

Internet Tracking and the Other Side of the Privacy Coin

December 8, 2010 - It is no secret to anyone that if you go on the internet, you are being tracked by virtually everyone. Advertisers want to know about what interests you so that they can provide you with relevant advertising. Site owners want to know what interests you so that they can provide you with stories that will interest and entertain you. And if they can sell you something, so much the better. As all of that data about you is collected and stored, it becomes more and more valuable over time. And to be sure, there is no shortage of companies willing to collect and sell your data to a wide variety of willing buyers. This collection and sale of private data has now become an issue for the FTC, which is now proposing a "do not track" mechanism for the internet. While that may sound good on the surface, if it is poorly thought out or implemented, the FTC's proposal could actually turn into a nightmare for both companies and the public.

```
(function() {  
var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];  
s.type = 'text/javascript';  
s.src = 'http://widgets.digg.com/buttons.js';  
s1.parentNode.insertBefore(s, s1);  
})();
```

What the FTC is apparently considering - and it is not clear that they have the authority to implement - is a fairly simple solution to internet tracking. The inclusion of a browser setting that would automatically prevent the websites that you visit from tracking you. Sounds very simple doesn't it? It is not. At least not if you like getting your internet content for free.

Most websites that use internet tracking do so for one of two reasons. Either they want to sell you something they want to know what interests you OR they sell advertising space on their sites and their advertisers want to know what interests you. As soon as you take away their ability to track - which you can already do (we'll get into that a little later) - that advertising space becomes a lot less valuable.

You may say, "That's not my problem." And you are correct about that. But if you look at it from the side of the websites you visit, it becomes a big problem that is likely to lead to significant changes in the way that they have to do business. Many of those changes are foreseeable.

A lot of sites will probably be willing to continue to provide their content for free but their advertising is likely to change. In fact, their advertising is likely to become much more intrusive. Things like covering up the page you are visiting with a video add that runs 30 seconds. Or hitting you up with pop-up ads every minute or two.

Some sites are likely to offer a free version and an advertising free premium version. Others will simply refuse to serve people who refuse to allow tracking.

The real problem with the FTC's proposal is that it really upset's the revenue apple cart for many websites. The proposal presents an especially significant problem for very small websites and for bloggers. Many of these sites rely exclusively on advertising revenue for income, and most of that revenue is coming through third parties that manage their advertising. Companies like Google. If the people behind these sites can't make a living, then there is a good chance that

many of them will go out of business.

Ironically, much of what the FTC is proposing through a simple browser control is already available to internet users who understand how to set-up their browser. Many browsers allow private browsing sessions. These are sessions that don't retain any information about the sites that you visit either in the form of browsing history or tracking cookies yet the setting allows the sites to continue to function normally.

All browsers also have more advanced settings that are not necessarily user friendly in their present form but anyone who knows how to change their settings probably already has an idea about some of the issues that the FTC's proposal will create.

For instance, all of the major internet browsers give you the ability to restrict tracking "cookies". You can allow all sites to set cookies on your computer OR only specific sites OR completely disallow cookies. But, if you block cookies, many sites will simply provide you with a warning screen that says something like "This site requires the use of cookies to function properly. Please turn cookies on in your browser and then refresh this page." You can expect similar warning if the FTC proposal ever becomes a reality.

I am a big proponent of internet privacy. People really need to be careful about the information they share on the internet, and who they allow to access their information. Based on that, you might think that my position on internet tracking would be very cut and dried. That companies shouldn't do it and that it is unfair for companies to use your internet browsing habits to sell you things. And to be sure, I do believe that everyone has the absolute right to control their own information. That alone leads me to the conclusion that the FTC's proposal is worth exploring perhaps implementing.

But there is a flip side to that coin. I personally like being able to visit a lot of websites and get the information that they provide for free. I understand that these sites need to make some money in the process. If I prevent them from making any money, then I think they have the absolute right not to serve me. Based on that, even if the FTC proposal is implemented, if it functions the way that I expect it to I am not likely to use their program myself.

byJim Malmberg

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