

Chapter 16

Ethics in Behavioural Targeting: Mapping Consumers Perceptions

Sonam Chauhan

Jaypee Institute of Information Technology, India

Shubhangini Rathore

Jaypee Institute of Information Technology, India

ABSTRACT

In contemporary development “Internet” is a leading advertising source. Marketing avenues from traditional media are deteriorating and online marketing earnings are growing persistently. With online advertising, behavioural targeting is emerging as a prominent trend which is expected to account for major advertising revenues; as it permits websites to discriminate advertisements according to consumers surfing patterns. This can equally raise privacy issues and can have adverse consumer responses. This study explores the consumer perception regarding the ethics of behavioural targeting when done without user consent and awareness. The study focus on two major aspects the first is about knowledge and awareness about behavioural targeting and second issues related to ethics in behavioural targeting. The result shows that consumers are unaware about behavioural targeting.

INTRODUCTION

Ethics is about unwritten rules and norms that people around the world share and exchange. Business ethics consists of a set of moral principles and values (Jones, Parker, & Bos, 2005, p 17) that govern the behaviour of the organization with respect to what is right and what is wrong (Badiou, 2001; Seglin, 2003). It is also the behaviour that a business adheres to in its daily dealings with the world (Borgerson & Schroeder, 2008, pp. 87-108). The ethics of a particular business can be

diverse (Solomon, 1983, pp. 354-365). Here the argument is about that for a business there can be different ethics that applies according to conduct of a business but what matters most is behaviour & values that a business shares with its customers on individual basis. A business must follow right ethics in the end duty of the business is to value people i.e. customers or users. This part of business ethics overlaps with the values of business, one of the aims of which is to establish the basic purposes of a company.

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Marketing ethics, which goes ahead of the complete terms of information regarding (and access to) a product, may get to influence our values and behaviour. To some extent society regards this as acceptable, but where is the ethical line to be drawn? Hence Marketing ethics overlaps powerfully with media ethics, because marketing makes serious use of media. Marketing ethics are not restricted to the field of marketing alone, rather this influence spread across all fields of life and most importantly construction of “socially salient identities for people” and “affect some people’s morally significant perceptions of and interactions with other people, and if they can contribute to those perceptions or interactions going seriously wrong, these activities have bearing on fundamental ethical questions” (Borgerson & Schroeder, 2008, pp. 87-108).

Behavioural targeting (BT) is a practice which includes various tools & techniques used by advertisers to capture user’s online behaviour patterns that benefit them to segment users based on their behaviour for further success of campaigns & advertisements. Behavioural targeting sometimes interchangeably used as, “Audience targeting”. Behavioural targeting is a technique used by online advertisers to assemble information on Internet users in order to better target their promotion toward those users. This talks about behavioural targeting as a way of collecting information for improved advertising to users. The key behind behavioural targeting is that the advertisers can show ads only to users within a specific demographic of high value (such as people likely to buy a car) and combine that with a larger number of opportunities (places to show ads) per user. Moreover, as we gather more information about a user, we can provide them with a better experience in every future interaction. In short behavioural tracking / targeting provides the data for “tailoring” pages, offers, and prices to the behavioural characteristics of the individual shopper. (Steel, 2007). Hence behavioural targeting is an approach where the

focus is on providing suitable advertisements to online users by tracking their conduct online.

On the other hand finding ways to increase the approval of targeting, still, is also vital to avoid other harmful consequences resulting from consumer privacy concern, such as website avoidance (Wirtz & Lwin, 2009, pp. 1–18) or negative word-of-mouth (Son & Kim, 2008, pp. 503– 529). The initial ideas of behavioural targeting were made roughly thirteen years ago. In the course of 1999, behaviourally targeted advertising did not live up to the decline of the dot com business as it was not able to report the concerns of data ownership and confidentiality. The first firms that explored behavioural targeting were Engage, using their Profiliz technology, and Double-click, using Web Beacon / Boomerang. DoubleClick is a proficient in serving ads, and the corporation used that skill to create individual web user profiles comprising individual distinguishable information whereas Engage had an offer to publishers, telling them that if they share their behaviour profiles, they can have enhanced information about their customers/ users. At this time the framework of the advertising market was not proficient enough for supporting complex sales and buying models.

Behavioural targeting technology in 1999 was revolutionary, but it was inadequate to bringing its idea. Behavioural targeting had a rebirth in 2003. There was important growth in technology and the advertising market, and various data and privacy concerns were established. Search engines have used behavioural targeting know-how appropriately, and therefore advertisers and organisations realised the importance of behavioural targeting technology and its paybacks well. For publishers, behaviourally applicable record had grown into a product/service and also providing low cost and appealing inventory linking with confident behavioural mind sets. At this period Behavioural targeting was still at its beginning stage. Customers were disappointed with this technology merely as it is of interfering nature, and the immoral practice

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