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Targeted Advertising: Ethical or Unethical?

A Content Analysis of Various Media Outlets and Users

AVANI VERMA¹

ABSTRACT

This paper examines the ethical implications of targeted advertising, a marketing strategy that utilises consumer data to deliver personalised ads to specific individuals. While some argue that targeted advertising is an effective and efficient way to reach consumers and improve business outcomes, others have raised concerns about its impact on privacy, autonomy, and discrimination. The paper reviews the existing literature on the topic and analyses the ethical dimensions of targeted advertising from multiple perspectives, including individual rights, societal values, and corporate responsibility. The study finds that while targeted advertising can provide benefits such as increased relevance and reduced clutter, it also raises significant ethical concerns related to privacy violations, algorithmic bias, and the manipulation of consumer behaviour. The paper discusses several ethical frameworks and principles, such as informed consent, transparency, and fairness, that can be used to evaluate the moral implications of targeted advertising and guide responsible business practices. Based on these insights, the paper concludes on the basis of empirical data conducted through google forms that form the basis of recommendations for policymakers, marketers, and consumers to promote the ethical and responsible use of targeted advertising in today's digital economy.

Keywords: Targeted Advertising, social media, Media law, privacy, consumers.

I. INTRODUCTION

With Human Evolution, Advertising has evolved also. In the 1900s, companies used to have various departments to understand consumer behaviour; now, with the start of social media, the companies' algorithm completely analyses our behaviour and helps them in advertising. Social media corporations nowadays track our every activity on the web and mobile phones. Thus, in the present content analysis, the author will try to understand whether people consider targeted advertising ethical or not. Ethics is a general rule that society follows. If we look at the origin of customary law or any legal system, we understand that many laws have originated from

¹ Author is an Advocate at Office of Rohit Gupta, India.

morality and ethics. In the present paper, the author will analyse the evolution of the content of targeted advertising and will highlight the growth of targeted advertising. At the end of the first part, the author has done a practical experiment to understand how targeted advertising works. Secondly, the author will analyse how the targeted advertising concept is being portrayed by various digital media outlets around Europe, then the author will focus on its portrayal or lack of in India Media and will try to analyse as to whether we can hold Targeted Advertising valid? In the third part, the author has conducted a primary survey and gathered content as to what is the opinion of Indian Social Media users regarding Targeted Advertising.

