

TARGETED ADVERTISING

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Legal Briefings

It is estimated that the average consumer is exposed to up to 10,000 ads in a single day. Advertising is a big part of the consumer experience and as technology increasingly plays a protagonist role in our daily lives, it is no news that online advertisements are steadily replacing the more traditional forms of publicity.

The UK's Internet Advertising Bureau recently announced that the overall digital ad spend in the UK grew by 13.8% to £5.56bn in the first half of 2017 alone, with spend in online video ads overtaking the expenditure on banner ads for the first time. At the same time, over 40% of the world's population now has access to the internet and users are constantly leaving digital footprints, across a range of online channels, by willingly sharing mass volumes of useful data.

This creates a huge market for advertisers, as well as a vast pool of insightful information about consumer behaviours and preferences. Technology giants such as Google and Facebook are also making an impact by creating platforms that enable data not only to be collected more easily but also analysed and extracted.

These combined developments have kick-started the reshaping of the advertising industry, particularly in terms of enabling organisations to target advertising at their most receptive audiences. And the forms of targeted advertising continuously evolve – they can be based on a wide range of information, including browsing history, purchasing habits, sociodemographic traits such as consumers' age, gender, race and economic status, psychographic characteristics, including a consumer's lifestyle, opinions and values, or geographic location, to name a few. Add to the mix the increasingly sophisticated technologies that companies are developing and applying to deepen their understanding of consumer reactions and accurately predict behaviours, and you end up in a world where advertising becomes almost shockingly personalised.

In our second article in our **Future of Consumer** series on the key issues facing the Consumer Sector, we look at **Targeted Advertising**, including some of the methods that can be used for tracking consumers' digital footprints, new technologies which are developing to identify consumer reactions to adverts, as well as certain privacy, data and consumer protection issues arising from this topic.

For the first article in our series, **The Future of Retail: AI, VR and AR**, [click here](#) or visit the [Consumer Sector](#) pages of our website.

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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