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EU e-Privacy Directive: Restricting or Educating the World Wide Web

The EU e-Privacy Directive, which started being enforced on the 26th of May by the UK Information Commissioner, has already been weakened after it became obvious the requirements were too unrealistic for companies (and the government themselves) to meet. But opinions on the matter remain to diverge; search marketing agency Mediarun looks at whether the Directive's implementation will restrict e-commerce in attracting consumers, or whether the Web will actually benefit from the Directive's educational incentive.

The EU e-Privacy Directive is aimed at encouraging businesses to share information with their consumers on how online behavioural advertising data is collected. Though the ICO has the legal right to give out fines of up to \pounds 500,000 to websites that do not comply with the privacy regulations, they have also indicated a soft enforcement approach using formal warnings rather than financial punishment.

At a time when people are more worried about internet tracking, the Directive could help reduce the fear of privacy breach by closing the knowledge gap between those who are 'behind' the net and those who browse, according to Thor Schuitemaker, content manager of Mediarun. He said:

"There exists a worry that the unspecific requirements of the e-Privacy Law will mean that businesses that take action to comply will lose customers to competitor companies that do not – it's unfair that some will be able to escape the attention of the ICO when other larger companies won't be so lucky. People usually tend to believe that pop-ups are a bad thing, then why would companies want to follow the Directive's guidelines voluntarily if it means that asking visitors for consent to use cookies will in fact scare them away?"

"At the same time, The Financial Times' request for consent I think gives off a feeling of respect and honesty rather than spam. Websites ahead of the curve that potentially see the EU e-Privacy Directive for what it is, a way in which to educate people about analytic and tracking cookies, contribute to a fully informed audience of the World Wide Web. The idea is that websites will engage their visitors in a dialogue about privacy settings - and the more websites that do this the more people will become sceptical of websites that are secretive about their cookies."

The ICO not intending to fine non-compliance reveals their underlying motive; they want to ask websites to do something they cannot do by themselves, which is to make people, and not just companies, aware of the extent of people's online privacy. Their intention is not to limit <u>online</u> <u>behavioural advertising</u>.

Thor Schuitemaker concludes: "Online privacy is different from offline privacy; there is information that you can hide offline which you can't hide online, and vice versa. This is something we should celebrate rather than fight against. You may find that people will give away more information online when they know how it is being used and that it is in fact beneficial to them. If a company cannot prove that it is, then the consequences will only be necessary."

"This is an opportunity for e-commerce to create a trust based on consent between websites and their visitors – enabling a more democratic and transparent environment in which websites are suited to consumer preferences."

ENDS

Notes to Editors

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About Mediarun - <u>www.mediarunsearch.co.uk</u>

Mediarun helps companies find customers online by focusing on enhancing online visibility, <u>generating leads</u> and <u>improving revenues</u>. Based in central London the company specialises in performance Search Engine Optimisation (SEO), Pay Per Click (PPC) management, Social Media Optimisation (SMO), Mobile marketing, website optimisation and design related services.

With the rise of social media, visibility is no longer just about appearing at the top of a search page. Mediarun consultants can advise on the content and appearance of your website, to encourage users to stay and spend. We can also advise on tools, such as blogging, provide an online PR campaign or reputation management service.

Mediarun is committed to combining technical expertise with an innovative approach to deliver high returns on investment for businesses in UK and Europe. Mediarun understands its clients need to find customers online and ensure that for any marketing spend the company is able to deliver a healthy and quantifiable return. www.mediarunsearch.co.uk