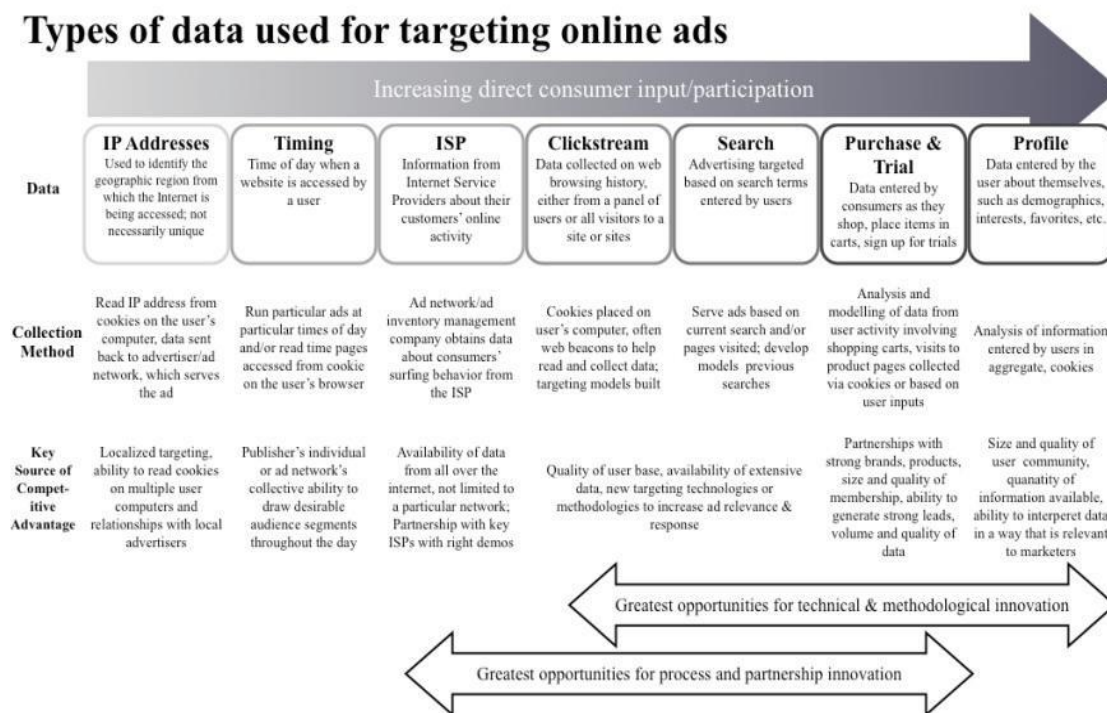
(A) Journey of Advertisement

Advertising has been a part of civilisation since time immemorial. Be it the world's oldest profession of marketing our body to discovering fire, advertising began. We can't determine the exact time when the phenomenon of advertising became a routine part of human society, but from history, it is evident that advertising has been part of neanderthals to homo sapiens. In the earlier times, the advertising was more verbal, but soon humans figured out that etching and carving on the stall is a lot easier than shouting. The first handwritten advertising has been traced back to 3000 BC in Egypt. The same handwritten advertisements can still be seen today in various printed media. Hence, advertising has always remained the same; the only thing that has changed is the form. Previously, advertisers used to carve their products or advertising into stones or walls, and then the printing revolution came. Traders used to market their products by printing them on copper plates and hanging them in the middle of the marketplace. Then we invented the printing machine, which led to commercial book printing. Then came the Industrial Revolution, which led to modern advertising as we now know it. With the publication of magazines, gazettes, newspapers, journals, and flyers around Europe, more forms of media were used to market products to consumers. The Introduction of advertising in mass media forever changed the perception of advertising. With the invention of the radio and television at the beginning of the 20th century, the introduction of advertising in a visual-audio form was introduced. During the late 20th Century, the golden age of advertising started with the invention of the world wide web. The advertising that we experience now has grown from just a random print in a newspaper that targets the general public to advertising which is only shown based on the person's interest; thus comes the term Targeted Advertising. We have now jumped from static advertising to dynamic online advertising, which focuses on the behaviour of consumers online.

(B) Concept of Targeted Advertising

Data! That’s all we are now. We are what our data says about, and the Data can never lie. We have become the data that we generate while surfing the internet. This data is used by corporations to help various businesses and advertisers to reach more specific users. Corporations were always hungry for media metrics from the era of industrialisation. The company used to create various research departments that were used to identify and analyse the preferences of consumers, historical data, and various segments of audiences to understand the impact of their commercial advertisements when it’s launched. But with the invention of the internet and the start of social media, advertisers have access to all types of anonymous data ranging from consumers’ marital status to their financial status and religion to their political preference. The advertisers know how much time you spent on which account or on which photo, or specific websites. Further social media and search engine algorithms analyse the psychological behaviour of their users. Now, all of your data collected (which remains anonymous, and the identity of the user isn’t revealed) is sold to various companies around the world that help them understand their consumers. With the help of a chart, the author will highlight how our activity on the web is being used by companies to understand our behaviour on the web²

