

Response to the National Data Strategy consultation

November 2020

About ISBA

1. ISBA is the only body in the UK that enables advertisers to understand their industry and shape its future, because it brings together a powerful network of marketers with common interests, empowers decision-making with knowledge and insight and gives single voice to advocacy for the improvement of the industry.
2. ISBA is a member of the Advertising Association and represents advertisers on the Committee of Advertising Practice and the Broadcast Committee of Advertising Practice, sister organisations of the Advertising Standards Association, which are responsible for writing the Advertising Codes. We are also members of the World Federation of Advertisers. We are able to use our leadership role in such bodies to set and promote high industry standards as well as a robust self-regulatory regime.

Context

3. ISBA welcomes the publication of the National Data Strategy. As the Strategy notes, data is the lifeblood of the modern economy. The public, private, and third sectors increasingly cannot do business without it. When it comes to advertising, data is the lifeblood of our industry – both in terms of enabling us to understand what consumers want and how and where to market it, but also when it comes to ensuring our capacity to be able to work with individuals and government to tackle our shared challenges. Ministers' recognition of the centrality of data is, therefore, hugely welcome; and this Strategy presents an opportunity to draw together what has been a hitherto fragmented approach to data under one roof.
4. The Strategy is timely not least because of the role that data has played in the response to the coronavirus pandemic. We are proud of the way in which advertisers have been able to work with the authorities to deliver public health messages to the right audience, in the right time, via the right medium. It is this kind of response, to the greatest health challenge of our time, that demonstrates the power of data to better deliver essential services.
5. The opportunity of the coherent use of better data is clear – but so are the challenges which more data about each of us brings. As with all technology, data is neutral, but its use by people is not necessarily so. At ISBA, we have long championed good data ethics, where the definitions of data are clear, the question of who owns what data is addressed, and where our members commit to high standards of data governance, transparency, and accountability. We embrace innovation and the more exciting products, lower costs, and better services that it can bring, while being mindful of the need to lead in good practice. Advertising's history in the UK has been one of responsive and adaptable self- and co-regulation – methods which we believe also lend themselves to data governance and ethics.
6. Of course, we recognise the role for government in setting the frameworks within which business operates and regulates – and we also recognise the political and economic importance of getting this right. Ministers have recognised that the UK's departure from the European Union has left a job to be done in terms of our data protection rules, as well as the protection of data flows from our country to EU Member States. This flow is absolutely critical to our members' businesses. If it is not safeguarded, then they face

major disruption. At the time of writing, we do not yet have a data adequacy agreement between London and Brussels, which is of utmost importance. We hope and trust that Ministers have this at the forefront of their minds – as well as the need to urgently manage any future disruptions in international data flows.

7. It is noted that this Strategy is not the final word in this area, and that there may be future iterations, leading to legislation. We also await the publication of the companion National Digital Strategy. ISBA will continue to engage with government on behalf of our members on these and future relevant consultations, while also keeping Ministers and officials informed of the progress of our own relevant workstreams (not least our Programmatic Supply Chain Transparency Study taskforce, the work of which will have direct relevance to the pillars of data use named in the Strategy).

Response

8. We broadly agree with the pillars of effective data use and the missions outlined in the Strategy. ISBA's own work on data, as well as that of the wider advertising industry, can be said to align with the pillars to a considerable degree.
9. For example, the proposition that "the true value of data can only be fully realised when it is fit for purpose, recorded in standardised formats on modern, future-proof systems and held in a condition that means it is findable, accessible, interoperable and reusable" lies at the heart of our work on the transparency of the programmatic advertising supply chain. Further, our industry has long concerned itself with the importance of data skills, not least via Media Smart; and there are several working groups within industry dedicated to mapping out the future of data ethics, which is clearly relevant to the 'responsibility' pillar.
10. Whether the use of data by government can be transformed will depend to a strong degree on our delivering strong foundations and skills in partnership, and on companies across the private sector *and* public service institutions adopting a positive data culture, with high ethical standards, clear tramlines for the use of data, appropriate definitions of different types of data, accountability for when things go wrong, and transparency by organisations about what data they hold, what they use it for, and why.
11. This is particularly relevant when it comes to how decisions are made around the processing of personal data, especially in the advertising and marketing industry. There are tensions between systems which are 'open by default' and those which simultaneously build in privacy by design. Data which can be characterised as sensitive and which can be personal identifiers must be carefully handled but, equally, a narrow interpretation of the rules around them may constrain future service development, hampering the delivery of goods and services to, for instance, minority communities.

