

Online Marketing

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Last time

- Contextual advertisement
 - What does it mean?
- Spam regulation
 - When are vendors allowed to send?
- Sector specific regulation
 - Please name those sectors

Types of online marketing

- 1) Content Marketing

Blocks, videos, infographics

- 2) Search Engine Optimization

Keywords, optimizations of websides, ranking improvement, meta tags

- 3) Pay-per-click

Advertisement, image, videos, articles

- 4) Social Media marketing

Advertise brands, propagation, influencers

- 5) Email Marketing

To keep customers, to purchase a product again

- 6) Affiliate Marketing

Recomendations, cooperation, brand improvements

Why online marketing?



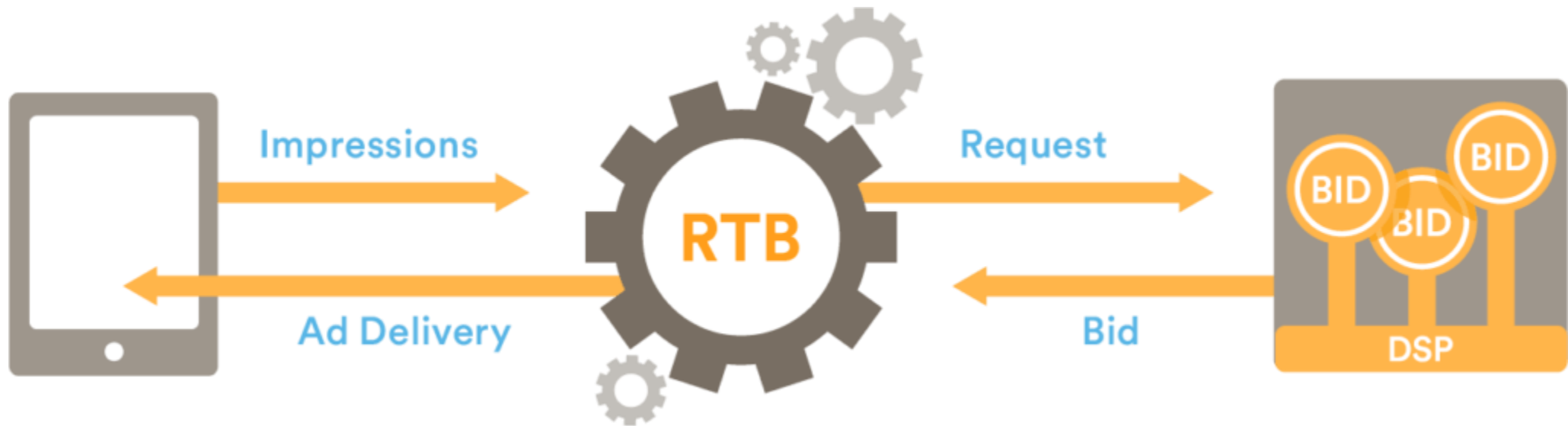
Marketing effectiveness

- 1. Retargeting
- 2. Targeting based on searching
- 3. Targeting based on interests
- 4. Targeting based on location/region
- 5. Non-targeted marketing
- 6.