Types of data used for targeting online ads



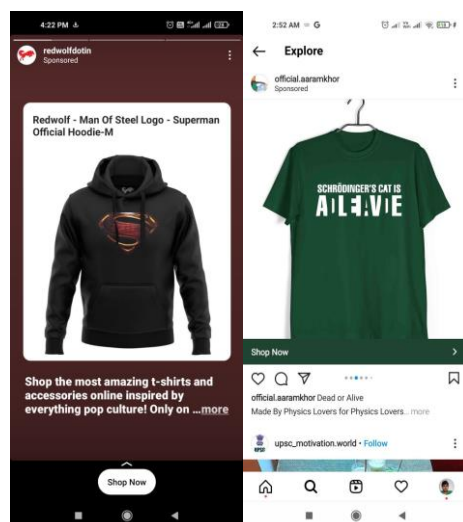
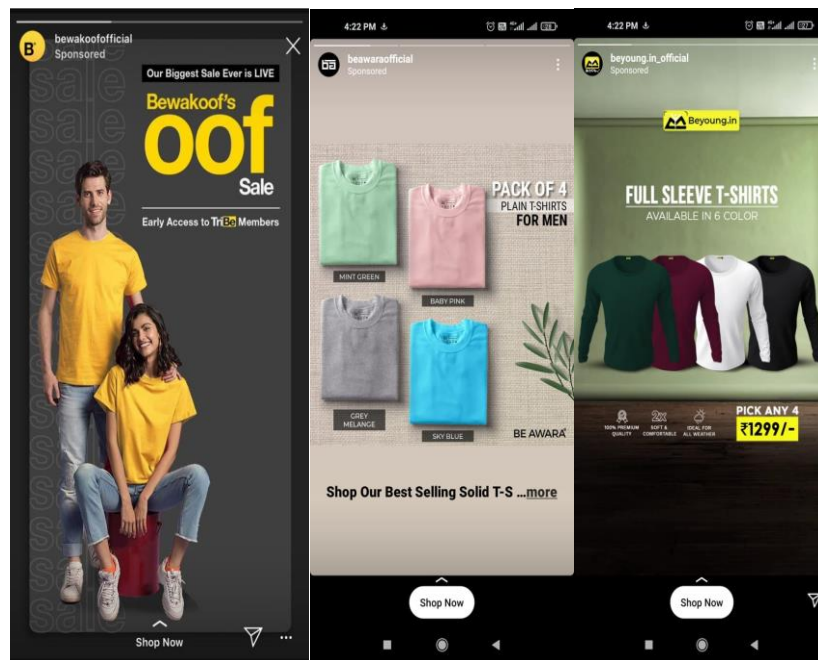
² “Baird, Eleanor, Targeted Online Advertising: Persuasion in an era of massless communication, Massachusetts Institute of Technology, June 2008”.

(C) The practical working of targeted advertising

In the previous section, we understood how actually targeted advertising works and how every search entry relates to the time we spend on the webpage. To understand it completely, I experimented by doing a few specific searches in google and how my searches were impacted by browsing on the web. Here, I would like to point out that my web activity and search activity, and personalised ads setting has been “OFF” for more than four years now, and still, I was shown personalized advertisements.

