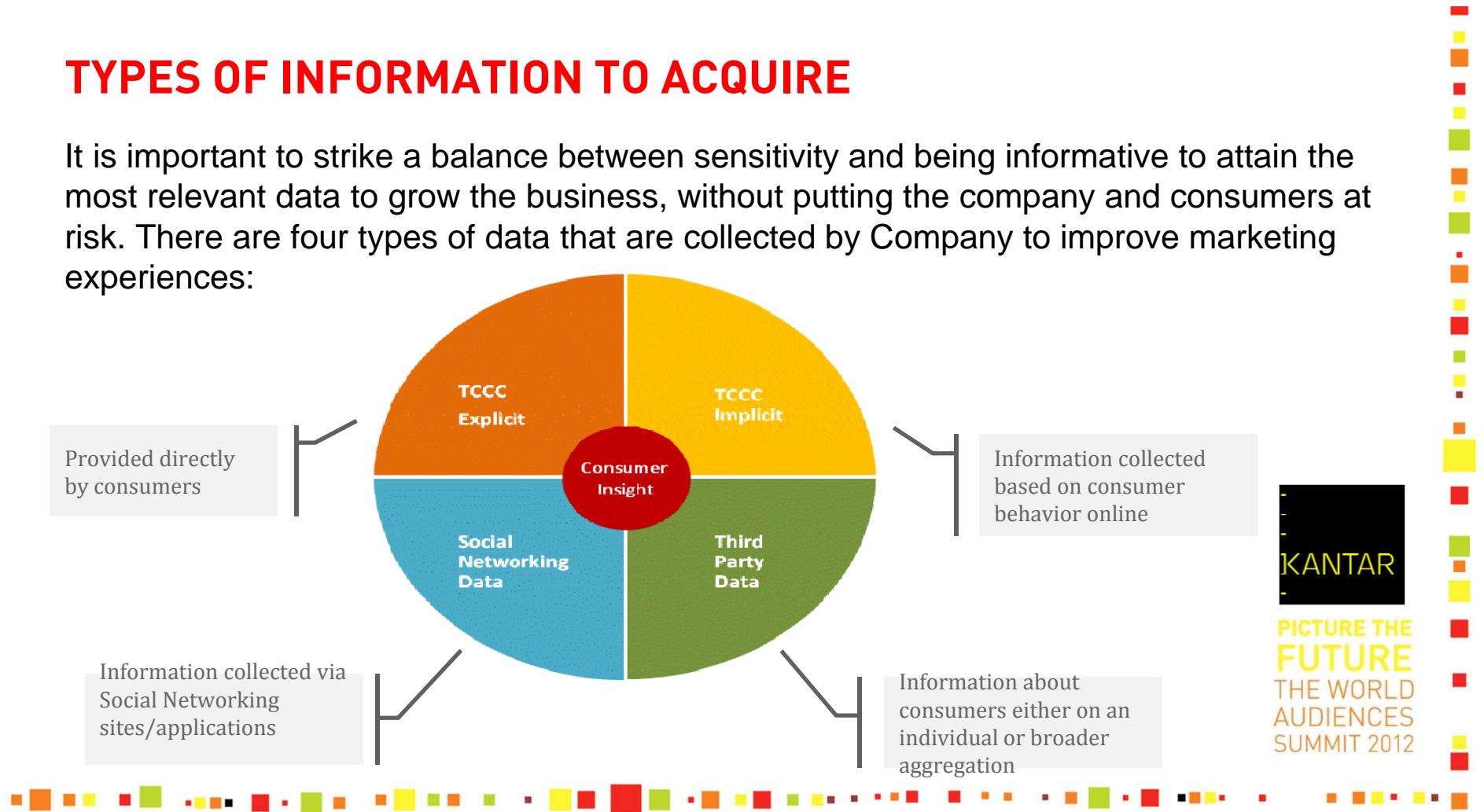


TYPES OF INFORMATION TO ACQUIRE

It is important to strike a balance between sensitivity and being informative to attain the most relevant data to grow the business, without putting the company and consumers at risk. There are four types of data that are collected by Company to improve marketing experiences:



