

# Government Regulation Is Chief Threat to Marketers' Data-Driven Initiatives

Marketing groups push for industry-friendly regulations

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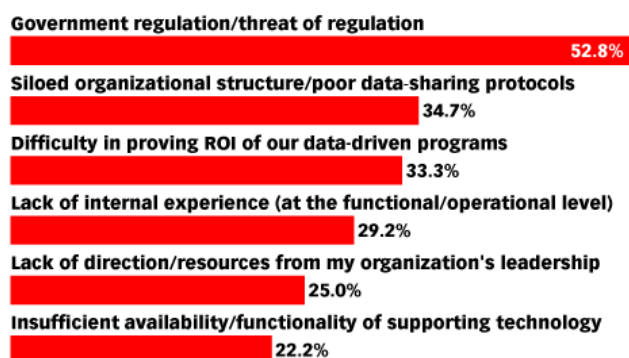
**Ross Benes**

Government regulation is the top obstacle threatening marketers' data projects this year, according to a recent survey of US marketers by Winterberry Group and the Interactive Advertising Bureau (IAB).

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**Challenges that May Impede Their Ability to Derive Value from Their Data-Driven Marketing/Media Initiatives in 2019 According to US Digital Marketers**  
*% of respondents*

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Source: Winterberry Group, "The Outlook for Data 2019: A Snapshot Into the Evolving Role of Audience Insight" in partnership with IAB Data Center of Excellence, March 5, 2019

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Respondents also expected cross-channel measurement, attribution and audience matching and predictive segmentation to occupy most of their attention this year. All of these tasks require the collection and use of data and could be affected by regulation, according to Ratko Vidakovic, founder and principal of ad tech consultancy AdProfs.

“Any privacy laws in the US that touch on issues such as personal data and consent have the potential to be disruptive to these interests,” Vidakovic said. “Given where we are now, with the California Consumer Privacy Act [CCPA] going into effect in nine months, and all the uncertainty around a federal data privacy law, it is not surprising whatsoever that marketers view data regulation as a top challenge.”

IAB and Winterberry Group’s study adds to a body of research showing that marketers must take data regulation seriously. Previous studies have shown that **public opinion is turning** against large tech companies, US Congress is **becoming preoccupied with big tech** and company execs are increasingly **mentioning data regulations** during earnings calls.

Meanwhile, tech companies continue to be scrutinized over their data misuse:

- The Federal Trade Commission (FTC) announced in March that it was **investigating how internet service providers** are using their customers' data for advertising purposes.
- Also in March, The New York Times reported that federal prospectors were **conducting a criminal investigation** into Facebook’s data practices.
- There are reports that Facebook **could face a multibillion-dollar fine from the FTC** over privacy violations.
- European regulators recently **fined Google \$1.7 billion** for violating antitrust rules related to its AdSense product.
- In January, **French regulators fined Google** €50 million (\$59 million) for violating the General Data Protection Regulation (GDPR). The fine, the first for a major Silicon Valley tech company, is the largest since GDPR became enforceable in May 2018.

- Also in January, [Vice's Motherboard reported](#) that bounty hunters could pinpoint a person's cellphone after obtaining information from data resellers. The report led 15 US senators to [call for an investigation](#) into how telecom firms handle their customers' location data.
- A December 2018 [report by The New York Times](#) showed that the anonymous data that some advertising and media companies sold could still be used to identify people. Following the Times report, the city attorney of Los Angeles [filed a lawsuit](#) against the Weather Company over its data collection practices.

Lawmakers in various states, including [California](#), [Washington](#), [New Jersey](#) and [Colorado](#), have proposed their own data regulations. In recent months, ad industry trade groups have protested the state-by-state approach and [advocated for national privacy regulations](#). Previously, industry groups have said digital advertising companies should be [self-regulated](#).

"These trade groups are now doing everything in their lobbying power to lessen the impact of CCPA, while at the same time attempting to pre-empt it at the federal level with a more industry-friendly national data privacy law," Vidakovic said.