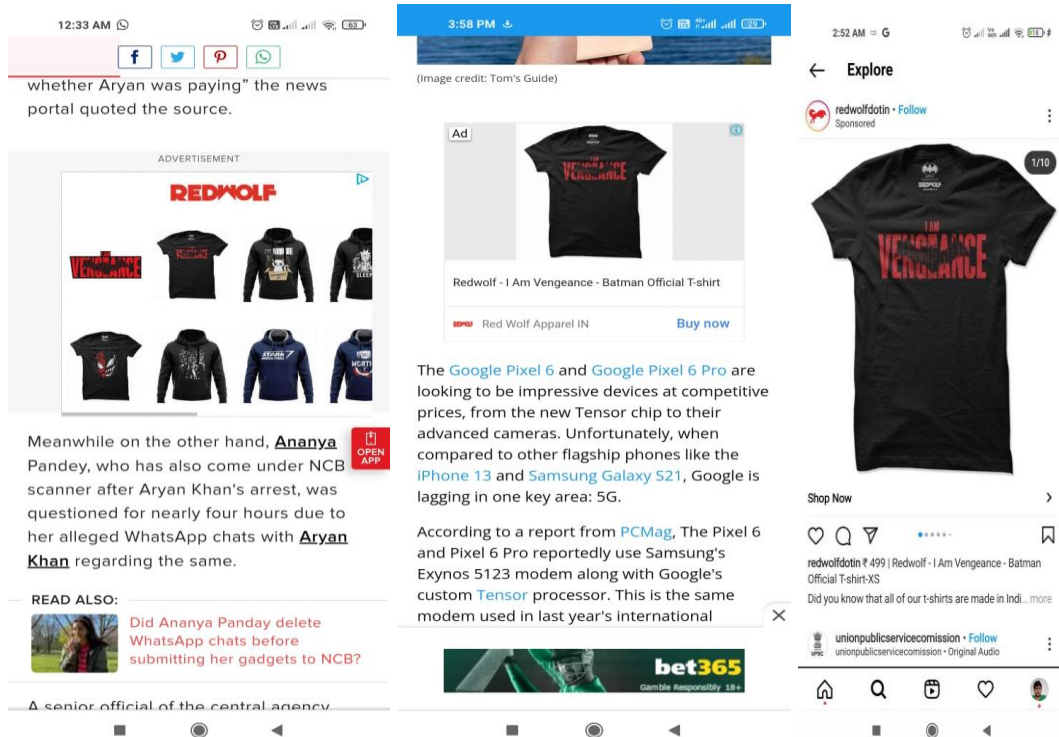
- **Timeline:**

On 21st October, I googled the term “New Creative T-shirt”. After a few hours, I started seeing numerous advertisements for t-shirts. Now, these advertisements are being shown to me on a completely different social media platform called “Instagram”.



I saw all of these advertisements within the span of minutes I searched my term. From all of these advertisements, I clicked and visited redwolfdotin. Here, I spent most of my time looking at comic-based T-shirts (Most specifically DC)

- On the 22nd of October, while reading the news or surfing the internet, I was bombarded with advertisements of only one sole company *redwolfdotin*



For the next two continuous days, wherever I went on the web, I was seeing advertisements of the company everywhere. Be it while reading news or playing app games, I was bombarded with advertisements.

- The most interesting part of this experiment was that I wasn't looking for a t-shirt but on 23rd October, I went and bought a hoodie from *redwolfdotin*. Here, I can't be sure whether I liked the hoodie or I was subconsciously pushed to buy the hoodie from the website due to continuous targeted advertising. That's what targeted advertising is all about.

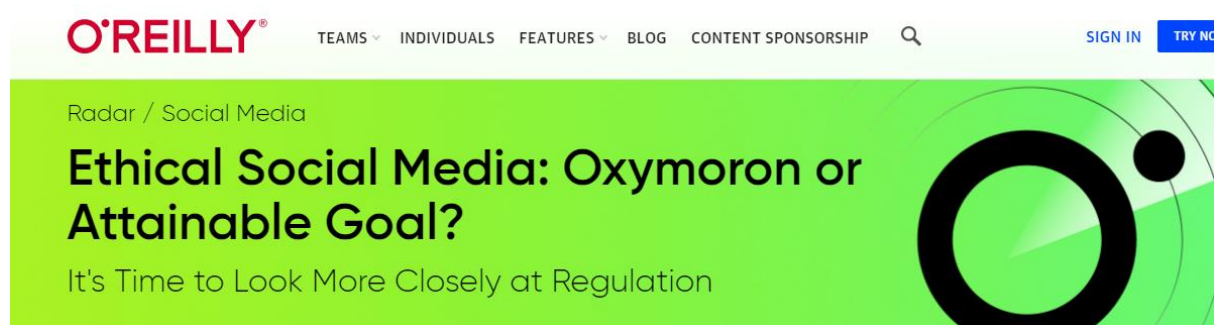


II. HOW HAS THE MEDIA INTERPRETED THE CONCEPT OF TARGETED ADVERTISING?

Our opinions regarding an issue or an object are heavily influenced by how it is being portrayed in the media. In this section, the author will analyze what various Western Digital media and India Media had to say on the ethical issues of targeted advertising.

(A) Portrayal of Concept Targeted Advertising in Western Media.