KANTAR
PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012

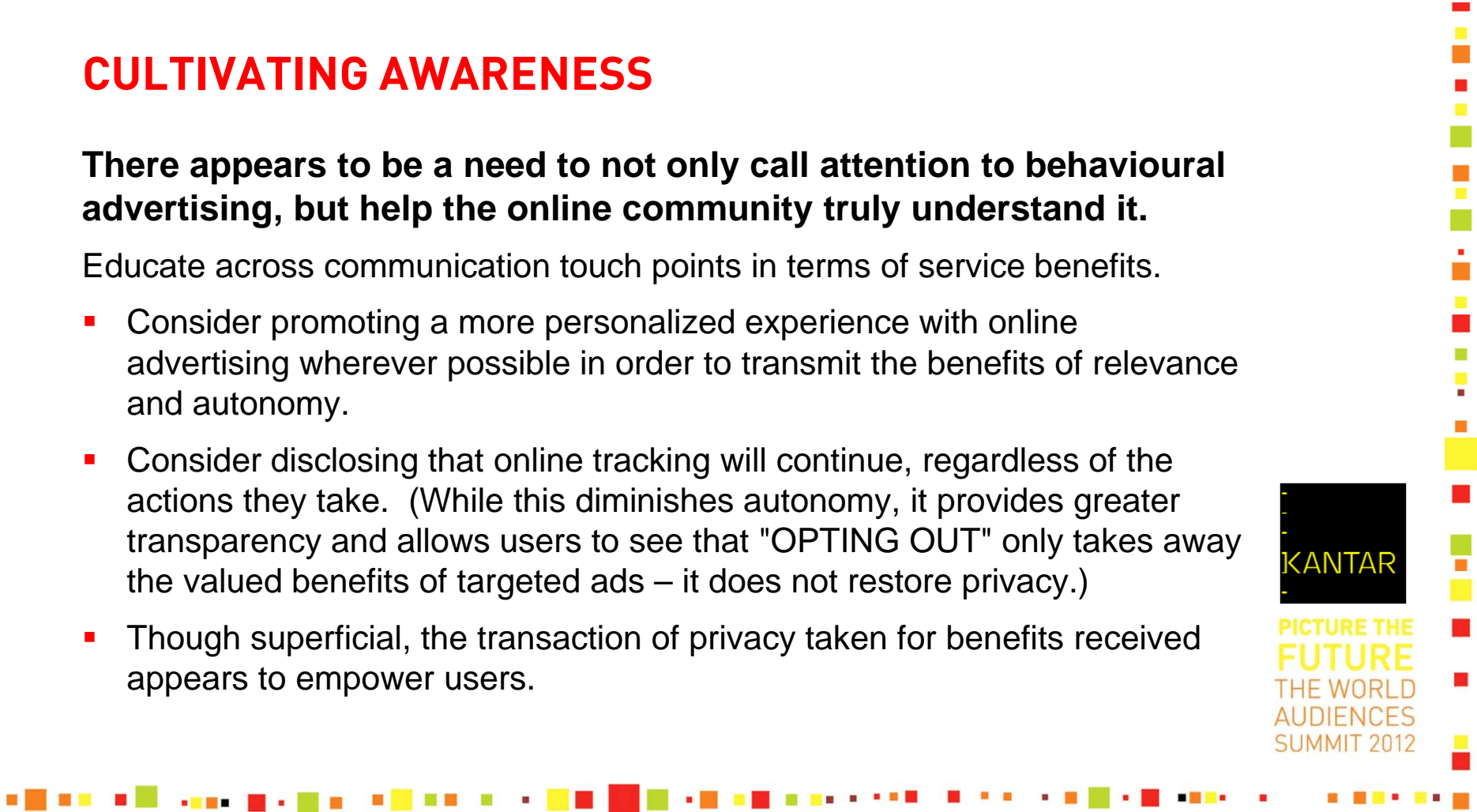


CULTIVATING AWARENESS

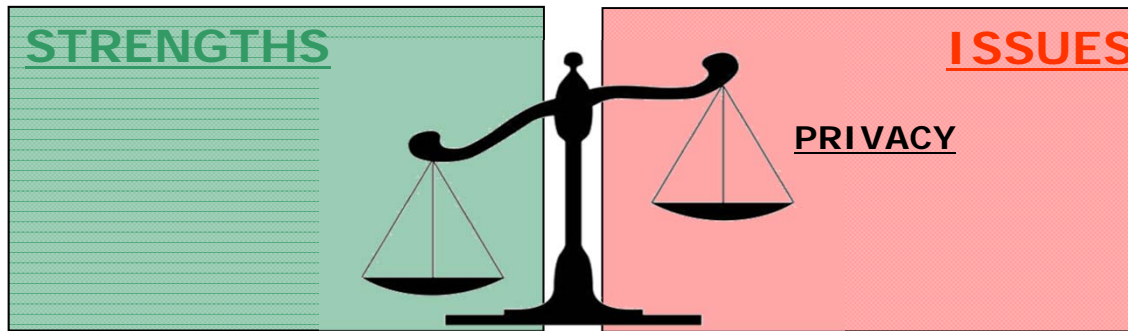
There appears to be a need to not only call attention to behavioural advertising, but help the online community truly understand it.

