

## What Is...

Clarifying marketing topics and terms

# What Is... Data Privacy and Security?

Decoding Key Topics and Terms





## Decoding data privacy & security is crucial for brands to forge consumer trust.

Data is the fuel that powers the advertising economy and is considered one of the most important assets a business can hold. **The right data leveraged in the right way enables a better understanding of customers**, as well as how to serve them more effectively and efficiently.

As the creation and collection of data expands, **businesses have an inherent responsibility** to maintain the standards of how they collect, process and store personal data.

With **81% of U.S. adults being concerned about how companies use the data they collect on them**, the need for marketers to make sense of what data privacy and security is and the role it plays in the advertising ecosystem has never been more critical.

In this second of a three-part series, we seek to **DECODE Data Privacy & Security**. By deciphering key terms and concepts, we will provide the baseline knowledge you need to further understand why data privacy legislation is growing and how to navigate the advertising ecosystem as signal loss increases.

# Data privacy is reshaping the conversation within the advertising landscape on how to ethically connect with consumers

 The Drum

April 4, 2024

**Privacy, platforms & power shifts: 3 trends reshaping marketing and measurement**

 CNN BUSINESS

April 8, 2024

**US lawmakers unveil a plan to give all Americans a right to online privacy**

*The New York Times*

July 10, 2023

***U.S. and E.U. Complete Long-Awaited Deal on Sharing Data***

**AdAge**

April 4, 2024

**HOW AD TRANSPARENCY AND PRIVACY ARE THE INDUSTRY'S NEW TABLE STAKES**

**ADWEEK**

December 8, 2023

**You've Met Data Privacy Guidelines. But What About Data Ethics?**

**ADWEEK**

**How to Navigate the Complexities of Data Ownership**

**Forbes**

December 8, 2023

**Data Privacy Tops Concerns For Americans – Who Is Responsible For Better Data Protections?**

**AdAge**

January 3, 2024

**MOST PUBLISHERS SHARE CONSUMER DATA BEFORE GETTING CONSENT, COMPLIANT STUDY FINDS**

Research covering 150,000 publishers and billions of impressions finds data usually flows before consent windows pop up

**Forbes**

April 19, 2024

**Navigating The Complexity Of The Latest Data Privacy Regulations**

**BUSINESS INSIDER**

September 6, 2023

**Most major companies admit they may be selling your personal information, a new study finds**

Our three-part series will help you **understand**, **decode** and **navigate** data privacy and security

# UNDERSTAND

The momentum of data privacy & security legislation



[click here to download](#)

# DECODE

data privacy and security



# NAVIGATE

Marketing in privacy focused landscape



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# What You'll Learn...

Data privacy and security are a critical topic for the advertising industry today. Explore these 6 questions to get the baseline knowledge you need in your journey of implementing a privacy-first approach to your marketing strategies.

1

What is data privacy & security?

2

What are the core components of data privacy and security?

3

Which types of data are businesses collecting?

4

What types of data should be safeguarded?

5

Are certain types of data considered more sensitive than others?

6

What are some best practices for collecting data from customers?

*Click through a box above to be brought directly to the appropriate slide*

# Data privacy & security defined

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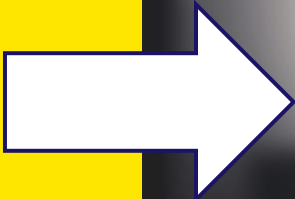
What are some best practices for collecting data from customers?

The staggering amount of data generated every day is a sign of how important privacy and security should be in everyday life



**337**

**Million Terabytes**  
of data is created daily



*Which is equal to*

**135 Billion**

**HD streaming movies**  
worth of data created daily\*

Source: Edge Delta, 'Breaking Down The Numbers: How Much Data Does The World Create Daily in 2024?', March 2024. \*Calculated from an average HD streaming movie size of 2.5GB from Tachus, 'How Much Data Is Used When Streaming TV?', February 2024.

# Data privacy and security work together to ensure customer's safety and anonymity while protecting from identity theft, fraud and other cybercrimes



## Data Privacy

The principle that **individuals should have control over their personal data**, including the ability to decide how organizations collect, store and use their data.



## Data Security

The principle that any entity collecting data, has an ethical and legal obligation to **protect the data they collect from unauthorized access and misuse**.\*

Source: IBM, What is Data Privacy?, December 2023. \*Harvard Business School, "Data Privacy: 4 Things Every Business Professional Should Know", March 2021.

# Consumers are very concerned about both data privacy and data security

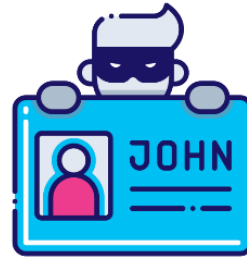
- ▶ Over 52% of consumers feel like they're more of a target for online fraud than they were a year ago.

## % of consumers who say they are very or somewhat concerned about...



Online Security

64%



Identity Theft

64%



Online Privacy

60%

# Exploring key questions of data collection and storage of consumer data

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# What are the core components of data privacy and security?



