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# Targeted: How Relevant Parties Position the Ethics of Online Demographic-Based Targeted Advertising

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# Targeted: How relevant parties position the ethics of online demographic-based targeted advertising

An Undergraduate Honors Thesis

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#### Introduction

Advertising technologies are advancing at a tremendous rate as the internet transforms society. This development places relevant parties such as the government and major platforms in a unique position to shape the ethics of these new technologies (Federal Trade Commission, 2012; Vranica, 2020 December 1; Tankovska, 2021 February 2; Haggin, 2021). Demographicbased targeting represents a quickly evolving technology. This technology allows advertisers to directly reach their target audiences (Marketing Accountability Standards Board, 2020); however, it can also be used to target vulnerable populations and result in discrimination (Pires & Stanton, 2002; Wilkins, 2016). The harmful uses of these technologies have been seen in the last few years as lawmakers and platforms grapple with regulation and ethics. On January 18, 2022, several United States lawmakers proposed a bill that would restrict companies from using this technique to advertise to consumers (Davis, 2022). Moreover, President Joe Biden addressed targeted advertising in his 2022 State of the Union Address stating, "It's time to strengthen privacy protections; ban targeted advertising to children; demand tech companies stop collecting personal data on our children" (Biden, 2022). These examples illustrate the U.S. government's continued efforts to advance the conversation surrounding the ethics of demographic-based targeting.

The issue of the ethics and legality of demographic-based targeting to vulnerable populations continues to evolve and progress as different parties attempt to sway the conversation and position the ethics of this practice effectively. By exploring the stances of relevant parties, insight can be gained into the current state of demographic-based targeting to vulnerable populations. This knowledge can be used to outline ethical practices and guide advertisers in using these technologies effectively. This study seeks to analyze how relevant parties, professional organizations, government organizations, major platforms, and activist groups, position the ethics of online demographic-based targeted advertising to vulnerable populations. In order to understand the positioning of relevant parties a thematic analysis was conducted. The stances of organizations were sorted into categories that help map their various ethical positions. The results of this analysis illuminated the wide variety of stances held by relevant parties such as opposes demographic-based targeting and supports legal demographicbased targeting. The findings of this study showcase a need for clarity and cohesion, as well as further regulation and a more comprehensive theoretical framework to guide advertisers in making ethical decisions.

#### **Literature Review**

This section reviews the relevant literature regarding demographic-based targeting aimed at vulnerable populations. It traces the history of demographic-based targeting and gives insights on how technology has played a role in this evolution. The online behavioral analysis section describes how this form of advertising intersects with demographic-based targeting. Then, vulnerable populations are discussed and analyzed in terms of the ethics of targeting these groups based on their demographic characteristics. Finally, the policies on targeting of major advertising platforms are discussed, and an over-arching research question is posed based on gaps identified in existing research.

#### **Evolution of Demographic-Based Targeting**

Several scholars have mapped timelines of the evolution of online advertising, and in turn, the changes in targeting that came along with it. This thesis uses the Marketing Accountability Standards Board (2020) definition of targeting which is "narrowly focusing marketing activities to attract a specific, marketing-profiled potential customer determined by geographic location (geo-targeting), days of the week or time of day (dayparting), and gender and age (demographic targeting)." Online advertising began in 1994 with banner ads displayed on websites (Evans, 2009). From there it quickly evolved to a \$209 billion industry making up 41% of advertising spending (Liu-Thompkins, 2019). In order to get to this space, technologies eventually were developed that could help advertisers effectively pinpoint demographics and characteristics about a person to better reach a specific audience. The first glimpses of targeted ads came in the form of basic demographic information in the late 2000s (Evans, 2009). For example, several advertising networks formed agreements with publishers to deliver ads to audiences with certain characteristics based on their demographics. Today, new types of ads effectively reach consumers including advergames, mobile advertising, and retargeted advertisements (Liu-Thompkins, 2019). This has led to more personalization in ads based on data collected from users' past behavior (e.g. retargeted ads), current behavior (e.g. contextual ads), and based on knowledge about the consumer (Liu-Thompkins, 2019). Personalization makes ads more effective since they offer increased relevance, reduce ad skepticism, and cause more attentive processing (Liu-Thompkins, 2019). Although targeted advertising has been researched at length, new tools for targeting are constantly being developed.

#### **Online Behavioral Targeting**

Online behavioral advertising should be explored further due to its overlap with targeting. Online behavioral targeting uses past behavior. These ads tend to be very effective with a 670% increase of click-throughs in relation to non-behaviorally targeted ads (Summers et al, 2016). This practice is often known as affinity profiling. Affinity profiling is defined as "profiling which does not directly infer sensitive data but rather measures an 'affinity' with a group defined by such data" (Wachter et al., 2019, 5). Online platforms can utilize behavioral advertising to place users in different affinity groups such as "interested in Muslim culture," and these groups can be used for targeting or exclusion from advertising (Watcher et al., 2019). Affinity profiling can lead to stereotyping vulnerable groups and cause people with traits typically found within a particular group to be associated with that vulnerable population even if they have not disclosed those facts anywhere online (Watcher et al., 2019). For example, a study found that more ads were served to people with Black identifying names for a website indicating arrest than for white names. This is problematic especially because online behavioral targeted ads can alter selfperception and behavior because consumers see them as implied social labels (Summers et al., 2016). Summers et al. found that, when targeting ads based on people's demographics, those who identified with the label changed their behavior to match it. Moreover, algorithms for online behavioral targeting that affects vulnerable populations also stereotype people. For example, women tend to have higher click through rates on ads than men, making them more desirable to advertisers, and therefore, more expensive (Ali et al., 2019). This can be problematic because it skews the ads that men and women see based on the price of the ad and creates an unequal availability to see certain ads.