Educate across communication touch points in terms of service benefits.

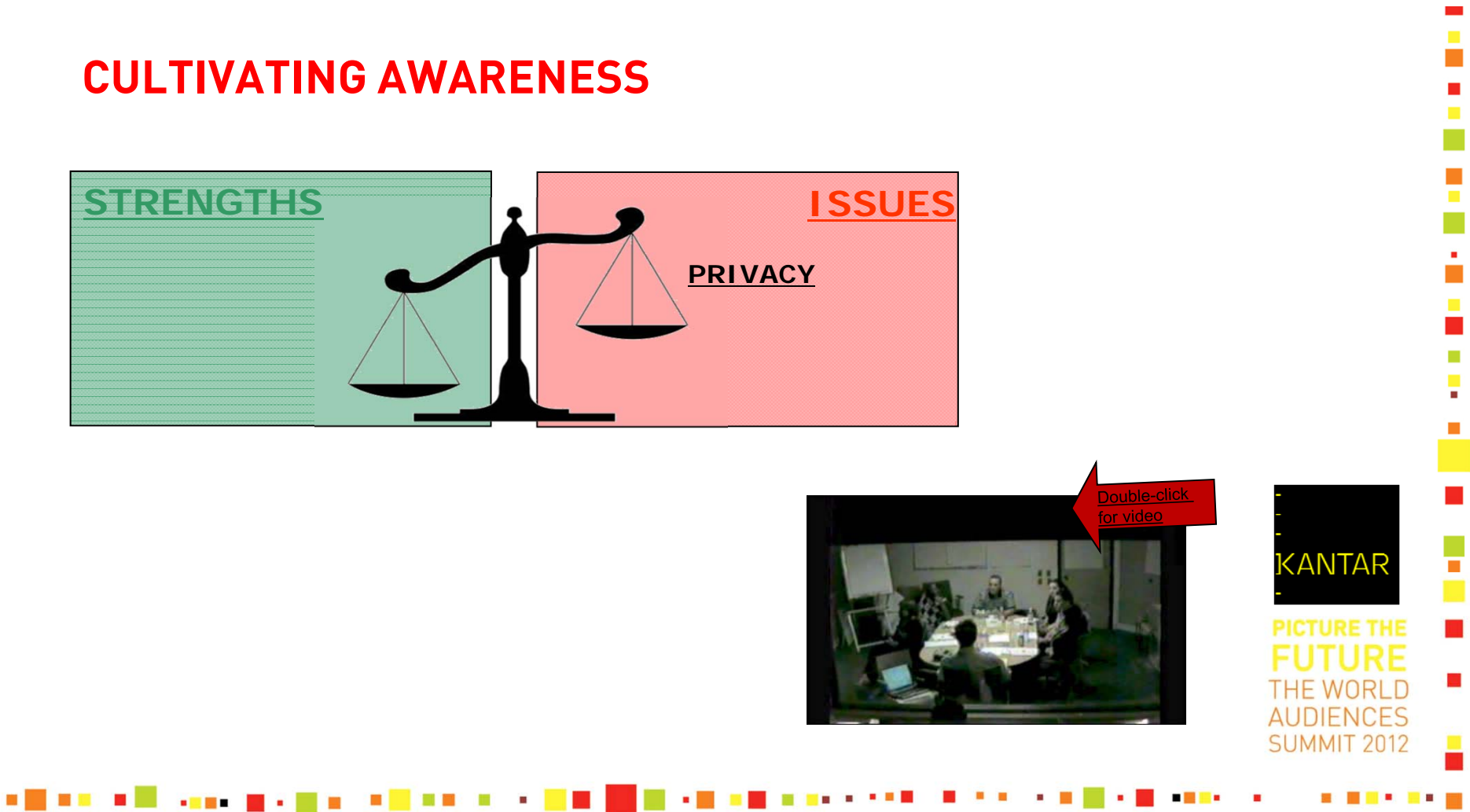
- Consider promoting a more personalized experience with online advertising wherever possible in order to transmit the benefits of relevance and autonomy.
- Consider disclosing that online tracking will continue, regardless of the actions they take. (While this diminishes autonomy, it provides greater transparency and allows users to see that "OPTING OUT" only takes away the valued benefits of targeted ads – it does not restore privacy.)
- Though superficial, the transaction of privacy taken for benefits received appears to empower users.