2.1.1 O'Reilly



By [Mike Barlow](#)

Analysis

O'Reilly is a media publishing company that publishes technological news. In this opinion, the author analyzes whether it is possible to have Ethical Social Media. The author here tries to highlight that social media is just a few decades young. Thus an enactment of ethical rules which were developed for print and audio-visual media in the 20th century should also be applied to social media. The author highlights that we as a user are helping hundreds of billions of advertising revenue by generating data for them and aren't getting any part of it. Thus, there's no economical fairness, which should be implemented. On further reading, we learn how social media is using users' addictive behaviour to feed us misinformation to hold our attention. The opinion isn't at all against social media, but they are against the people who are running the business. The author considers social media to be quite helpful for the users, as they have helped create a lot of social support and activism. The author concludes by highlighting a quote from "Casey Fiesler, an assistant professor in the Department of Information Science at the University of Colorado Boulder". She notes that "Ethical social media platforms would consider those effects and work proactively to reduce or eliminate hate speech, trolling, defamation, cyber bullying, swatting, doxing, impersonation, and the intentional spread of false narratives."³

³ Mike Barlow, Ethical social media: Oxymoron or attainable goal? O'Reilly Media (2021),

(B) New Europe

NEWEUROPE

EU AFFAIRS ▾ THE WORLD ▾ KASSANDRA ▾ ENERGY ▾ FAITH & RELIGION ▾ TECH & CULTURE ▾ OUR WORLD

PUBLISHED 17:34 OCTOBER 6, 2021

UPDATED 12:53 OCTOBER 8, 2021

A ban on targeted advertising would be an own goal for digital Europe



By Townsend Feehan

Analysis

New Europe is an independent newspaper circulating in Europe weekly since 1993. Their offices are located in Belgium, Brussels. In this article, the author analyzes the report posted by the CEO of the Interactive Advertising Bureau. The article points out that the complete ban on targeted advertising and surveillance advertising will be very damaging for SMEs. Due to the pandemic, it has become necessary for SMEs to have an online presence, otherwise, they will not be able to survive. The article points out that the notion of Europe of complete rejection of targets will adversely affect SMEs, which form the backbone of the European Economy. Further, the author points out that advertising is an important part of a free press in Europe. The article concludes that a complete ban will have serious ramifications for Europe in the future⁴.

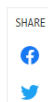
(C) Don't Ban Targeted ads, Wall Street Journal

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OPINION | LETTERS

Don't Ban Targeted Ads

Thanks to online targeting tools, grass-roots movements and upstart political campaigns can reach like-minded citizens.

<https://www.oreilly.com/radar/ethical-social-media-oxymoron-or-attainable-goal/> (last visited Oct 24, 2021).

⁴ Nicholas Waller, A ban on targeted advertising would be an own goal for Digital Europe New Europe (2021), <https://www.neweurope.eu/article/a-ban-on-targeted-advertising-would-be-an-own-goal-for-digital-europe/> (last visited Oct 24, 2021).

Analysis

This article highlights the more positive side of targeted advertisements. How these advertisements have created numerous important movements around the world. An example of the Hong Kong protest can be taken here. The hong kong protest was completely coordinated online through various tools provided by social media. The article highlights the recent civil rights movement “Black Lives Matters” that was able to catch so much wave due to numerous articles and advertisements reaching like-minded individuals. Here, in the article, we understand that targeted advertisements are very essential in today’s world for political campaigns and various civil protests and movements⁵.

(D) The Japan News



The screenshot shows the homepage of The Japan News website. At the top left, the date "October 25, 2021" is displayed. The main logo reads "The Japan News by The Yomiuri Shimbun". To the right, there is a featured article box with the headline "Square Online for restaurants." and a small image of people dining. Below the logo, there are navigation links for "NEWS", "BLOG", and "読売新聞 (Japanese Edition)". A dark navigation bar contains the following categories: "TOP", "POLITICS", "SOCIETY" (highlighted in red), "BUSINESS", "WORLD", "SPORTS", "EDITORIAL", and "FEATURES". The main headline on the page reads "Survey: 67% in Japan object to targeted advertising on internet".