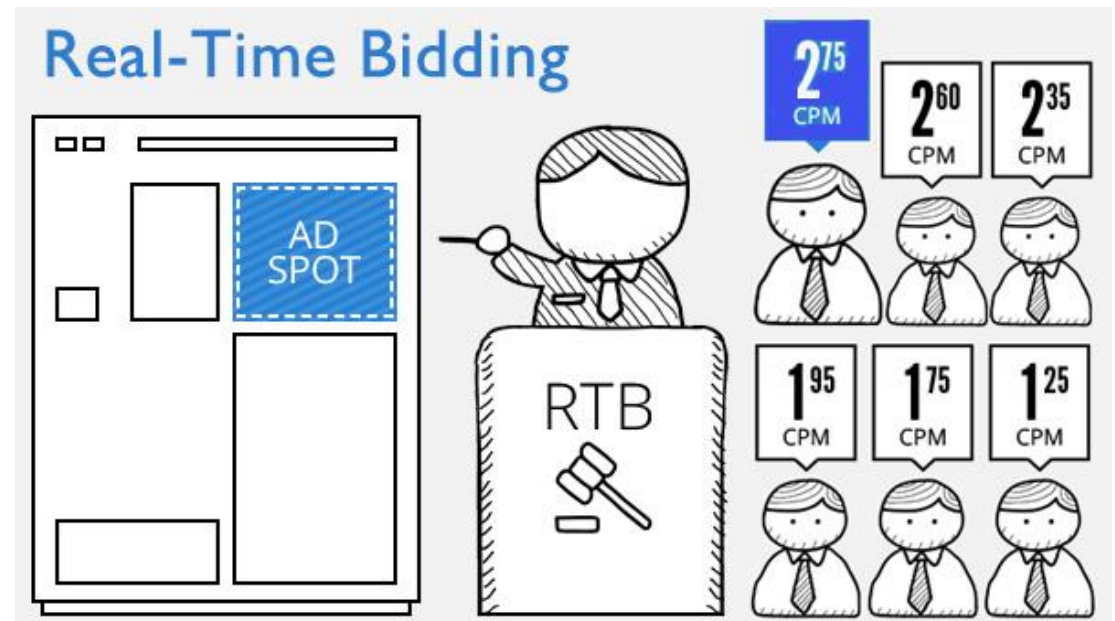
Real Time Bidding

- Automated digital auction process
- Demand-side platform, Ad Exchange, Supply-side platform
- Advertiser sets the budget and type of customer



Real time what? How?

- http protocol
- stateless protocol
- Online identification
 - Cookies
 - Flash cookies
 - Web beacons
 - Fingerprinting
 - ...
 - Cohorts?



Cookies

- Simple text files
- Web server sends them to the user's browser for storage directly on a terminal device
- Each time you visit a page, the browser server asks if it has such a file stored in the browser

- First party X Third party cookies
- Session X Permanent

Regulation of privacy protection

- DIRECTIVE 2002/58/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector
 - (Directive on privacy and electronic communications)
- Act No. 127/2005 Coll. Electronic Communications Act and on Amendments to Certain Related Acts
 - (Electronic Communications Act)

Art. 5 Par. 3

- „Member States shall ensure that the use of electronic communications networks to store information or to gain access to information stored in the terminal equipment of a subscriber or user is only allowed on condition that the subscriber or user concerned is **provided with clear and comprehensive information** in accordance with Directive 95/ 46/EC, inter alia about the purposes of the processing, **and is offered the right to refuse such processing** by the data controller.“

Electronic Communication Act

- „*Everyone who intends to use or uses electronic communications networks to store data or to gain access to data stored in the terminal equipment of subscribers or users is obliged to demonstrably **inform these subscribers or users in advance** about the scope and purpose of their processing and is obliged to **offer them possibility to refuse such processing**“*
- Except technical storage of access solely for the purpose of transmitting

General Data Protection Regulation – Rec. 173

- *This Regulation should **apply to all matters concerning the protection of fundamental rights and freedoms vis-à-vis the processing of personal data which are not subject to specific obligations with the same objective set out in Directive 2002/58/EC** of the European Parliament and of the Council, including the obligations on the controller and the rights of natural persons. In order to clarify the relationship between this Regulation and Directive 2002/58/EC, that Directive should be amended accordingly. Once this Regulation is adopted, Directive 2002/58/EC **should be reviewed** in particular in order to ensure consistency with this Regulation,*

General Data Protection Regulation

– Are cookies personal data?

– Article 6:

- Processing shall be lawful only if and to the extent that at least one of the following applies:
 - A) the data subject has given **consent** to the processing of his or her personal data for one or more specific purposes;
 - B) processing is necessary for the performance of a **contract** to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract;
 - C) processing is necessary for **compliance with a legal obligation** to which the controller is subject;
 - D) processing is necessary in order to protect the **vital interests** of the data subject or of another natural person;
 - E) processing is necessary for the performance of a task carried out in the **public interest** or in the exercise of official authority vested in the controller;
 - F) processing is necessary for the purposes of the **legitimate interests** pursued by the controller or by a third party, except where such interests are overridden by the interests or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child.

