Do They Want to Regulate Online Profiling?

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“Bottom line: More personal information, more money. It is a valid business model, the one that gives us, in return, access to Internet largely free of monetary charges. But it is a tricky one: personal information becomes not only a currency but the currency. The entire business model rests upon the amount and precision of personal information collected.”¹

Abstract

Online profiling or behavioural tracking is the process by which private companies track and gather data about users’ activities in online platforms. The data collected by all the companies is aggregated with the purpose of creating a comprehensive profile about users. Since at least 15 years ago, there have been several attempts to regulate online profiling in order to reduce its privacy implications. In general, these regulations have tried to limit the way the information is used, the type of data that is collected, and impose or suggest the security standards that the companies should take to protect it.

This article will demonstrate that the proposed regulations do not reduce online profiling’s privacy repercussions. In addition, it will argue that in order to reduce privacy repercussions it is necessary to regulate the aggregation and commercialization of the data. However, governments, industries, and users may not have enough incentives to find alternative methods or effective regulations to address the problems raised by online profiling.

INTRODUCTION

The tracking of individuals’ activities is an old practice. Even before the digital era, companies tracked their customers to understand and analyze their behaviour in order to design better marketing campaigns. With the invention of the computer, and later the internet, it became easier to track customers, to keep a record of the tracking, and to analyze the data. Moreover, it became possible and easy to share the data with other companies in order to understand better the behaviour of a particular individual.

Due to new technologies, an old practice used by companies to improve their marketing campaigns, now is the one of the major sources of personal data collection and creation of databases. As technology advances, not only does the

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tracking become easier, but the information collected by companies becomes more precise and more revealing of the private life of the tracked customer. Right now there is an industry around personal information. There are hundreds of companies making profits from the personal information of online platforms users. For some of the companies the business is to track users across different platforms, for others is to facilitate the aggregation, and for others is to gain some type of advantage by using that information. The tracking of the online behaviour of the users of online platforms is called online profiling or behavioural tracking.2

This paper will explain the practice of online profiling by dividing it in five stages: (1) installation of the technology, (2) tracking of the users, (3) collection of the data in private databases, (4) aggregation of the data, and (5) use of the profiles created after the aggregation of the data. Graphic 1 illustrates these stages and highlights some of the problems that arise in each of them.

Online profiling arise several privacy implications for the personal information of the online platform users. Policy makers in the United States, Canada, and the European Union have attempted to regulate this practice to reduce the threat to privacy that it represents. Nevertheless, these attempts of regulation have not been successful. The main problem that policy makers have identified is the lack of transparency and users’ knowledge with which this practice occurs. Consequently, most of the proposed regulations have focused in making the practice more transparent, informing the users, and asking for the users’ consent. Nevertheless, the biggest threat to privacy and the real value of the practice is in the aggregation of the data. Nonetheless, policy makers have not defined the aggregation as the focus of the problem, and the solutions proposed do not affect this stage.

This article will argue two main points. First, in order to reduce the privacy repercussion created by online profiling it is necessary to directly regulate the aggregation and commercialization of the data. Second, the data collected and aggregated represent important benefits to all stakeholders, for this reason there are no incentives to regulate online profiling in order to reduce its real threat to privacy.

This paper will have four sections. Section I will expose the stakeholders involved, and the benefits of the practice. Section II will explain each of the five

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2 For the purpose of this paper, online platforms refer to computer browsers, smartphones, tablets, or any device used to connect to the internet.
stages of online profiling, the problems that arise in each of them and the solution proposed to regulate those problem. Section III will argue that to really protect the online platforms users’ from privacy threats it is necessary to redefine what is the problem of online profiling. Section IV will analyze if the government, the industry and the users have any incentive to regulate the online profiling practice.

I. ONLINE PROFILING: HOW IT WORKS

By monitoring online behaviour over time, companies collect enough information about an individual (or a specific device) to create a unique digital profile. The creation of comprehensive personal profiles is the main justification of online profiling. In this process, some actors gather the data, others aggregate it, and finally someone buys it mainly for marketing. As Deibert argues: “companies of all shapes and sizes systematically pick through our digital droppings, collating them, passing them around, inspecting them, and feeding them back to us. And this market shows no sign of slowing.”3 This section will analyze who are the main stakeholders and what are the benefits of online profiling.