Analysis

Japan News, is a part of Japan's times. It is Japan’s oldest English newspaper. In this article, the media outlet surveyed around three thousand people. In that survey, around 71% of people stated that they object to the targeted advertising. The Individuals stated that they object to the targeted advertising as they object to the targeted advertisements, as they are very unpleasant. Further, around 50% of people were concerned about the amount of their data being collected by Google, Facebook, Apple, and Amazon. From the data collected and analyzed by the newspaper, we can see that people are very much concerned about how their data is being used by various social media companies.

(E) Mention or an article on Targeted Advertising in the Indian Media

In the previous section, we saw how various media outlets around the world have highlighted the good or bad of Targeted advertising. So, I decided to research what Indian media outlets

⁵ Opinion | don't ban targeted ads, “The Wall Street Journal (2021), <https://www.wsj.com/articles/targeted-ads-digital-advertising-big-tech-speech-ban-privacy-google-first-amendment-11631740746> (last visited Oct 24, 2021)”.

had to say regarding the same. The results of the research were quite surprising given the amount of social media users and no data protection law is in place in India. There has only been one mention of the term “Targeted Advertising” by the Indian Media outlet in the last two months.

<u>Major Media Outlets</u>	<u>Any mention or an editorial on the impact of targeted Advertising?</u>
The Hindu	Yes, (Mentioned it one time)
Times of India	NO
Indian Express	NO
Business India	NO
NDTV	NO

Only one article comes close to helping the Indian citizen aware on the Impact of targeted advertising was by *The Hindu*.

TECHNOLOGY

Facebook's ad tools can be targeted at a single user, study finds



Abhishek Chatterjee

OCTOBER 19, 2021 15:58 IST
UPDATED: OCTOBER 19, 2021 16:00 IST

This article highlighted a study conducted by Madrid University. The “study notes that users’ interests on the social network are intentionally designed to make them act on an ad campaign. Users’ interests are important to Facebook as the company’s revenue is dependent on delivering relevant ads to users. Many advertisers use the social media firm’s platform to create ad campaigns based on users' interests, the study noted”⁶. This article helps us understand how much-personalized ads are being shown by Social Media.

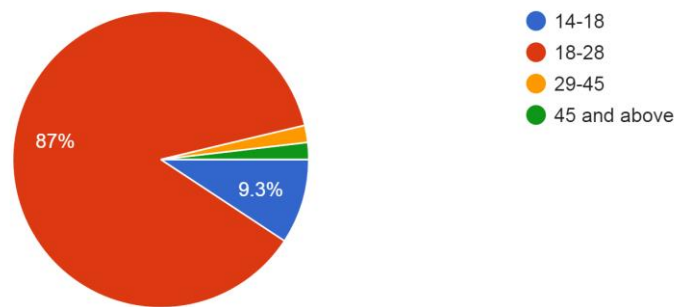
⁶ “Abhishek Chatterjee, Facebook's ad tools can be targeted at a single user, study finds The Hindu (2021), [https://www.thehindu.com/sci-tech/technology/facebooks-ad-tools-can-be-targeted-at-a-single-user-study-finds/ article37069578.ece](https://www.thehindu.com/sci-tech/technology/facebooks-ad-tools-can-be-targeted-at-a-single-user-study-finds/article37069578.ece) (last visited Oct 24, 2021)”.

In India, we see that there is not much awareness or article available concerning Targeted Advertising. That’s why I decided to collect primary data to determine what does the Indian Social Media User thinks of Targeted Advertising.

III. WHAT DO INDIAN SOCIAL MEDIA USERS THINK OF TARGETED ADVERTISING?

The primary data was collected through a google form. A total of 54 Responses was received. This data has been completed anonymously and has been distributed mostly to people with legal backgrounds. Only 7 responses in the age group of 14-18, and 29 and above were recorded. Thus, the data is limited to a specific age group.

