

COMMUNICATIONS  
CONSUMER  
PANEL



## Social Media, Online Privacy & the 'Right to be Forgotten'

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22 March 2011 Bob Warner's Speech on Regulating Online Privacy

- The Communications Consumer Panel is an independent statutory body which gives advice to Ofcom, Government and industry in order to protect the interests of consumers in the communications sector.
- The Communications Consumer Panel will shortly be publishing a report, based on consumer research, which looks at the different ways in which personal data is collected and processed online, and examines how consumers feel about this. We particularly want to explore how consumers make trade-offs between protecting their privacy and experiencing the benefits of sharing their data.
- I'm not going to discuss the findings in detail today, but I will highlight some of the headline points.
- Our research tells us that six out of ten consumers are concerned about privacy online. And they are even more concerned when they are using their mobiles to access the internet.
- There are good reasons to address this concern. First, we want to avoid it undermining consumers' willingness to embrace the benefits of the internet. Secondly, we want to prevent it becoming a barrier to e-commerce and the development of innovative services and apps.

- Perhaps surprisingly, concern is coupled with a strong sense of responsibility: 70 per cent said that consumers should take responsibility for controlling their own data. But they can only take responsibility if they know how their data is being collected and processed, and if there are effective ways of exercising control.
- The interesting thing was that they said that they were mainly responsible, then companies that they traded with and only then regulators and government. I think that this shows a healthy sense of responsibility and a healthy understanding of the technicalities and the difficulties of regulation in this fast changing area.
- In fact, our research showed that consumers have a low awareness of how their personal data is collected and processed online. So although consumers might want to take responsibility for controlling their data, it's hard for them to do so when they don't realise what's happening to it.
- This means companies need to be much more open about: what data is collected; how data is collected; how long data is kept for; why data is shared with third parties; and how companies minimise the risks of personal data being misused. This shouldn't mean making privacy policies even longer and even more complicated. Companies should be able to explain how they protect consumers' privacy in a straightforward way that makes sense for consumers. There is a commercial advantage for companies here because those who treat their customers openly and with respect are likely to be the winners in this marketplace.
- We also need more effective ways of controlling data collection. So we welcome industry initiatives, such as browsers that incorporate a 'do not track' option and the planned introduction of an 'icon' in all display ads in Europe so that consumers can identify behavioural advertising and opt-out if they wish.

- We want to see consumers getting the benefits of controlled data sharing and not be put off by fears of data misuse. Customers understand that they are making trade-offs. They just don't know what trade-offs they are making.
  - The key gap seems to be in consumers' understanding of what their personal data is used for and the trade-offs between withholding data and receiving benefits. So companies also need to explain to consumers the benefits that can result from sharing data in terms of special offers and lower prices, content that is free at the point of delivery, and more personalised services and adverts.
  - Consumers will only be genuinely empowered if three conditions are met. They need to be able to make an informed judgement about how they wish to trade-off protecting their privacy and experiencing the benefits of making their data available. Secondly, they need to have the means to control the use of their data and so give effect to the judgement they have made. And thirdly, they need to have confidence that companies will follow the rules, and manage personal data responsibly.
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- So in summary, the Panel supports the ICO code of practice and the guidance that it provides for companies on how to comply with the Data Protection Act and protect people's privacy. But as I have said, to ensure that both companies and consumers reap the full benefits that the internet has to offer, we also need to promote much greater understanding of why personal data is collected and the benefits that this can bring. Only then will consumers be able to make an informed decision about whether to allow their data to be collected in any given situation.
  - I will be taking over from Anna Bradley as Chair of the Panel when her term comes to an end in early April and if you would like to discuss any of these issues with me and the Panel, please speak to me afterwards or get in touch via the Panel's website.