

How Are Marketers Adapting to Data Privacy Laws?

ARTICLE JANUARY 30, 2019

Ross Benes

D ata privacy laws are gaining momentum now that more US states are advocating for stricter personal data regulation and European regulators are generating fines for huge advertising firms.

In January, French regulators fined Google €50 million (\$57 million) for violating the General Data Protection Regulation (GDPR). The fine, the first for a major Silicon Valley tech company, is the largest since the GDPR became enforceable last May.

Fear of violating these tough new laws has driven publishers to turn off open exchanges and led vendors to pivot their business models. More than three-quarters of brand marketers in the US and Europe agreed that GDPR will affect how they use third-party data to target people, according to a November 2018 survey by Sizmek.



Brand Marketers in Europe and the US Who Expect GDPR to Impact Their Audience Targeting Capabilities with Third-Party Data, Spring 2018 % of respondents

	US	Europe	Total
Strongly agree	30%	29%	29%
Somewhat agree	46%	49%	48%
Somewhat disagree	13%	14%	13%
Strongly disagree	4%	5%	5%
Don't know/does not apply	7%	4%	5%
Note: n=522 Source: Sizmek, "Marketers Surve Media, Brand Safety, and Partners	y Results 2018. hips," Nov 14, 2	: An Insider's Loc 2018	ık at
243382		www. <mark>eMa</mark>	rketer.com

While GDPR is specific to Europe, business executives believe that more countries will adopt similar laws. About seven in 10 of the 400 senior executives in a June 2018 survey by A.T. Kearney said that GDPR will likely inspire other countries to expand data privacy regulations.

In the US, individual states are passing their own data privacy laws, creating a patchwork situation. (The Association of National Advertisers (ANA) is lobbying for a more uniform national standard regarding data privacy in the US.)

For our recent report "Digital Display Advertising 2019: Nine Trends to Know for This Year's Media Plan," we spoke with Amy Manus, vice president of the southeast region at Goodway Group, about how marketers are grappling with data privacy concerns.

How has GDPR affected marketers?

It's caused companies to re-evaluate their overall process, and address the data they have and what they'll be using. Most marketers I talk to are finding the impact of GDPR somewhat bittersweet.

Can you elaborate?

It's causing them to streamline the amount of data they're storing; letting go of data can be scary for any organization. But inversely, this whole data deluge has continued long enough, and marketers are becoming more cognizant of what data is going to help aid in the relationship they have with customers during their journey. So, overall, just streamlining their approach and strategy for how and what data



they use is a necessary exercise many marketers have been putting off for some time.

What strategies should US marketers implement to become compliant?

At minimum, doing an audit of the data you have, understanding—at a high level—the guidelines that are happening over in Europe, and learning how those implications can be brought to the US. The US will have data privacy laws in the future. Will they be like GDPR exactly? Probably not.

What else should marketers do?

Be aware of how you're collecting data, how you're storing it and where it's located. Just the conversation around security and privacy has been so top-of-mind with recent data breaches. It's not a 'nice to have'—it's a best practice, and it should be moving into 2019.

For more on how data privacy laws will affect marketers this year, see our "Digital Display Advertising 2019" report.

Not sure if your company subscribes? You can find out here.