In the online environment, there are different technologies that enable a communication between the users’ devices and tracking companies. Due to this communication first- and third-party companies can follow the user within and between online platforms and/or different physical locations. Depending on the technology used, the company is able to gather different types of information about a user or device.4 This information might be associated to a specific device or to the identity of an individual. The data that each of the technologies gathers alone may not represent a big threat to privacy, however the information from several of these technologies creates the possibility of producing a very comprehensive profile.

Different organizations participate in the tracking, collection, aggregation and use of the users’ information. Based on the interaction with the users, it is possible to divide them in two categories: first and third party.5 The first-party organizations interact directly with users, because they own the apps and service that the user accesses (e.g. retail and content sites, search engines, third-party payment services, social networks, and weather apps). They have a contractual

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relation with the user based on the Terms of Use and the Privacy Policy of the company.6

On the other hand, the third-party organizations lack a consumer interface, however they have access to the users’ online data. Some of these companies track the users; others aggregate, analyze, sell, or buy the users’ data (e.g. agency trading desks, data suppliers, ad networks, banks, governments, law enforcement, and lawyers).7

Online profiling has benefits for users and companies.8 For example, targeting advertising supports “free” (or low monetary cost) access to online services and content.9 In addition, the tracking and the information collected help to improve the commercial relation between users and companies. For instance, it improves the user experience by making the experience more personalized by showing relevant search results based on the web history of the user, and displaying advertising based on frequently visited sites and geo-location;10 improves the quality of the services of the company and helps with developing new products;11 secures and protects the users’ personal accounts, by letting the company know if someone different from the account owner tries to access the account.12

Furthermore, it has marketing benefits for the companies as it enables companies to classify the individuals into groups based on specific characteristics. This classification is useful because it allows audience targeting which facilitates specific and more efficient marketing actions.13

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6 The Privacy Policy stipulates how the company will manage the information they collect from the user. For example, what information they collect and why they collect it, how they use that information, and how to access and update the personal information. See for example Google, “Google Privacy Policy”, (20 December 2013), Google Policies & Principles, online: <www.google.ca/intl/en/policies/privacy/>.


8 Recent events as the Snowden revelations show that it might have some benefits for the government as well.


12 See for example “Cookies, Pixels & Similar Technologies”, online: <www.facebook.com/help/cookies/?ref=sitefooter>; See also Google, “Protect Google and Our Users”, online: <www.google.com/intl/en/policies/privacy/example/protect-google-and-our-users.html>.

II. STAGES, PROBLEMS, AND PROPOSED SOLUTIONS

As shown in Graphic 1 at the beginning of this paper, the online profiling process is divided in five stages. This section will briefly explain each of the stages. Then it will highlight some of the problems that arise in each of them. Finally, it will expose some of the solutions proposed by policy makers in order to mitigate the threat to privacy. Specifically, this section will focus on three concerns: the knowledge and consent of the user, the type of information collected, and the security measures to store and share the data. The aim of this section is to give a general panorama; it does not aim to give an extensive report about current problems and proposed solutions.

(a) Installation of the Technology

In this stage, companies install one or several of the available tracking technologies in the user’s device. The moment when this occurs varies; it can be as soon as the person opens a website, when the app is installed or when the device is fabricated (e.g. cookies, web beacons, and GPS).

Other technologies such as IP address, Unique Device Identifier, or browsing fingerprinting do not need previous installation. In these cases, the architecture of the online platform or the device allows the tracking of the user without installing an extra technology on the device. For example, every time a computer is connected to a website its IP address is retrieved. In this stage, the two main problems regarding privacy are: the user does not about the existence, installation, and use of the technologies; and the lack and/or the validity of the consent given by the user regarding the installation of those technologies.

Three of the main proposed solutions are: (1) companies must inform the users about the installation and use of technologies and ask for their consent; (2) companies must give the user an option to opt-out; and (3) the creation of a Do Not Track mechanism. The main problem of those solutions is that even if companies are transparent and inform the user about the use of the technologies and the collection of the data, the user will never have the knowledge and tools necessary to make an informed decision.