CULTIVATING AWARENESS



KANTAR
PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



MESSAGES WITH PERSONAL APPEAL

The most successful Level 1 copy options are those that convey a direct benefit to the user.

"INTEREST BASED AD"

- Communicates the ad is specifically relevant to its viewer.
- "It's for you, not the marketers...It's doing you a favor."
- Not only was this option consistently selected as a top preference, few could think of a way to better communicate that the ad relies on behavioural advertising.

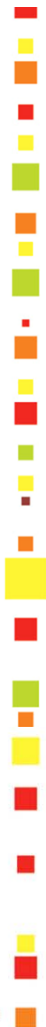
"TAILORED AD"

- While most felt this statement spoke to a more customized online experience, it appears less optimal than "Interest-Based Ad" as a way to transmit this convenience benefit.

The "interest" of "Interest Based Ad" says the ad is driven by the user's interest, while "Tailored" implies someone else's control.



PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



MESSAGES WITH PERSONAL APPEAL

The most successful Level 1 copy options are those that convey a direct benefit to the user.

"TAILORED AD"

- While most felt this statement spoke to a more customized online experience, it appears less optimal than "Interest-Based Ad" as a way to transmit this convenience benefit.
- The "interest" of "Interest Based Ad" says the ad is driven by the user's interest, while "Tailored" implies someone else's control.
- For some, the language is seen as formal/impersonal, running opposite of its intention.



PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



THE PATH FORWARD

1

Stay Engaged with Major Stakeholders

2

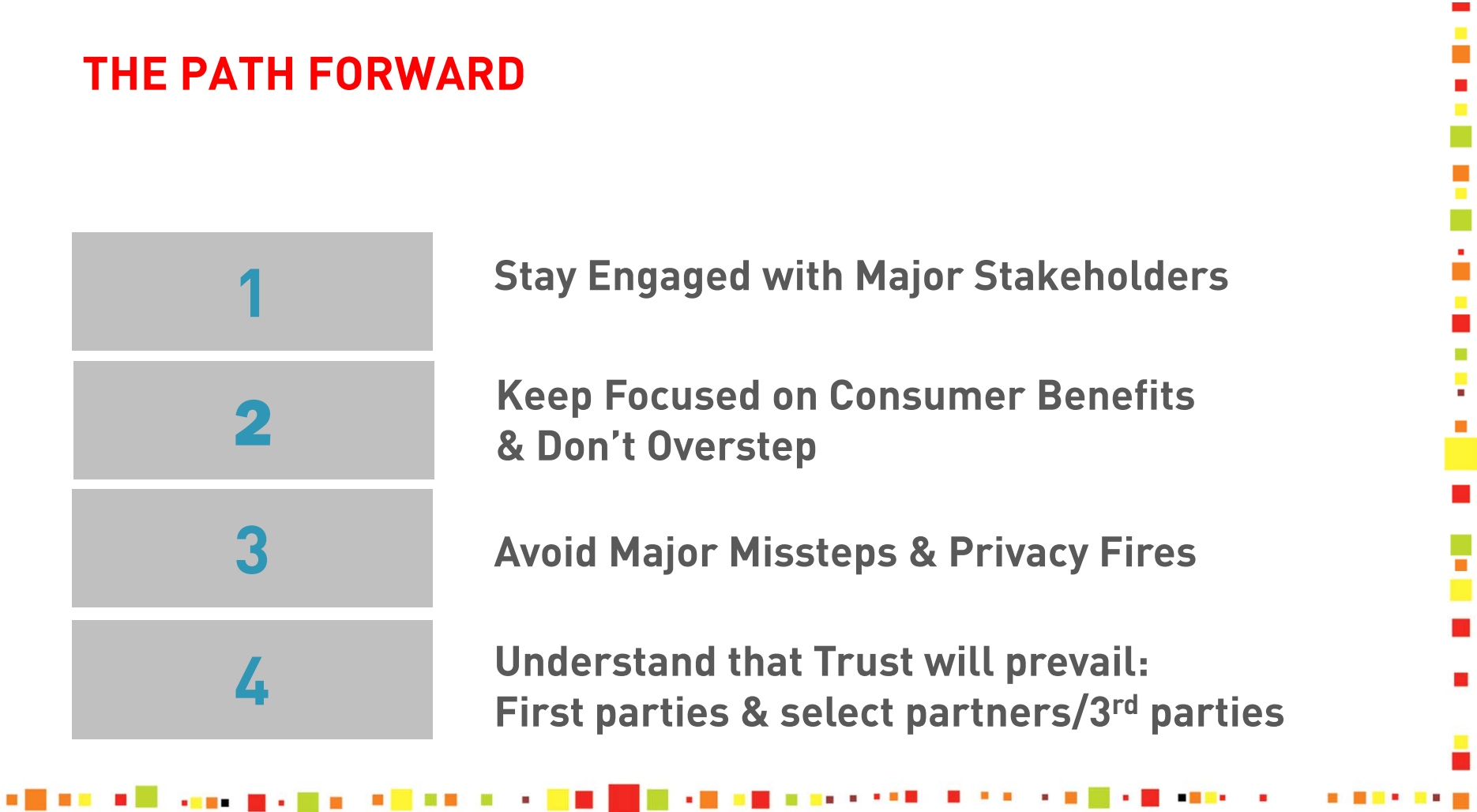
Keep Focused on Consumer Benefits & Don't Overstep