General Data Protection Regulation II

- Purchase to online cart
- Website security
- Marketing purposes

Fingerprinting

- Gathering data from remote device to form its unique „fingerprint“
- Web server is processing technical data of the device connection
- Without user knowledge

New ePrivacy Regulation

- REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC (Regulation on Privacy and Electronic Communications)

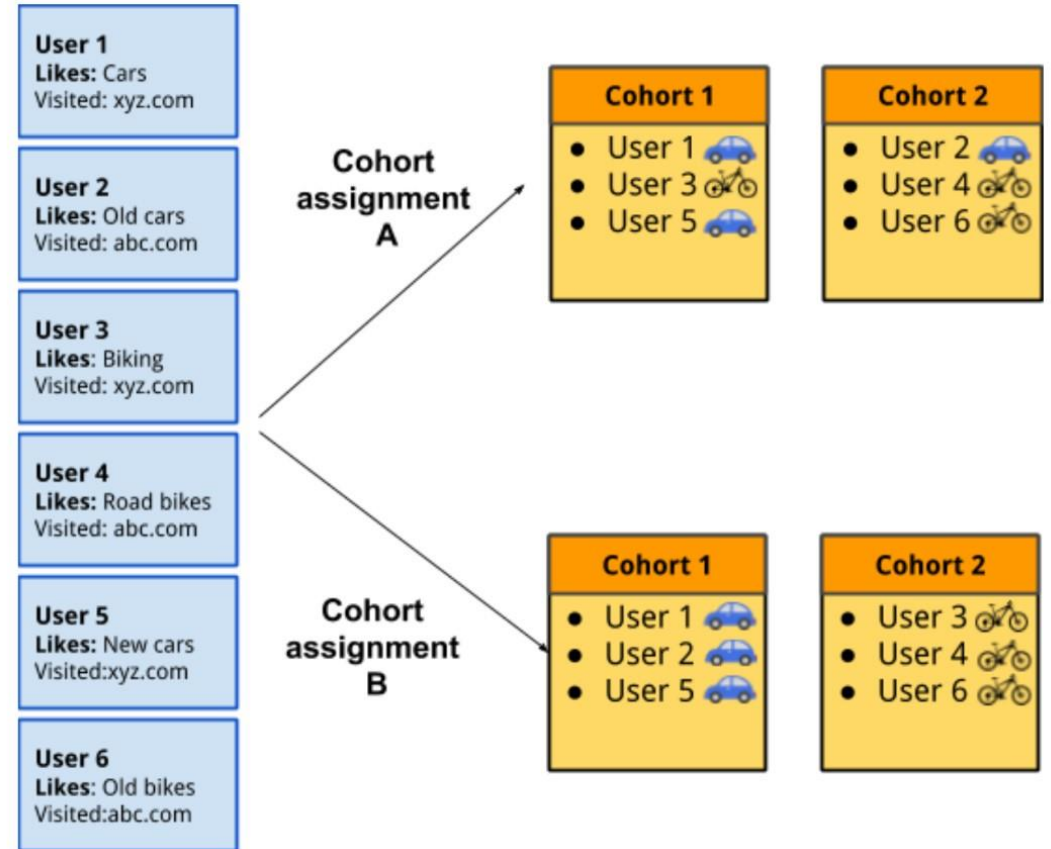
Nowadays situation - Privacy Sandbox

- Google Chrome - 70 %
- Third Party Cookies
- Safari, Mozilla Firefox

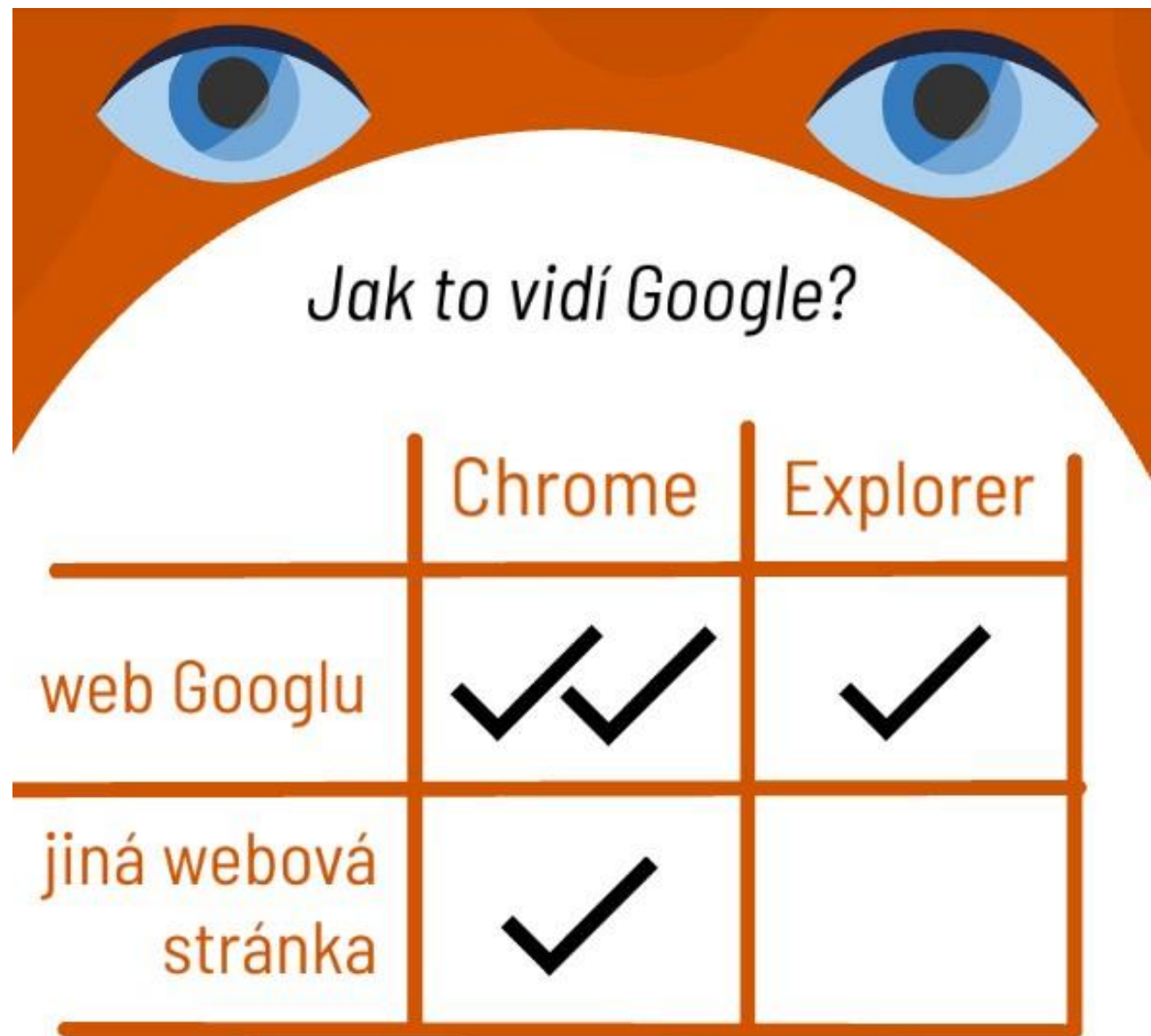
- 2019 – creation of Privacy Sandbox initiative
- 2020 – Google announcement to „shot down“ third party cookies
- 2021 – Federated System of Cohorts (FLoC)
- 2022 – End of third party cookies

Federated Learning of Cohorts

- Only on Google Chrome
- SimHash creates random numbers
- Lokaly saved in the computer
- Does not create personal data



FLoC



Jak to vidí Google?

	Chrome	Explorer
web Googlu	✓✓	✓
jiná webová stránka	✓	

FLoC – Google perspective

- 1) Meets the pressure to ban 3rd party cookies
- 2) It will continue to maintain its multi-billion dollar business
- 3) Make it difficult to track users across websites
- 4) Regulation of personal data protection is likely to be avoided

FLoC evaluation

- + End of cross-site tracking
- + Mixing an individual into a group of users
- The risk of combining cohorts with other identifiers
(IP, fingerprinting, logs ...)
- The website has no further knowledge of the user's profile without the need to follow it across the site

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Conclusion

- Online marketing is very effective tool, which is able to target on specific users, based on their profile
- There are many methods of online identification methods
- There is contradiction in between Czech and EU regulation
- kz
- The most privacy intrusive method is going to be replaced
- New ePrivacy regulation is going to be enacted

Questions?

– Feel free to ask 😊