14 This includes mainly policy makers from United States, Canada, and the European Union. The paper will not focus on any specific proposal as the different jurisdictions have approach the problem with the same or similar solutions.
15 Device includes web browsers, computer hard drives, smartphones, tablets, etc.
16 Here architecture is use Lessig’s definition: “The software and hardware that make cyberspace what it is constitute a set of constraints on how you can behave. … They constrain some behavior by making other behavior possible or impossible. The code embeds certain values or makes certain values impossible.” Lawrence Lessig, Code 2.0 (New York, United States of America: Basic Books) at 124–125.
18 Moreover, when the companies are transparent they only inform the user about a small part of the technologies: cookies, web beacons, and GPS.
Due to the aggregation of the data that companies do, the user will not be able to foresee what the data collected by that particular company would truly reveal. The data collected often has other uses besides the initial uses described by the Privacy Policy. This data might have secondary uses by first-party organization, or by third-party organizations (or individuals). Even if some of the potential uses are explain to the user, not all are foreseeable by the user when he is giving his consent. In other words, when the user is giving his consent, he cannot really valorize what he is giving away or what he is authorizing.

(b) Tracking

In this stage, companies follow the user’s online activities and keep a record of that data. As previously explained, the data that companies can collect include: what did the user see, for how long, her search queries, information provided to the website, and her geo-location, among others. In this stage, the main concerns are: the places where these technologies can follow the users, and that the type of information collected constitutes personally identifiable information (PII).

Technologies can follow the user through different online sites and physical places. Regarding online sites, the user is followed within each website he or she visits, and through different website he or she browses. Apropos the physical places, with the invention of GPS technology, and its installation in personal devices such as mobile phones, automobiles, and cameras, it became easier to collect data regarding the actual geo-location of the user.

The main solution regarding the type of information collected has been to limit the collection of data only to non-PII. The first problem of this solution is the definition of what is personal information. The question about what information to protect against a privacy invasion does not have a unique answer. Therefore, achieving a consensus about this category is the first challenge.

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19 In addition, only first party organizations can inform and ask for the user’s consent. Third party organizations do not have a direct interaction with the user, then how are they going to inform the user and ask for his consent?

20 See e.g. Solove, supra note 13 at 1452.

21 With the concept of PII it is also included the concepts “sensitive information” and “personal information”.

22 Other technologies that help determine the geolocation of the user are Base Station Data and WIFI. See Article 29 Data Protection Working Party, Opinion 13/2011 on Geolocation Services on Smart Mobile Devices, 811/11/EN WP 185 (2011).

23 See e.g. Paul M Schwartz & Daniel J Solove, “The PII Problem: Privacy and a New Concept of Personally Identifiable Information” (2011) 86 NYUL Rev 1814 at 1816: PII is one of the most central concepts in privacy regulation. It defines the scope and boundaries of a large range of privacy statutes and regulations . . . These laws all share the same basic assumption—that in the absence of PII, there is no privacy harm. Thus, privacy regulation focuses on the collection, use, and disclosure of PII, and leaves non-PII unregulated.

24 For example there is not one clear definition of what personal information is. According
The second problem, and the main reason why this solution is not enough to protect privacy, is that technology has made it possible to combine data to reveal more information. In other words, “[t]he line between PII and non-PII is not fixed, but depends upon technology.” 25 Several studies have shown how information that is classified as non-PII in combination with more data allows the identification and disclosure of non-public information of the data subject. For example, the combination of ZIP, birth date, and sex can uniquely identify 87% of the U.S. population; 26 an analysis of the movie viewing history and movie ratings of a person, can reveal non-public sensitive information such as religion, sexual preferences and political views; 27 and the possibility to predict the Social Security Number of a person based on his birth date and birth location. 28

(c) Collection in Databases

In this stage, the companies collect the data gathered during the tracking in private databases. These databases contain individual files about the users of the online platforms. Those individual files might be associated to a specific device, or to the identity of a person (user name or real name). Current technology makes it possible and inexpensive to store vast amounts of data for an indefinite period. This is problematic from a privacy perspective because it creates the possibility to have more comprehensive and unforgettable personal profiles. With this in mind, the main concerns of this stage are the time the data is stored and the access to the database records.