3

Avoid Major Missteps & Privacy Fires

4

Understand that Trust will prevail:
First parties & select partners/3rd parties





PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012

展绘未来 全球受众研究峰会

KANTAR MEDIA

PICTURE THE FUTURE THE WORLD AUDIENCES SUMMIT 2012

ADDRESSING THE PRIVACY ELEPHANT

MAXIMIZING CONSUMER ACCEPTANCE
OF ADDRESSABLE ADVERTISING
TECHNOLOGY

Helen Katz

SVP Research Director



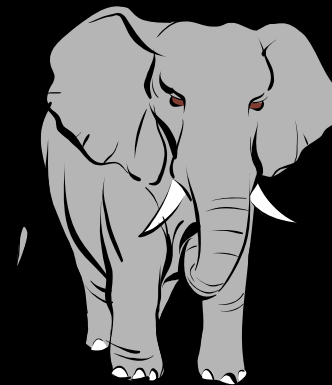
KANTAR MEDIA

SMG HAS BEEN ON A LENGTHY ADDRESSABLE JOURNEY

DELIVERING DIFFERENT CREATIVE MESSAGES TO INDIVIDUAL HOUSEHOLDS

- 2006-2008: Comcast trials
- 2008-2009: Cablevision trial
- 2011- today: DirecTV
- 2012: Dish discussions

ONGOING AWARENESS OF THE PRIVACY
'ELEPHANT' IN THE BACKGROUND



PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012

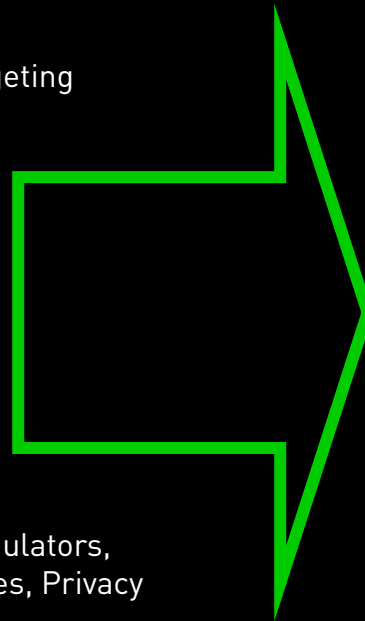
PRIVACY CONCERNS GREW AFTER INITIAL COMCAST TRIAL

SEVERAL ONLINE TARGETING GAFFES HAD OCCURRED

Lots of noise
Mostly focused on behavioral targeting
and online

Lack of understanding created
fear and confusion

Debate had many fronts:
Consumers, Government and Regulators,
Businesses across many industries, Privacy
Advocates, etc.



Research and understand the real issue

Create messages to educate and
eliminate fear and confusion

Know the audience and create messages
that are consistent but tailored for the
audience



