# ATTITUDE OF PEOPLE TOWARDS ONLINE BEHAVIOURAL ADVERTISING

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*Abstract:* **The aim of this study is to understand the Online Behavioural Advertising, its working process, advantages and disadvantages of online behavioural advertising, behavioural targeting and privacy, regulations and guidelines pertaining to online behavioural advertising and perception of people on online behavioural advertising. Increasing focus on online advertising has made it legitimate and increased complexity area for companies who have adopted behavioural targeting. Also consumer online data privacy has been a hot topic in the recent years and protecting the consumer's privacy is a big challenge. Hence, the self-regulations and federal regulations related to Online Behavioural Advertising are compelling in the present.**

*Keywords:* **Online behavioural advertising, behavioural targeting, data privacy.**

## 1. INTRODUCTION

The advanced revolution perceived in the advertising industry is online advertising and marketing. It's amazing how the industry is aligning itself to grab the attention of the people towards the brands. The emergence of Internet has paved way for new technologies. Advancement in technology is a boon for online advertisements. The advertisers and marketers are under continuous thrust to boost their product sales and are choosing various new technologies to disseminate advertise message. Among the technologies, usage of cyberspace or online media is most sought in the recent years.

In the modern years, internet has restructured the advertising industry. It has initiated international trends in the urban sectors. Vulnerability to internet accessibility is increasing rapidly. Newer technologies have shifted the focus to target marketing from mass promotions. Increase in the use of internet provide information on spending habits of consumers. The advertisers should always remain attentive to fulfill their consumer's changing needs and requirements. Advertisements in the recent years have become shorter and specific and majorly more creative advertisements are replacing lengthy advertisements. One such technique in recent years in advertising is the usage of online behavioural advertising.

Online Behavioural Advertising (OBA) is also called, as behavioural targeting is an operandi, which enables the manufacturers or the advertisers or the publishers to exhibit relevant advertising messages to users based on their online browsing behavior. In short, this technique tracks the consumer's online activities and it is rapidly growing technique, which facilitates the

advertisers to convey relevant message. OBA offers various advantages and disadvantages to the advertisers as well as the shoppers, but it also has the probability to breach user's right to privacy. Although, OBA's innovation and modernity in technological outlook, some regulations, policies, legal aspects do exists. Various agencies are enforcing legal activities upon breach of user privacy.

## 2. HOW DOES OBA WORK?

As mentioned above, OBA tracks the consumer's online activities. This innovative method consists of collecting data of the people and conveys relevant advertisements that meet the search profile of the potential consumer. The behavioural targeting counts on the data related to consumer's online activities, like:

- Web Pages viewed

- Previous search words on the web page

- Duration of time spent on a website

- Ads, content, and buttons clicked

- Other information related to the interactions on the website

Apart from the above-mentioned online activities, OBA receives data from various other sources like websites, mobile apps, Customer Relationship Management and other marketing systems, and can include:

- User login information

- IP address

- Frequency of visit

- Interaction with elements of the site

- Previous purchases

- Demographics

- Content read

The following are the steps generally involved in the Online Behavioural Advertising.

1. Collecting and Analysis of data: As discussed above, the online data of the people are collected through various sources. This data collection done usually through third party cookies, which are stored in DMP[1](Data Management Platform) or DSP[2] (Digital Signal Processing). The more the data more accurate the target would be. Later after collecting the data, analysis of the same will be made to make a segment of the users.

2. User Segmentation: The users are bundled into segments based the user online behavior for example people who are interested in electronics, who often like to travel, who love adventure, people with sports interest, often come back to the same product purchase, etc.

3. Implementation of the data: Advertising campaigns are designed in such a way that the ad messages are relevant to specific users and implemented to match a targeted user segment and boost the marketing activity.

There are also other ways of collecting data and tracking online activities of the user from Internet service providers (ISPs). Later, the data are sold to marketing and advertising service providers to deliver more personalized advertisements. This is the most usual practice, as most of the advertising services providers purchase the behavioural data from third parties.