To reduce the privacy threat of the information collected, it has been established that the data must be de-identified before it is stored and shared. 29 Thus, companies use different anonymization techniques to protect the privacy of the users. 30 This is not an accurate solution to privacy because, due to

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25 Supra note 23 at 1846.
30 “Anonymization is a process by which information in a database is manipulated to make it difficult to identify data subjects.” Paul Ohm, “Broken Promises of Privacy:...
technological advances and the proliferation of personal information stored in online and offline databases, the re-identification process is possible and easy to perform.\footnote{See e.g. Schwartz & Solove, supra note 23 at 1846. See also Ohm, \textit{ibid} at 1705.}

(d) \textbf{Aggregation of the Data: Creation of a Comprehensive Profile}

In this stage, companies exchange the data collected in their private database with other companies in order to aggregate and transform it into a comprehensive profile. For instance, if company A has a dataset regarding the shopping preferences of the IP 12.345.678.90 and company B has a dataset of the movie preferences associate to that same IP, in this stage those datasets are aggregated to create a more comprehensive profile of the IP 12.345.678.90.\footnote{See Dan Wallach, “The Technological Landscape of Comprehensive Data Collection” (2012) The Big Picture Comprehensive Online Data Collection Transcript 15 at 33, online: <www.ftc.gov/sites/default/files/documents/public_events/The%20Big%20Picture%3A%20Comprehensive%20Online%20Data%20Collection/bigpicture_transcript_21206ftc.pdf>}

The datasets are exchanged by two processes: shared between subsidiaries of the same company, or traded for money in different data marketplaces.\footnote{See for example: BlueKai, “BlueKai Intro Video”, online: <http://bluekai.com/video/> . See also Angwin, \textit{supra} note 7.} The problems that arise from this stage are the commercialization of the data and the creation of comprehensive profiles. Until now, none of these problems has been part of the regulatory discussion around online profiling.

The commercialization of the data is a problem because it leads to the devaluation of the privacy into companies’ assets. If privacy is transformed into companies’ assets, and that transformation is accepted, this will affect how the courts will interpret and protect privacy in the future. This is also a problem about the values that society and courts should preserve and protect, or in the words of Lessig, this is a question of “how should changes in technology be accommodated to preserve values from an earlier context in a new context?”\footnote{Lessig, \textit{supra} note 16 at 191.}

Look at the following example: two strangers (X and Y) follow one person around the city every day. X follows the individual in the zone around his work and Y in the zone around his home. Both X and Y take notes, pictures and videos of the individual’s activities, then they sell those records to a third person — C. This situation is stalking and constitutes an invasion of privacy. It is problematic not only because the person is being followed, but also because X and Y are keeping a record of his activities (personal life), and making a profit from that invasion to privacy. As this situation takes place in the real world, society will likely oppose this action and courts will protect the individual’s privacy from this type of action.

\footnotesize{Responding to the Surprising Failure of Anonymization” (2010) 57 UCLA L Rev 1703 at 1707.}
Online profiling practice is not different from the previous example. It is then necessary to think what consequences does the acceptance of the commercialization of data collected online by private companies have in the concept of privacy in the physical world, and in the social (and legal) values around privacy.

The other problem that arises in this stage is the creation of comprehensive profiles. This represents an invasion to privacy because online platform users lose the control over their personal information. Assuming that the consent given by the user to a company is valid, in this stage the information that the user agreed to share with one company, is shared with others companies. This means that one company not only gathers the information that the user wanted to “share”, but much more.

In addition, the creation of comprehensive profiles is a constant threat to privacy because the profiles contain enough information to individualize a person; to know daily patterns about that person, and to make predictions about that person. As Solove states, “[t]he data collected [by corporations] extends beyond information about consumer’s view of the product to information about the consumer herself, often including lifestyle details and even a full-scale psychological profile.”

Therefore, it is a constant threat because those profiles are stored and available to anyone who can gain access to it (whether authorized or unauthorized). This is problematic because not only could anyone access those files and learn almost everything about a person, but also because the potential uses that those profiles could have.

(e) Use of the Data: Profile Application

In this stage, different organizations use the comprehensive profiles for different purposes, such as online advertising; target marketing; background checking; law enforcement investigation; price targeting; personalized promotions; statistical purposes, and in predictive profiling systems. The comprehensive profiles contain enough information and characteristics to make inferences about a person (or device), for example, she likes movies, understands French, reads newspapers from Middle East countries, buys coffee at Starbucks, and lives in Toronto.