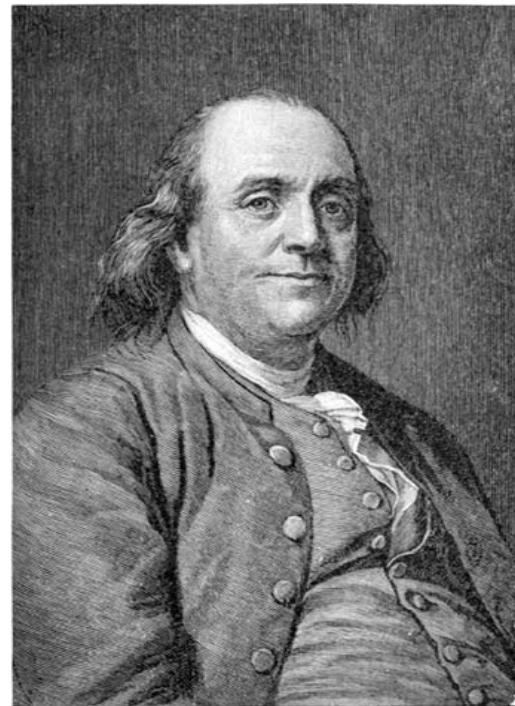
**PICTURE THE
FUTURE**
THE WORLD
AUDIENCES
SUMMIT 2012

OUR CONCLUSION

NEEDED COLLABORATIVE RESEARCH EFFORT TO BETTER UNDERSTAND CONSUMERS' CONCERNS ON PRIVACY

“We must all hang together, or most assuredly we will all hang separately”

Ben Franklin 1776



Starcom MediaVest
GROUP

PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



UNDERTOOK QUALITATIVE & QUANTITATIVE RESEARCH WORKING WITH COMCAST, OPENET & HARRIS INTERACTIVE

- Qualitative across various stakeholders
- Consumers, NGOs, policy influencers, industry leaders
- Quantitative online survey with 1500+ consumers
- Awareness of and interest in addressable advertising
- Perceived benefits of, and privacy concerns in addressable ads