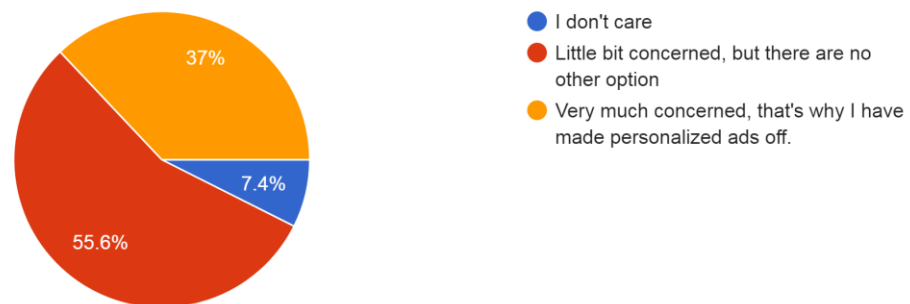
Please state your age
54 responses



I had created a total of five questions to determine what the Indian Users think of the Targeted Advertising.

1. Question- 1

How do you feel when social media targets you with a very specific advertising based on your browsing history?
54 responses



Analysis

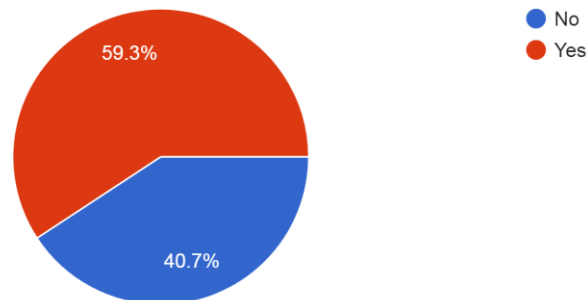
We can see that Indian users have subconsciously accepted the fact, that there is no other option

than to accept your fate. We can see that only 37% of people knew that you can actually OFF your web activity, as they were the only ones who did that. The rest aren't aware of the feature. Hence, there is a need in India for awareness regarding how our data is being used.

2. Question - 2

Do you know how many apps, in your phone are using your location data?

54 responses



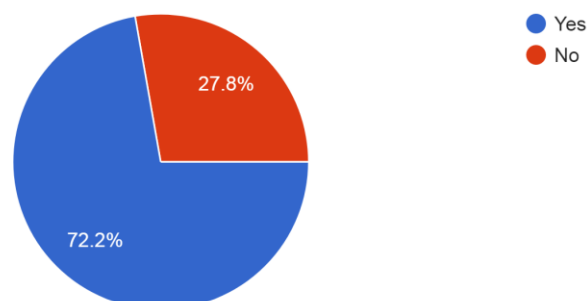
Analysis

This question was put there to understand what is the awareness amongst users about their data being constantly used by their mobile application. The results were quite astonishing as we learned that more than 40.7% of users had no idea which apps are using their location data. That is quite alarming, in my opinion. As the "Caveat Emptor" motto should be followed by people. Because we as a consumer should be aware of how our data is being used.

3. Question - 3

Have you paid any attention to the amount of permission you gave to apps and websites?

54 responses



Analysis

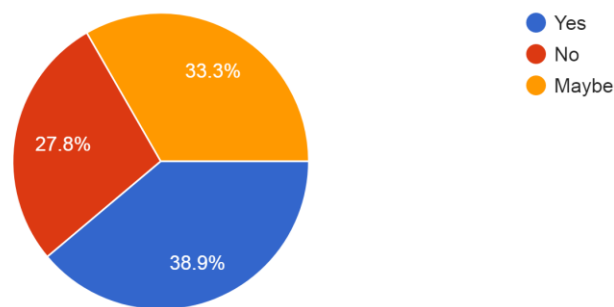
Here, we see that 72.2% have paid attention to the amount of permission that they give to their

mobile-based application. But, in the previous question, we say that 59.3% of people were aware of which apps use their data. Thus, the data here can't be completely trusted. But still, we can assume from two previous data that more than 55% of the people are aware of what permission they have given to the apps. Thus, we can see there is an awareness about data protection amongst users.