Data Foundations

12. We strongly agree with the view that the true value of data can only be realised when it is standardised and accessible. This belief is at the heart of the advertiser-funded ISBA/AOP Programmatic Supply Chain Transparency Study carried out by PwC, the report of which was published earlier this year.
13. This study was the first time that programmatic advertising supply chains – the way in which advertisers and publishers are served by the programmatic ad delivery system – had been mapped from end-to-end, anywhere in the world. It set out to identify each element of the supply chain, understand the services delivered and the costs applied at

each stage, and provide a transparent picture by mapping supply chains from start to finish, using real market data.

14. The intention was to provide a more transparent view for the benefit of all participants and the industry as a whole. The challenges faced in completing this task were very real, with difficulty getting permission to access data sets because of confusion about ownership; and a struggle to match information to supply chains accurately, not least because of varying methods of storage and a lack of standardisation. In the end, more than 1,000 distinct supply chains were identified between 15 advertisers and 12 publishers, but only 290 – or 12 percent – could be matched end-to-end. On average, 15% of the advertiser spend could not be attributed.
15. In the light of these findings, the study made two main recommendations: one, that standardisation is urgently required across a range of contractual and technology areas to facilitate data-sharing and drive transparency; and two, that all industry participants should collaborate to further investigate the unattributable costs and agree industry-wide actions to reduce them.¹ A cross-industry taskforce has now been established to take forward these recommendations, with sub-groups investigating potential changes in data standardisation and legal/ contractual practices.
16. The findings of the Transparency Study are a key indicator of the critical importance of good data foundations to be able to drive innovation, growth, and productivity. Being able to follow ad spend throughout the supply chain, with standardised, more accessible data allowing for better analysis, will enable advertisers to maximise efficiency, measure results, and drive industry growth. We therefore support entirely the Government’s aim of realising the true value of data by building and maintaining quality foundations.

Data Skills

17. We strongly agree that good data skills and digital literacy are critical components of a young person’s education, and that they are essential to future recruitment, training, and retention of staff in the advertising industry.
18. At the 2019 General Election, the ISBA manifesto called on MPs on all sides of the House to support digital literacy as an essential part of children’s education. We believe that it should be a key government objective, and that it should sit alongside the 3 ‘R’s as a key pillar of teaching in our schools.
19. Data, digital, and media literacy should go hand-in-hand. Media Smart, the non-profit education programme for the advertising industry, has launched a resource (in partnership with the European Interactive Digital Advertising Alliance) for 11-16 year olds on managing the online advertising experience. We will continue to support Media Smart, and there are plans to update and add to existing social media and digital resources.

Data Availability

20. The availability of data and its mobility across borders is a key concern for the advertising and marketing industry. It was so before the UK took the decision to leave the European Union, but it has only become more acute since, particularly as the negotiations on the future relationship have continued. We note that, at the time of writing, there is still no promise of a data adequacy agreement between London and Brussels, and that the EU

¹ The full executive summary of the study can be found [here](#).

has published new Standard Contractual Clauses (SCCs) which may operate in the event that no data agreement is reached.

21. The Strategy is absolutely right that there must be “appropriate protections for the flow of data internationally” and that efforts must be co-ordinated. We therefore trust that Ministers will reach a data adequacy agreement with their European counterparts and that flows across borders will not be disrupted.
22. The importance of this issue applies not simply for the future relationship between the UK and EU, but will doubtless be a factor in future trade deals with third party nations. We hope that negotiators will continue to bear in mind the uncertainty which might be caused by the existence of separate data adequacy regimes and, indeed, the potential for different judgments by the UK and EU on other nation’s adequacy. For example, it might be the case that the EU refuses to designate the United States as data adequate, while the UK deems it so, with potential knock-on effects for the EU’s assessment of the UK. The uncertainty caused by the invalidation of the EU-US Privacy Shield underlines the point.
23. The Strategy promises that, having left the EU, the UK “will champion the benefits that data can deliver”, and “work with international partners to ensure data is not inappropriately constrained by national borders and fragmented regulatory regimes”. We look to government to do just that, having recognised the critical importance of data to the life of our sector and the national economy.