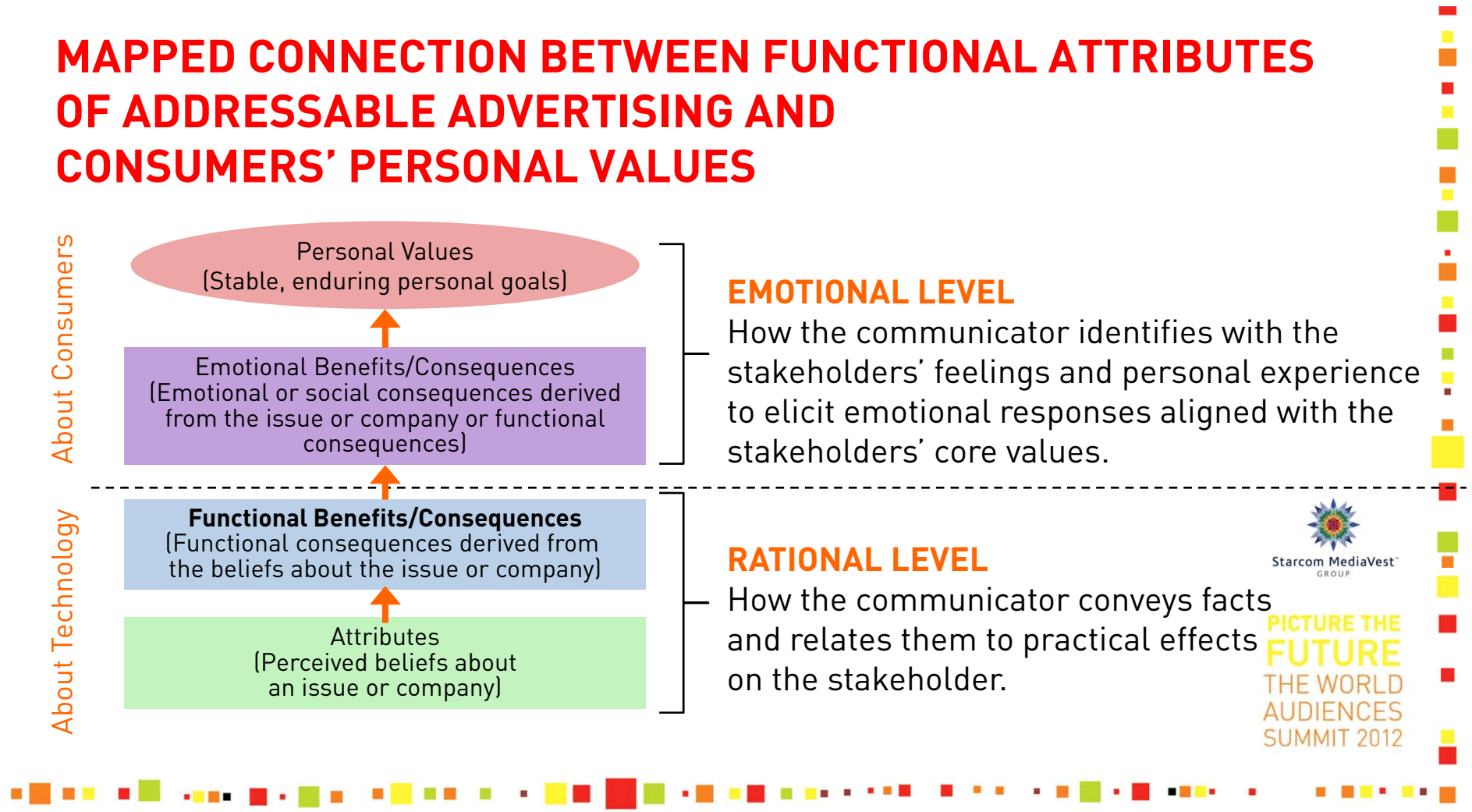
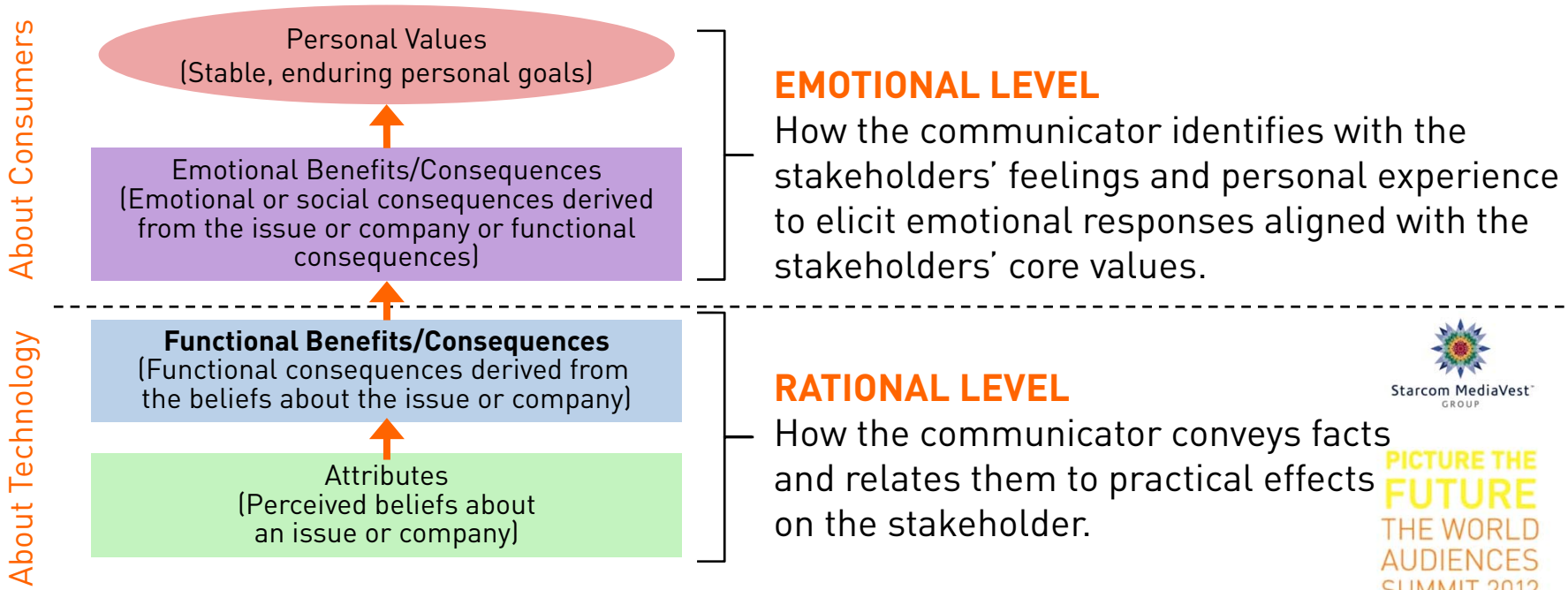


