

COLUMNS

## New Clear Channel out-of-home data and analytics tool draws objections from privacy advocates

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On Feb. 29, 2016, Clear Channel Outdoor Americas (Clear Channel), one of the world's largest outdoor advertising companies, announced the launch of "Clear Channel Outdoor RADAR," a new data and analytics tool designed to assist advertisers and advertising agencies with identifying and reaching their target audiences through geolocation information.

This out-of-home (OOH) marketing technology is already drawing fire from privacy advocates and others who are concerned that the average consumer is unaware that his or her location data is being shared with advertisers and marketers.

Not a blip

Partnering with AT&T, Placed and PlaceIQ, RADAR will provide demographic information for individuals who view Clear Channel billboards.

While this is hardly new billboards have previously come equipped with video cameras that track passersby RADAR's integration with mobile technology is a potential game-changer.

RADAR allows advertisers and marketers to obtain information detailing consumers' subsequent actions including, for example, searching for the advertised product on their smartphones, or visiting nearby stores to buy advertised products.

RADAR is currently available in Clear Channel's top markets, including New York and Los Angeles.

The RADAR program will allow advertisers to observe and document trends, including the number of people who pass billboards, their average age and gender. This will enable brands and their agency representatives to focus their campaigns and generate more engaging content. This enhanced data provides the sort of opportunity for in-depth analysis that marketers crave.

According to Clear Channel, a RADAR test program in Orlando, FL, with the philanthropic shoe manufacturer Toms', demonstrated the program's potential, finding that individuals who were exposed to the Toms' RADAR campaign were 25 percent more aware of Toms' social mission.

These consumers were also 122 percent more likely to speak about the Toms' brand with friends and 44 percent more likely to purchase Toms' shoes or other products. Such attribution will allow OOH media to integrate more seamlessly with marketers' other digital media platforms.

This type of mobile-derived, location-based data is like gold to brands, advertisers and marketers, who can use it to determine the reach of their OOH marketing efforts and measure the relative success of each campaign among the target or broader audience.

The expanded collection of consumer geolocation data via tools such as RADAR, however, has already spurred a number of privacy concerns from consumer protection advocates. It is also likely to draw the attention of the Federal Trade Commission (FTC).

For its part, Clear Channel confirms that all of the data gathered by RADAR will be in the aggregate and anonymous to safeguard individual privacy.

Further, consumers will be required to opt-in to tracking which provides an additional layer of consumer protection.

Clear Channel's confirmation of the protection of consumer data is consistent with the current practices in place for tracking geolocation data. Such targeted advertising typically does not collect personally identifiable information, Web history or drop cookies.

For some time, mobile advertisers and social media sites such as Twitter and Facebook have been using consumer behavior data to help create more effective marketing campaigns. But this fusion of mobile data with OOH, which covers billboards and smaller displays in public areas, is less prevalent and has yielded a more ambiguous ROI to this point, particularly with regard to consumer attribution.

#### Track suit

Companies such as Clear Channel are eager to develop a smarter approach to OOH one that yields measurable outcomes that draw the big advertisers.

Out-of-home advertising revenue in the United States rose 4.6 percent in 2015 compared to the previous year, accounting for \$7.3 billion, according to figures released last week by the Outdoor Advertising Association of America, based in Washington.

Technologies such as RADAR, which augment mobile, online and social media efforts with OOH marketing, promise to drive those numbers even higher.

In addition to the obvious utility for brands and their marketers and advertisers, consumers also benefit in certain respects from the collection of geolocation data.

At its most basic level, geolocation information offers consumers the ability to get turn-by-turn directions to a new restaurant, and check-in online or via an app once they arrive at that restaurant to write a review or invite friends to join them.

The collection of geolocation data also enables individuals to easily access coupons, discount codes and other online deals that are specifically tailored to their consumer preferences.

In addition, retailers can use geolocation data to reduce wait times at a checkout register after monitoring timing trends or relocating items displayed on shelves for easier consumer access.

We have entered an era in which geolocation data drives businesses to offer consumers what they want, where they want it.

Although geolocation targeted advertising is not a new concept, it continues to warrant close examination by privacy and advertising counsel to avoid potentially unfair or deceptive practices with respect to tracking.

Indeed, privacy advocates have expressed concerns about mobile device tracking, particularly with respect to companies that combine location information with online consumer behavior to create detailed audience profiles.

Thus, advocates argue that the promise of anonymity lacks credence and that the average consumer is unaware, despite opting in, that their location and demographic data is being compiled.

For example, Jeffrey Chester, executive director of the Center for Digital Democracy, was quoted in a recent New York Times article in which he argued that "people have no idea that they're being tracked and targeted," and that the RADAR program is invasive on its face.

Significantly, the FTC has been closely monitoring and regulating mobile device tracking and the collection of geolocation information.

The agency has subjected privacy policies and opt-out procedures to strong scrutiny, entering into settlement agreements with companies such as Snapchat, Nomi Technologies (retail-tracking company) and Goldenshore Technologies LLC (maker of the "Brightest Flashlight Free" app) regarding the transmission of user geolocation information.

Lawmakers are now joining the FTC in requesting a closer look at the use of consumer geolocation data.

Within two days of the Clear Channel Announcement, U. S. Senator Al Franken published a detailed letter to Clear Channel CEO Scott Wells, requesting further information about the RADAR program and seeking assurances regarding consumer privacy.

"I believe Americans have a fundamental right to privacy, and that right includes an individual's access to information about what data are being collected about them, how the data are being treated, and with whom the data are being shared," Sen. Franken said.

The senator went on to pose a list of questions to Clear Channel management, asking about the company's privacy policy, data retention and reporting procedures, among other things.

Sen. Franken also has a special interest in this area, as he is a ranking member of the Senate's Judiciary Subcommittee for Privacy, Technology and the Law.

ULTIMATELY, THE BENEFITS and resulting value to the consumer of using tools such as RADAR to collect geolocation data may be outweighed if your mobile marketing plan does not include the requisite disclosures and opt-in functionality.

Thus, as marketers continue to seek ever more sophisticated analytics for out-of-home campaigns, questions of privacy will inevitably arise. It remains important to work with skilled advertising and privacy counsel to ensure your advertising practices are in compliance with the current law.

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