



RANKING DIGITAL RIGHTS

Rationale for RDR's methodology expansion to address targeted advertising

This document provides an overview of why and how the Ranking Digital Rights research team has started a new methodology development workstream focused on targeted advertising. It also introduces the accompanying *Human Rights Risk Scenarios* and *Best Practices documents*, which will form the basis for further research and development of pilot indicators. All of these documents can be downloaded from the RDR website at:

<https://rankingdigitalrights.org/methodology-development/2021-revisions/#targeted-advertising>.

Background: By the end of May 2019 Ranking Digital Rights (RDR) will have produced four iterations of its Corporate Accountability Index, ranking some of the world's most powerful internet, mobile, and telecommunications companies on their disclosed commitments and policies affecting users' freedom of expression and privacy. The 2019 Index ranks 24 companies on 35 [indicators](#). The RDR Index provides an effective roadmap for companies to improve policies and disclosures in order to prevent and mitigate a range of threats to users' rights to privacy and freedom of expression. Since the launch of the first Index in 2015 it has contributed to improved company policy and practice in areas such as transparency reporting, disclosures about content removals, account restrictions and shutdowns, handling of user information, and measures taken to secure user information.

However, given geopolitical and technological developments with clear human rights implications in the years since the Index methodology was first developed, it has become clear that the methodology needs to be updated if companies are to be held fully accountable for the range of potential online threats to human rights. In 2019, the RDR research team is undertaking a process to determine how and to what extent the Index methodology can be expanded to address malicious exploitation of platforms optimized for targeted advertising, as well as the unaccountable and non-transparent application of algorithms and machine learning. We are starting with a focus on [targeted advertising](#).

Companies should be much more transparent about their policies and practices related to targeted advertising, thus enabling greater accountability. Our goal in developing indicators that address targeted advertising is to set global accountability and transparency standards for how major, publicly traded internet, mobile, and telecommunications companies that profit from targeted advertising can demonstrate respect for human rights online. In the future, RDR's work

in this area can inform the work of other stakeholders: investors conducting due diligence on portfolio risk, policymakers seeking to establish regulatory frameworks to protect the individual and collective rights of internet users, and activists looking to encourage companies to pursue alternative business models and to mitigate the human rights harms associated with targeted advertising.

Scope of targeted advertising harms: The current RDR Index contains 35 indicators divided into three categories: [Governance](#), [Freedom of Expression](#), and [Privacy](#). These indicators focus on identifying and mitigating human rights harms primarily to individuals—specifically infringement of internet users’ freedom of expression and privacy—that directly result from using the products and services of internet, mobile, and telecommunications companies. However, many such companies can also endanger human rights indirectly, or contribute to the violation of the rights of entire communities or categories of people, in ways that can be traced back to targeted advertising business models. Targeted advertising affects both privacy as well as online expression, and is thus directly relevant to RDR’s mission.

For the 2019 Index methodology we took an initial step toward addressing targeted advertising by adding a new element to one indicator in the Governance category ([G4](#)) that seeks company disclosure of whether it conducts human rights due diligence covering all aspects of a company’s business related to freedom of expression and privacy to identify and mitigate any potential human rights risks. The new element (G4.6) asks whether the company assesses freedom of expression and privacy risks associated with its [targeted advertising](#) policies and practices. A preliminary review suggests that none of the ranked companies make such disclosures at this time.

For future iterations of the Index, we aim to develop new indicators that address specific privacy and expression related harms caused by targeted advertising.

Privacy: Targeted advertising relies on the collection of vast amounts of user information so that advertisers can target individuals in a very granular manner with messages tailored to very specific attributes including preferences, habits, or traits. Without clear constraints on what can be collected and how it can be used—and without strong transparency and clear mechanisms for obtaining user consent—violations of users’ privacy rights are highly likely to occur. Responsible parties include those who collect the data, those with whom it is shared, and those who take advantage of targeted advertising’s potential to influence behavior. The Facebook Cambridge Analytica data sharing scandal of 2018 most prominently demonstrated how data collected for targeted advertising purposes can be used by malicious actors to manipulate users without their knowledge. We will explore the feasibility of adding indicators that examine company policies related to the collection and sharing of user data in service of targeted advertising revenue.

Expression: Companies that derive revenue from targeted advertising have an incentive to manage, shape, and govern the flow of content and information on their platforms in a manner

that maximizes advertising revenue. In order to boost user engagement with and exposure to paid content, platforms have an incentive to design and optimize user interfaces to encourage the appearance of, and maximize engagement with, the most controversial and inflammatory content. The results can even be deadly, such as when hateful content is shared by one group of people seeking to encourage violence against another group, as happened in Myanmar. Furthermore, human rights violations can result from lax rules and enforcement, and poor transparency, about who is allowed to advertise with what content on a platform. Poor rules and enforcement may maximize revenue, but can also lead to the dissemination of content that incites human rights violations, or is intended to intimidate or mislead in ways that discourage or prevent people from exercising their human rights.

The *Human Rights Risk Scenarios* and *Best Practices* documents that follow this overview were drafted as the initial steps of our indicator development process. The *Human Rights Risk Scenarios* document contains a list of scenarios, each describing human rights harms directly or indirectly related to privacy and expression that can result from targeted advertising business models and the choices they incentivize companies to make. The *Best Practices* list describes specific disclosures and policies that companies should implement in order to mitigate the human rights risks described in the scenarios.

These documents are derived from news reports and published research. Please remember, they are drafts that will be subject to further revision. Feedback from a wide range of experts and stakeholders is especially important to help the RDR research team develop concrete standards and processes for assessing whether and how companies that benefit from targeted advertising demonstrate respect for human rights of their users.

After receiving feedback from experts, human rights advocates, and companies on these [documents](#) and conducting further case study research, the risk scenarios and best practices will be further refined. They will be used as empirical basis for the development of draft evaluative indicators and a research methodology that will be tested in a pilot study, which will enable us to further refine the methodology by testing it against a subset of companies evaluated by the Index.