## Data Collection

Customers opt in to **freely and ethically provide information**



## Data Storage

Controls are set in place to **protect data from unauthorized access** and misuse



## Data Access

Data should **only be accessible** by members of an organization who require it to do their jobs

Source: Harvard Business School, "Data Privacy: 4 Things Every Business Professional Should Know", March 2021.

# Which types of data are businesses collecting?

## The four main categories of consumer data that businesses collect



### Personal Data

- Name
- Postal Address
- Email Address
- Phone Number
- Data of Birth
- Demographics
- SSN
- Gender
- IP Address
- Web Browser Cookies
- Device IDs



### Engagement Data

- Website Visitation
- Social Media Engagement
- Email Responses
- Paid Ad Interactions
- Click-Through Rate (CTR)
- Bounce Rate



### Behavioral Data

- Purchase History
- Web Form Downloads
- Site Duration
- Abandoned Shopping Carts
- Subscription Details
- Average Order Value



### Attitudinal Data

- Consumer Satisfaction Ratings
- Purchase Criteria
- Product Desirability
- Product Preferences
- Survey Responses
- Customer Reviews

Source: Business News Daily How Businesses Are Collecting Data (And What They're Doing With It), October 2023. The above represents a sampling of consumer data points within each category.

# What types of data should be safeguarded?

- ▶ The protection of PII is essential to any company that collects it; failure to do so can result in the theft of consumer data, fines and reputational damage.

## Personal Identifiable Information (PII):

Information that can be used to **distinguish or trace an individual's identity**, either alone or when combined with other information that is linked or linkable to a specific individual.

Source: U.S. Department of Labor, 'Guidance on the Protection of Personal Identifiable Information.'  
\*McKinsey & Co, 'Localization of data privacy regulations creates competitive opportunities', June 2022.

# 75%

of countries have implemented data privacy laws governing the **collection, retention and use of PII\***

# Are certain types of data considered more sensitive than others?

- ▶ To help guide current and future marketing strategies, determine what types of data you are using and plan to use.

## Sensitive Data (Direct PII)

Data that **can be directly linked** to an individual's identity  
*Information considered as sensitive data may vary by state*

### Information commonly considered as sensitive

- ▶ Full Name
- ▶ Social Security Number
- ▶ Telephone number
- ▶ Fingerprints
- ▶ Driver's License
- ▶ Credit Card Information
- ▶ Medical Records
- ▶ Passport Info
- ▶ Precise Geolocation
- ▶ Internet Browsing Data

Depending on the state, Jurisdiction Sensitive PII may require

- Greater security measures
- Additional consent to collect it

## Non-Sensitive Data (Indirect PII)

Data that **can't be used to directly** identify an individual

### Information commonly considered as non-sensitive

- ▶ Zip code
- ▶ Country code
- ▶ Race
- ▶ Gender
- ▶ Date of birth
- ▶ Place of birth
- ▶ Employer
- ▶ **Mother's Maiden Name**

Non-Sensitive Data Can be easily accessible from public sources like the Internet.

# What are some best practices for collecting data from customers?

66%

of consumers would gain trust in a company if they are transparent about how they use their personal data\*

## Three data collection strategies that help to build trust with customers



### Transparency

Communicate **what data** is being collected and **how you intend to use it**



### Consent

Gain **user permission** for data collection whenever possible



### Value Exchange

Provide **clear benefits** and details on what a user gets in return **for sharing their data**

Source: Harvard Business Review, 'Customer Data: Designing for Transparency and Trust,' May 2015. \*Razorfish, 'The Data Privacy Paradox,' March 2023.

# Marketer Takeaways: Protect your brand by taking a ‘privacy by design’ approach to your marketing efforts

## Three Data Strategies to Protect Your Customers and Your Brand

# 1

### Data Awareness

Be conscientious of the types of data that are being leveraged throughout your marketing campaign

# 2

### Data Standards

Set strict policies and guidelines in how data is collected, stored and secured

# 3

### Data Transparency

Ensure customers understand what data is being collected and why

# Explore our full three-part series to **understand**, **decode** and **navigate** data privacy and security, with actionable insights

**Understand** the momentum behind **data privacy legislation** and explore the continued **shortcomings of 'Big Tech'** in this area.



[Download Here](#)

**Decode** data privacy and security to learn about the key topics, concepts and terms and **why it matters to your customers**.



**Navigate** marketing strategies in a privacy-focused landscape, with actionable tactics to reach audiences with personalized ads.



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Three critical business ramifications of digital ad fraud



## What is Brand Safety?



## Untangling Terminology in Data, Identity & Privacy



## What's the Deal With... Identity?



## What is The Digital Video Supply Chain

# About VAB

VAB plays a dual role in the video advertising industry. We are leading the change to bring about a more innovative and transparent marketplace. We also provide the insights and thought leadership that enables marketers to develop business-driving marketing strategies.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.



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