Starcom MediaVest
GROUP

PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



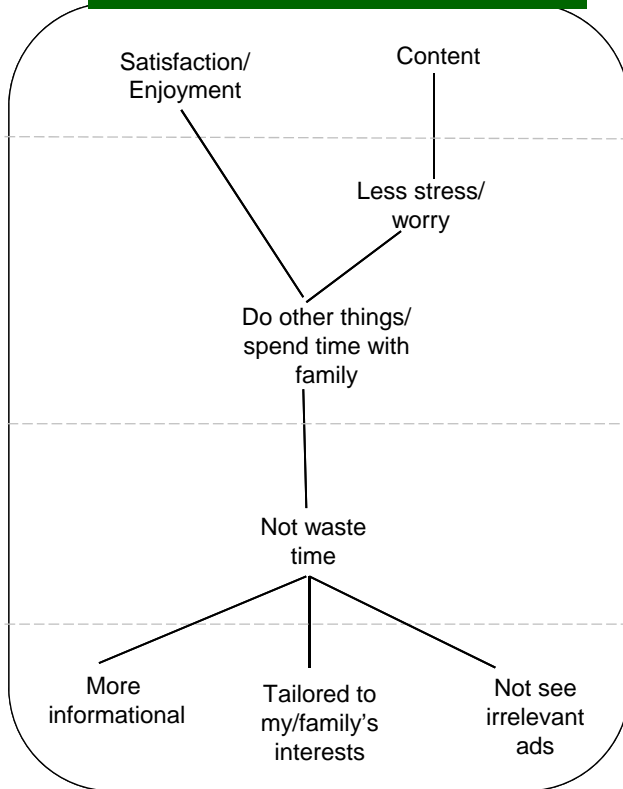
MAPPED CONNECTION BETWEEN FUNCTIONAL ATTRIBUTES OF ADDRESSABLE ADVERTISING AND CONSUMERS' PERSONAL VALUES



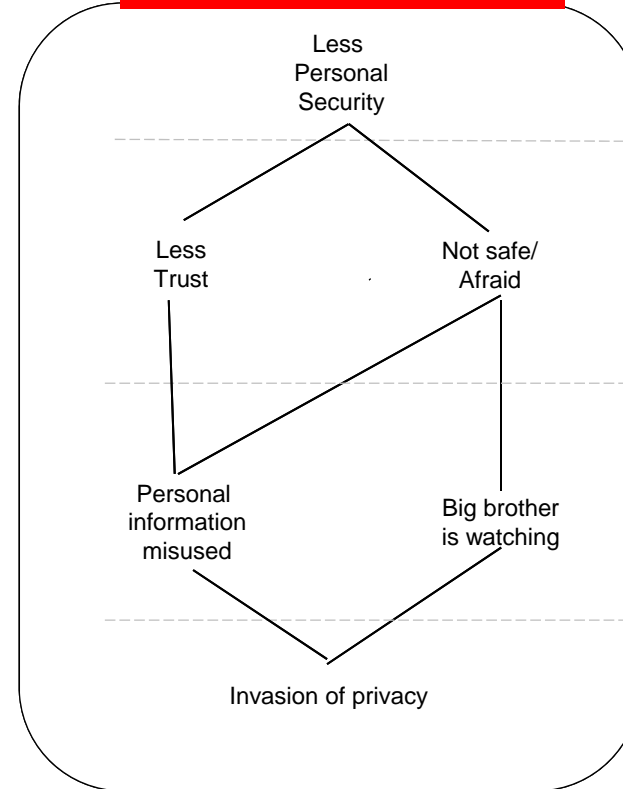
DOMINANT PATHWAYS

- Personal Values
- Emotional Consequences
- Functional Consequences
- Attributes

POSITIVE - RELEVANCE



NEGATIVE - PRIVACY



PICTURE THE
FUTURE
 THE WORLD
 AUDIENCES
 SUMMIT 2012



BENEFITS

- Increased relevance of advertising messages
- More choice, increased competition
- Increased shareholder value, reduced costs
- Natural evolution of selling, marketing

REASSURANCES

- Opt out
- Destruction of data
- Control of profile
- Data integrity - Public data, permission
- Significant oversight & regulation

CONSUMER REACTIONS

RISKS

- Breach of security, loss of privacy
- Big brother, knowing all and dictating choice
- Increased abuse of vulnerable audiences
- Waste of time and effort

Within this debate, risks outweigh benefits.
Reassurances play critical role in communication and commercialization.


FUTURE
THE WORLD
AUDIENCES
MAY 2012

RESEARCH OUTCOMES AND NEXT STEPS

- Comcast sent an opt-out letter to all subscribers in Baltimore addressable cable zones prior to start of test
- Utilized both 'relevance' and 'choice/control' messages
 - Very low opt-out response (~6%)
 - SMG continues to work with our clients to deliver addressable ads to their 'true targets' beyond our initial trials
 - Still mindful of data privacy issues and concerns



PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012



PICTURE THE
FUTURE
THE WORLD
AUDIENCES
SUMMIT 2012

展绘未来 全球受众研究峰会

KANTAR MEDIA