The division of the profiles by group is a useful tool for organizations in order to deliver marketing campaigns that are more precise. It is worth highlighting that the content that the user accesses online is selected by the company that provides it, as this content is chosen depending on the preferences of the user, and the user will only see what the company thinks is more

35 In this regard Steindel affirms, “online profiling is a harmful practice precisely because it is contrary to traditional concepts of privacy and user expectations, which both reflect the belief that privacy includes some measure of control over personal information.” Steindel, supra note 5 at 468.

36 Solove, supra note 13 at 1404.
appropriate for his profile. Consequently, the classification by group limits the options of the user. 37

Another possible set of groups are people with homosexual preferences; people with Islam interests; people with interest in arms and bombs, and pregnant women. This set of groups might also be useful for marketing purposes. Nevertheless, depending on the purpose that the organization wants to achieve, it can also be used for discriminatory practices based on sexual preferences and religious beliefs, in unfair treatment due to pregnancy, or to profile possible terrorists. 38

The problems that arise from this stage are the classification of people in specific groups, and the uses of the profiles. As with the aggregation stage, policy makers have not discussed these problems as the discussion has mainly focused on the targeting advertising industry. The online profiling problem has been defined as if the information gathered is only used by this industry.

Nevertheless, scholars have examined the problems of online profiling beyond the advertising industry. Some of them have made some propositions to limit the potential uses that the comprehensive profiles might have. For example, Solove proposed to establish “meaningful limits on how data can be used — limits that are clear rather that ambiguous and amorphous.” 39

The main problem of this solution is that today’s technology makes it possible, and easy, to access the databases where the profiles are stored by different actors (internal and external to the companies). 40 Even if there is a regulation that prohibits certain uses, it will not persuade actors like hackers. Therefore, it will not prevent the access and unauthorized use of the profiles. Moreover, this type of regulation probably will not apply to government agencies that have their own regulation, such as the NSA that, as it will be discuss later, also have interests in these profiles.

37 See Steindel, supra note 5 at 469.
39 Solove, supra note 13 at 1461.
40 Examples of those breaches include the breach to the smartphone app Snapchat on January 1, 2014, where the hacker accessed the list of usernames and phone numbers, and the breach to Boxee.tv forum accounts on April 2, 2014, where the information accessed by the hackers included email addresses, birth dates, IP addresses, message histories, and password changes. See Privacy Rights Clearinghouse, “Chronology of Data Breaches”, online: <www.privacyrights.org/data-breach/new>. See also Dino Grandoni, “4.6 Million Snapchat Accounts Leaked After Startup Brushed Off Security Concern”, The Huffington Post (1 January 2014), online: <www.huffingtonpost.com/2014/01/01/snapchat-leak_n_4526573.html>.
III. RETHINKING THE PROBLEM

This paper has exposed that the online profiling practice creates a constant threat to the privacy of online platform users. Even if the user gives his consent for the collection of the information, the commercialization of the data, the aggregation process and the security vulnerabilities of the databases where all the data is stored, poses a threat to the privacy of the person. All of these justify the need for a regulatory intervention of the online profiling practice.

This section will argue that the way the problem has been defined by policy makers is not accurate to protect the privacy of the users. Therefore, it is necessary to redefine the problem in order to design regulations that effectively reduce the privacy concerns of online profiling.

The objective of the current approach is to reduce the threat to privacy created by online profiling by regulating the first three stages of the process. For instance, inform the user about tracking technologies and the collection of information; ask for consent; limit the type of information that is gathered, and guarantee that the data collected is not associated to an indefinable person.

This approach has proven to be ideal to ensure the delivering of the benefits described at the beginning of this paper to all stakeholders, including technological commodities to users. Nevertheless, for the reasons developed in the previous section, these regulations do not reduce the constant threat to privacy that online profiling creates.