Data Responsibility

24. We agree with the Strategy’s view that responsible data includes data that is “lawful, secure, fair, ethical, sustainable and accountable”; that government has a responsibility to provide a legal framework for data use; and that organisations must secure and manage data efficiently and prudently. We also agree that individuals must be able to control how their data is used – and with the potential for the analysis of large data sets to deliver transformative change in the services people use and the goods they consume.
25. However, we also believe that companies must go beyond simply following the rules on data privacy. They must address the gap between what they *can* do and what they *should* do. ISBA members recognise the importance of this; surveys show that senior executives consider it critical that their companies take an enlightened approach to data ethics, and that they are enthusiastic about the cultural transformation required to push this issue up the agenda.
26. The World Federation of Advertisers, of which ISBA is a member, recently published *Data Ethics: The Rise of Morality in Technology*, the first global guide for brands on data ethics in advertising, designed to provide clear actions and practical guidance.² We consider that the key principles outlined in this document provide a useful guide for the future of data ethics:
 - a. Respect: all data usage should respect the people behind the data, and institutions need to strive to understand the interests of all parties and use consumer data to improve people’s lives
 - b. Fairness: data usage should aim to be inclusive, acknowledge diversity and eliminate bias, rather than dividing groups. Institutions need to examine their data

² Available at <https://wfanet.org/leadership/data-ethics>.

- sets, mindsets and governance approach, to ensure they are inclusive in the way they use data
- c. **Accountability:** consumers expect companies and organisations to have open and transparency data practices, backed up by robust global and local governance. The same standards should be applied across partners, suppliers, publishers and platforms
 - d. **Transparency:** even among complex ecosystems, institutions should apply transparency principles and work towards more open and honest data practices, particularly as AI and machine-learning approaches start to automate decisions
27. Responsible data use does of course include security, guarding against hacks and leaks, and safeguarding and/or anonymising personal information. However, in and of itself, this is insufficient. We must start to think ahead of the curve and futureproof our approach to data by outpacing regulation and legislation, which is necessarily time-bound and often slow moving. Across sectors, organisations, institutions, and companies must seek to establish and operationalise best practice, helping to give rise to the positive data culture mentioned above.

Conclusion

28. The challenges identified by this Strategy and in this response are crucial to our economic success and recovery after the pandemic. Unlocking the value of data across the economy can drive innovation and growth; meanwhile, increasing transparency and accountability of data will drive trust and confidence as digital markets continue to evolve. Retaining an ethical dimension and recognising issues around data ethics will also be paramount as new platforms and increasing retention of different kinds of data come on stream.
29. It is also clear that an economic strategy towards data is not by itself enough. As is demonstrated by the ethical challenges, data has an inescapable social dimension. Many of the public policy issues with which government is faced – some of which have been driven up the agenda and/or exacerbated by the pandemic – demand new solutions. The Government has already identified many of these, including in the Online Harms White Paper – from the prevalence of misinformation to the accessing of images of self-harm or suicide. We await the response to the White Paper and future legislation with interest.
30. Many of these challenges relate to the critical question of age. Of course, regulators are already responding to this, notably the Information Commissioner via the Age-Appropriate Design Code. However, we note that in the Strategy, the Government has acknowledged the potential benefits of a digital identity. This is done in the context of allowing people to verify their identity for the purposes of individual transactions, “from applying for social security benefits to buying a house”.
31. It is possible that a trusted, verifiable digital identity could enable government to tackle some of the difficult social challenges with which it is faced. Such a tool could mean the potential for platforms to be able to take much stronger action against harms; for instance, requiring such an identity to be part of creating social media accounts has the possibility to help clamp down on anonymous trolling, or give platforms greater ability to restrict inappropriate advertising to younger age groups. It could also enable the greater flagging of website accounts where problematic behaviour might be developing; and enable AI and machine learning to better generate algorithms to guide certain groups away from harm, rather than continuing to serve them related content.

32. In underlining the potential benefits of a verifiable digital identity, we are not proposing to enter previous or current debates around identity cards. We would see this as a separate set of arguments around entitlement to services or establishing identity face-to-face. We appreciate that there is work underway to develop methods for how to establish identity online, and that there is no consensus around the viability of any one particular solution. After our consistent engagement with government on a suite of relevant issues in recent years, and having worked with our members as well as tech platforms to encourage greater and more meaningful action to protect vulnerable people, properly target advertising, and promote accountability, we will continue to engage with government on the feasibility of a trusted and verifiable digital ID system through this consultation, and others in the future.