

Trump's new FTC chair puts advertising data in the crosshairs

Article



The news: President-elect Donald Trump has chosen Andrew Ferguson as the new FTC chair, signaling tighter data regulations alongside a pro-business stance.

Ferguson is a current FTC commissioner who was nominated by President Joe Biden in 2023.

- When the FTC <u>published a report</u> in September criticizing the <u>digital advertising industry's</u> <u>data practices</u>, Ferguson released a statement warning that "massive collection, repackaging, sharing, and retention of our private and intimate details puts Americans at great risk."
- In a post on X, Ferguson said the FTC "will end Big Tech's vendetta against competition and free speech."

Data under Trump: Ferguson is expected to be much friendlier to big business and mergers than current FTC chair **Lina Khan**, but his record of criticizing the digital advertising industry increases the likelihood that the agency will follow through on its September call for greater regulation.

- Ferguson's criticism of data practices centers on privacy vulnerabilities and indefinite data retention. In September, he raised concerns that long-term storage and a lack of anonymization could make it easier for bad actors and foreign governments to obtain sensitive information about US citizens.
- Under his leadership, those criticisms could evolve into more stringent rules about how long companies can store user information and standardization for anonymizing data.
- There have been multiple instances of improperly obtained and anonymized data spreading throughout the ad ecosystem in 2024: In August, Capital One was <u>sued for improperly</u> <u>disclosing trackers</u> on its website, causing user information to spread across the web into platforms like Google and Facebook.

Despite Ferguson's criticisms, he approves of one aspect of digital advertising: targeted ads. His September statement said targeted advertising helps connect consumers to the most relevant products in addition to generating revenues and lowering the cost of ad space.

Our take: As with many elements of the incoming Trump administration, the FTC's plans are somewhat unclear. Ferguson's mixed statements indicate a desire to clamp down on ad industry data collection practices, but the administration's business-friendly agenda and his support of other ad industry staples could influence those plans.



Top Concerns for the Future of Marketing and Advertising Among US Advertising Professionals, Dec 2023 % of respondents Privacy/regulation Connecting with target audience Social media platforms 8% Pricing 5% ROI 5% Channel/platform fragmentation Growing brand awareness 3% Brand/sales conversions 2% Influencer marketing 2% Tech advancements/automation 2% Source: Material+ and NewtonX, "The Digital Lead: 2024 Advertising Insights & Tech Trends," April 25, 2024

This article is part of EMARKETER's client-only subscription Briefings—daily newsletters authored by industry analysts who are experts in marketing, advertising, media, and tech trends. To help you finish 2024 strong and start 2025 off on the right foot, articles like this one—delivering the latest news and insights—are completely free through January 31, 2025. If you want to learn how to get insights like these delivered to your inbox every day and get access to our data-driven forecasts, reports, and industry benchmarks, schedule a demo with our sales team.

EMARKETER