Re-identification methods, proliferation of personal information online and offline, and the possibility of identifying people from non-PII data, are examples of technological factors that policy makers must take into consideration in the design of regulations. In addition, it is also important that they take into account the main objective of online profiling: this is the creation of comprehensive personal profiles.41

According to Ohm, “the utility and privacy of data are linked, and so long as data is useful, even in the slightest, then it is also potentially re-identifiable . . . [a]s the utility of data increases even a little, the privacy plummets.”42 Thus, as the data collected in the process of online profiling must be useful as to create comprehensive profiles, the data collected will always be a threat to privacy. Consequently, regulating online profiling by concentrating in the type of the data collected, will never lead to the abolition of the creation of comprehensive profiles.

Taking into account the technological factors and the online profiling justification, no matter how the first three stages are regulated, the result is going to be the same: the aggregation process will be performed, the comprehensives profiles will be created, and they will be available for someone to use. In other words, the threat to privacy will persist.

41 See e.g. Solove, supra note 13 at 1407: “[t]he effectiveness and profitability of targeted marketing depends upon data, and the challenge is to obtain as much of it as possible.”

42 Ohm, supra note 30 at 1751.
As explained in the previous section, a regulation limiting the uses of the profiles is not an efficient solution to reduce the threat to privacy. A more accurate approach is to understand that the constant threat to privacy exists due to (1) the aggregation and commercialization of the data, (2) the creation of comprehensive profiles, (3) the storage of those profiles in databases, and (4) the application of those profiles. Therefore, the new regulatory proposals should center in the aggregation stage and the storage of the information.

However, if the goal is to eliminate the threat to privacy created by online profiling, regulating some of the stages of the practice will not be enough. As long as companies keep tracking and aggregating the data, the threat to privacy will persist. Therefore, there should be more efforts to find alternative business methods to achieve a real balance between privacy, innovation and economical growth. In order words, to eliminate the negative implications, it is necessary to rethink the industry and business model of online profiling in order to find new alternatives.

Lessig argues that four constraints act as regulators: law, social norms, market, and architecture. Lessig’s proposals are an example that there are ways to regulate online profiling besides regulations. Nevertheless, it is necessary that the relevant stakeholders have incentives in order to find alternative methods or effective regulations to address the problems raised by online profiling and implement them.

IV. ARE THERE INCENTIVES TO REGULATE?

The four constraints exposed by Lessig also indicates that the government is not the only actor who can regulate an issue; the private sector and the users also have the power to regulate. Therefore, in order to regulate online profiling, it is necessary for the intervention of the industry and, more importantly, of the users. An additional question to ask is whether those actors have incentives to intervene and regulate this practice. This section will analyze what are the incentives, if any, that these groups may have to regulate the online profiling practice to change or affect the creation of databases with comprehensive profiles.

(a) Government

The existence of the databases created by the online profiling practice by private sector companies is a gold mine for law enforcement and intelligence agents. Under national security, crime prevention or crime investigation, governments from around the globe want to have access to those databases, and they have found the way in. Governments use data mining techniques to

43 See Lessig, supra note 16, c. 7.

44 Deibert argues, “[a]s more and more data is entrusted by users to third parties like Google, governments are side-stepping transparent and accountable judicial processes to police that data.” See Deibert, supra note 3 at 115.
extract intelligence from vast stores of digital information. The existence of the databases created through the online profiling process benefits these techniques. As Rubinstein explains, data mining “can be viewed as a ‘back end’ use of personal data that is already collected and resident in public and private sector databases.”

Furthermore, the recent Snowden revelations is proof of the interest that government agencies have to gather information of people (online platforms users) and that the databases created by companies through online profiling are the perfect source to find that personal information, e.g. NSA Prism program that tapped into user data of Apple, Google, and others.

As those databases are of great utility for crime investigations, crime prevention and national security, governments do not have incentives to regulate. On the contrary, governments have incentives not to regulate and to maintain and preserve the practice of online profiling as it is today. The creations of the databases are a benefit for them.

(b) Industry

The personal information of online platform users is a big business. In this business, online profiling is one of the practices used by private companies to collect the information. This process involves the participation of many companies. The collection of users’ information began as a method to facilitate and improve commerce by improving the effectiveness of targeted marketing. This business method helped to shape the actual architecture of the market. Being so, the industry has the power and tools to regulate the practice; invent new technologies; change the architecture of the technologies used in order to make those technologies less invasive to privacy, or define a new business method that does not depend on the collection of data and the creation of comprehensive profiles.