## 3. UPSIDE AND DOWNSIDE OF OBA

Like any other media of advertising even OBA has various upsides as well as downsides to the consumers, advertisers, marketers and manufacturers alike. Apart from the more usual frequent clicks and other benefits, there are other advantages worth noting. Some of the additional advantages include the following:

- The potential to segregate target customers

- The potential to understand the customers very closely

- The potential to anticipate the customer's needs

- The potential to use the data resources efficiently

- The potential to design advertising and marketing strategy

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[1] Data Management Platform is a platform to collect, organize and activate first, second and third party user data from sources like online, offline, mobile app and others (www.lotame.com)

[2] Digital Signal Processing is the process of analyzing and modifying a signal to optimize its performance. (www.techopedia.com)

- The potential to deliver the message correctly

- The potential to receive relevant ads

Along with upside of OBA there exists downside too. Some of the most discussed downside of the behavioural targeting include following:

- Privacy concerns of the users

- Comparatively expensive than other traditional advertising strategies

- Confusion in the language based ad providers

Of all the advantages and disadvantages mentioned above, the most discussed about is the breach of user privacy.

## 4.  PRIVACY ISSUES AND REGULATIONS

In the present days, public are increasingly dependent on the internet and other digital services for various reasons like money transactions and other financial services, many share or store health and other personal matters. People are getting engaged more and more in the social networking as well. In this same time advertisers and marketers are getting engaged in online behavioural targeting to boost their sale. Users online are under constant tracking about their location, web pages visited, their shopping interests, etc.

It is more torment when the users online are not aware of all the things that are happening in their background without their knowledge and none of the advertisers or companies are bothered to get the consent of the users before tracking their online record.

It is more distressing if the data are used beyond commercial purposes.

So, in order to protect the privacy, confidentiality and safety of the public, Federal Trade Commission (FTC) has come into force since mid-1990. FTC is engaged in addressing various issues related to online privacy and also responsible for the enforcement of rules and regulations. Various acts like 'Do Not Track', 'Do Not Track me Online Act 2011', Commercial Privacy Bill of Rights Act 2011', are enforced to safeguard the interest of the online users.

## 5.  PERCEPTION OF PEOPLE ON OBA

While OBA deliver many advantages to shoppers and advertisers alike. Advertisers and Marketers are currently facing the challenge of controlling the well balance between online advertising target and user privacy. This modern technique has the technological possibility to violate consumer's privacy. The infringement of privacy and security is becoming more and more complex in recent years.

Consumer's perception on OBA is skeptical. About 68 online users were part of the survey, which was conducts to study on the consumer's perception OBA. Of the 68 respondents, 85% were of the opinion that they were annoyed by the personal ads they receiving online also they said that these personalized ads helped them in deciding on the purchase. When questioned about infringement of privacy, 42.9% said yes and remaining rest were not keen about breach of privacy. But 57.1% of the total respondents believed that online targeting should be considered as unlawful. Some found it to be beneficial but rest were of the opinion that it's creepy and invasive.

Consumers consider tacking there online activity a threat to their privacy and security. Responses to OBA also differ among consumers, youngster were least bothered about privacy than adults and seniors. Multiple studies demonstrate that people with low levels of privacy concerns were more positive toward OBA.

## 6.  CONCLUSION

Online behavioural targeting has always been a sensitive and live topic as advertisers and marketers persistently attempt to identify their target customers and at the same time finding new consumers. Innovations in technology permits the advertisers to tailor their advertisements based on users online activities. However, critics of behavioural advertising are of the opinion that invasive of user data is unethical.

Various measures have been taken to safe guard the interest of the customers but still there are many other ways to fix the user privacy issues. The collection of user behavior data should to be monitored, especially if they contain any sensitive

information. Advertisers should get the consent of the user before tracking or using their data. Also, the advertisers and marketers should be accountable in protecting the user data. However, if privacy issues can be sermonized precisely, Online Behavioural targeting provides benefits for consumers, advertisers, and publishers.

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