

What do the words "Privacy Policy" mean to you?

by [Alissa Cooper](#) [1]

November 9, 2007

Among all of the press releases, surveys, and reports released last week for the [FTC's behavioral targeting Town Hall](#) [2], there's one in particular that deserves some extra attention since its authors were not in DC for the event. The Samuelson Clinic at UC-Berkeley and the Annenberg Public Policy Center at UPenn jointly released a [study](#) [3] last week about consumers' fundamental misunderstandings of online advertising. Two of the study's findings are particularly alarming. The first is that when consumers see the words "Privacy Policy" on a Web site, they assume that the site will not share their data. In each of two different surveys conducted over the last few years, over half of all adults agreed with this statement: "When a web site has a privacy policy, I know that the site will not share my information with other websites or companies." This is perhaps one of the most fundamental misconceptions that consumers could have about how the Web works. There was much debate last week about whether consumers prefer to receive targeted ads over non-targeted ones, and whether they understand the trade-offs involved in making that decision. If consumers don't even understand how privacy policies work, it's hard to imagine that they understand behavioral targeting. Indeed, the second alarming finding confirms this lack of understanding. The survey asked respondents to pick a Web site that they valued, and then explained to them a common scenario of third-party behavioral advertising -- serving ads on the "valued" site based on their visits to other sites. A whopping 85% of those surveyed did not agree that "valued" sites should be allowed to engage in this common practice. When offered the choice of visiting a site with this policy or paying to visit the site in exchange for not being tracked, over half of the respondents said they would rather find the information offline than choose either of those options. Clearly, consumers have no idea that they are being tracked across the Web. If they truly understood their options and could act on them, they might make very different choices than they do today. The Samuelson/Annenberg study gives us great insight into consumer confusion about advertising on the Web. Obviously, much work remains in ensuring that consumers understand what choices they have online, and that those choices continue to promote a vibrant and dynamic online environment.

Copyright © 2007 by Center for Democracy & Technology. CDT can be freely copied and used as long as you make no substantive changes and clearly give us credit. [Details](#).

Source URL: <https://www.cdt.org/blogs/alissa-cooper/what-do-words-privacy-policy-mean-you>

Links:

[1] <https://www.cdt.org/personnel/alissa-cooper>

[2] <http://www.ftc.gov/bcp/workshops/ehavioral/index.shtml>

[3] http://www.law.berkeley.edu/clinics/samuelsan/annenberg_samuelsan_advertising-11.pdf