Nevertheless, various industries benefit from the existence of this business model based on online profiling practices, and these industries are growing every day. Besides the benefits exposed at the beginning of this document, online profiling represents a huge economical benefit for these companies.

46 Ibid at 280.
48 See e.g Solove, supra note 13 at 1407.
49 For example, in 2010 a newspaper article report, “Tracking activity is exploding. Researchers at AT&T Labs and Worcester Polytechnic Institute last fall found tracking
Due to the fact that a great number of companies are involved in the online profiling process and all of them benefit from it, industry also does not have the incentives to regulate or change the actual practice of online profiling.

(c) Users

Online profiling jeopardizes the privacy of the users. Consequently, users have a huge incentive to regulate this practice. Based on the regulators proposed by Lessig, users could use privacy tools to make tracking harder, e.g. Ghostery; use tools that improve privacy and security over the internet to make the data collected less accurate, e.g. TOR; or change some browser habits to reduce the amount of personal information available online, e.g. private information posted in social networks.

Nevertheless, two facts demonstrate that for the majority of the users, privacy is not enough incentive to do something regarding online profiling. The first fact is that online profiling has been a public practice for a long time. For instance, in 1999, The New York Times published an article talking about the tracking of consumers, the collection of personal data, and the sharing of that data between companies.51 This newspaper article is a good example of two things.

First, The New York Times article demonstrates that online profiling is not a practice developed in the dark. One thing is the companies’ lack of transparency with the user at the moment of the “contractual” agreement; another is the fact that the practice has been public for a long time, and the majority of the users have not changed their behaviour online.

Second, the article also argues that consumers “are willing to part with personal information as long as they get something in return.”52 The companies gather personal information and give something in return, e.g. free content, promotions, and technological commodities. This statement remains true nowadays, and helps explain why users have not done anything.

The second fact is the Snowden revelations. As noted previously, these revelations demonstrated that, by accessing the databases of private companies, government gathered tons of personal information about people. Nevertheless,

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52 Ibid.
people do not seem to make the connection of the privacy threat between government agencies, spying citizens, and private companies gathering and storing files of personal information about their users.

All the previous information demonstrates that it might be some kind of technological somnambulism around online profiling. Companies improve technologies to give the user more innovation, and users accept that innovation without really questioning (or understanding) what are the true consequences of these new technologies. Then, even when privacy is a big incentive to regulate online profiling, for now it seems to be not big enough for the users to do something about it.

V. CONCLUSIONS

We are being stalked around the web, and our data collected has become a profit asset for private companies and a gold mine for everyone who needs or wants to get personal information about us. This paper has argued that in order to reduce the privacy repercussion created by online profiling, it is necessary to regulate the aggregation and commercialization of the all the data collected by private companies using tracking technologies.

Second, based on the benefits that private companies and government gain from the aggregation of the data, these stakeholders do not have any incentives to regulate. The other relevant stakeholder are the users, taking into account that online profiling threatens the privacy that affects directly the life of users, this group should have enough incentives to regulate online profiling. However, there has not been any significant regulation coming from this group after at least 15 years of the existence of the practice.

The absence of regulation can be for two reasons. First, users enjoy the benefits they receive in exchange of their information so much that they are willing to give up their privacy. Second, users do not understand the implications or the magnitude of what they are giving away. The most probable is the second reason, then the only thing needed is a big event that helps users connect the dots, for example between events such as the Snowden revelation and the authorization they give to companies to track them through online platforms.

Finally, today we are allowing first and third parties to track our “online habits” but as technology evolves information gatherers will be able to track other information more closely related to our personal life. For this reason, the ideal objective is to eliminate the threat to privacy created by online profiling. To achieve this goal, regulating some of the stages of the practice will not be enough. It is necessary to replace the actual business models by practices that do not

53 See Langdon Winner, *The Whale and the Reactor: A Search for Limits in an Age of High Technology* (The University of Chicago Press, 1989) at 10: “A more revealing notion, in my view, is that of technological somnambulism. For the interesting puzzle in our times is that we so willingly sleepwalk through the process of reconstituting the conditions of human existence”.

require or depend on the gathering, aggregating and storing of personal data. If it is not possible to find any alternatives, then as a society we must ask if the economical profit gained by some private companies and the technological innovation that online profiling practice promises to achieve are more valuable than our privacy.