4. Question - 4

Have you ever been influenced by advertisements on your internet, which led you to purchase you some objects, which you otherwise wouldn't have?

54 responses



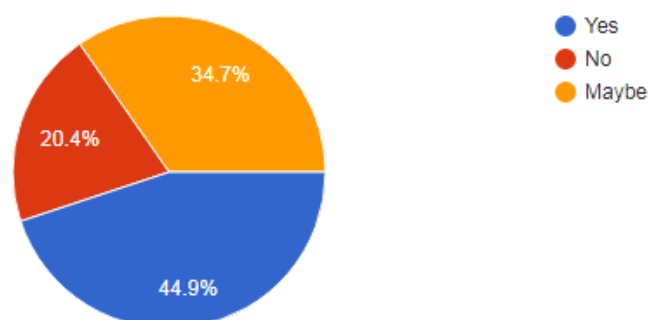
Analysis

The author has asked this question to understand the impact of targeted advertising. Here we see that only 27.8% of users were not influenced by advertising on the web. The rest of the users have been or might have been influenced by the online advertisements shown to them while surfing. Thus, we see that the majority of the users have been influenced by the targeted advertising.

5. Question - 5

Do you think targeted advertising is unethical?

54 responses



Analysis

This last question was asked to analyze the user's position on the concept of targeted advertising. We learn that 44% consider targeted advertising completely unethical, whereas only 20.4% people don't consider targeted advertising ethical. Whereas more than 34% aren't sure about the ethicality of targeted advertising. The author contends that due to the lack of awareness amongst users, which can be attributed to little to less media coverage on the same, has led us to many users being not sure about the issue.

IV. CONCLUSION

Targeted advertising is a form of advertising that involves gathering information about users' online activity, such as their search history, location, and browsing habits, to display ads that are specifically tailored to their interests and needs. This practice has become increasingly popular in recent years, with the rise of digital advertising and the availability of vast amounts of data about users' online behavior.

The ethicality of targeted advertising has been a topic of much debate, with concerns about privacy, data protection, and the use of personal information without consent. This paper focuses on analyzing these issues, particularly in the context of India, where there is a lack of awareness and regulation regarding targeted advertising.

India is home to around half a billion social media users, making it a significant market for digital advertising. However, there is little to no opinion or research on the impact of targeted advertising in the Indian media, which is a cause for concern. The lack of a proper data protection act in India means that corporations have no legal responsibility or liability towards users, which further exacerbates the issue.

To understand the global perspective on targeted advertising, the paper analyzes various opinions on the matter. A blanket ban on targeted advertising is not the way to go, as it has been beneficial in creating grassroots and political movements around the world. However, legislators should work on creating an ethical standard for how data is being interpreted and used by companies, which can help mitigate some of the concerns associated with targeted advertising.

The paper then collects primary data through a survey to understand Indian social media users' opinions on targeted advertising. The results show a lack of awareness regarding targeted advertising among users, with more than 40% of users having been impacted by targeted advertising without even realizing it. Furthermore, 45% of people consider targeted advertising

to be unethical.

The lack of awareness and regulation in India highlights the need for legislation regarding targeted advertising and data protection. The government needs to shift its focus towards creating laws that protect users' data and privacy, and ensure that companies are held accountable for their actions. This can be achieved by working with industry experts, civil society organizations, and other stakeholders to develop comprehensive regulations that balance the benefits of targeted advertising with the need for data protection and privacy.

In conclusion, the ethicality of targeted advertising is a complex issue that requires careful consideration and regulation. While a blanket ban on targeted advertising may not be the best solution, it is important to create ethical standards for data interpretation and usage. Additionally, it is essential to raise awareness among users about the impact of targeted advertising and the need for data protection. With the right regulations and awareness, targeted advertising can be an effective tool for businesses and marketers while also protecting users' privacy and data.