Advertisement delivery also poses a possibility of discrimination in online behavioral targeting. Delivery tends to skew towards gender based on the feminine or masculine images in the advertisement (Ali et al., 2019). Ad delivery can also discriminate based on race. When searching Black-identifying names on Google and Reuters, ads associated with selling public records with information such as address, phone number, and criminal history were 41% of the ads generated, and for White-identifying names, they were only 29% (Sweeney, 2013). Additionally, a greater percentage of ads from the company Instant Checkmate had the word "arrest" for Black-identifying first names than White (Sweeney, 2013). Ad delivery can also

pose a problem for behaviors associated with health concerns. Health websites that appear higher in Google searches tend to have more behavioral tracking and can pose privacy concerns for users (Burkell & Fortier, 2015). There is a clear possibility for discrimination in online behavioral targeting and advertisement delivery that should be researched further to be prevented.

Solutions are needed to prevent discrimination in online behavioral targeting. Burkell and Fortier (2015) suggest that medical professionals should recommend websites run by the government and non-profits that did not appear the highest on Google searches in order to help protect their patients' sensitive information. As a potential solution to discrimination in online behavior advertising, Sweeney et al. (2013) propose identifying affected groups, specifying the scope of ads to assess, determining the ad sentiment, and testing for adverse impact. This area needs to be investigated further to find overlaps in targeting and online behavioral advertising, but these studies show how identity is closely tied with behavior and can be exploited as such. These technologies must be critically through an ethical lens in order to ensure they are being used in a way that is not harmful to vulnerable populations.

#### **Advertising to Vulnerable Populations**

When discussing the ethics of targeting, it is critical to think about this issue in the context of vulnerable groups. This thesis will use Reichert's (2006) definition of vulnerable groups in her book chapter "Human Rights and Vulnerable Groups" which states, "certain population groups often encounter discriminatory treatment or need special attention to avoid potential exploitation" (78). There are a few general ethical issues related to advertising and vulnerable populations. "Sin products," which are products that can be harmful to users such as alcohol and cigarettes, present one such ethical issue (Wilkins, 2016). Another issue is having a

vulnerable population as the target audience for a product (Wilkins, 2016). These themes of vulnerability and harmful products appear frequently in scholarly study. Nwachukwu et al. (1997) uses Lee's framework, which defines ethical advertising as when a product is not harmful and consumers have sovereignty and autonomy (Lee, 1987), to determine how consumers perceive ethics in advertising. The public perceives harmful products and ads directed at audiences that are not autonomous such as vulnerable populations as less ethical than other ads (Smith & Cooper-Martin, 2019; Nwachukwu, 1997). Vulnerable groups also tend to disapprove of targeting more than groups that are not vulnerable (Smith & Cooper-Martin, 2019). Scholars have analyzed the public's views and the types of ads that fall into the categories proposed in Lee's framework, but they do not address the ethics that advertisers should use to guide decision making. This gap in scholarship provides an area to further apply Lee's framework in terms of ethical decision making for advertisers.

There are also several issues that arise when advertising to vulnerable groups in particular. Four potential problems include the blurry lines in boundaries between ethnic groups, what is "good" may change from one group to another, what is "good" for one group does not invalidate what is "good" for another, and marketers may have to accommodate competing ethics found within different groups (Pires & Stanton, 2002, 113). For example, Western ethics are often based on the truth, while Japanese ethics are based largely on social harmony (Pires & Stanton, 2002). Out of these problems, Pires and Stanton theorize that there are five areas of ethnic segmentation and targeting marketing failure: inadvertent stereotypes; biology and genetics which is when attributes of minority groups are exaggerated; nature of the product where ethnic markets can aim harmful products to minorities; redlining where markets are based on racial lines; and "ethnocentric bias" which is when the majority fails to differentiate the minority group from the mainstream (Pires & Stranton, 2002). These problems have been seen on platforms like Facebook, which has faced several lawsuits due to targeting ads based on demographics in ads like employment and housing (National Fair Housing Alliance, 2019; Campbell, 2019). This presents a problem of not only being unethical, but illegal. These issues are important to take into account when determining the ethics of who to target with digital advertising.

It is also important to note that targeting vulnerable populations does not tend to be very successful. Minorities tend to interact with both their ethnic culture and the mainstream culture and switch fluidly between the two (Ahmad, 2003). This switching causes individuals in these groups to fail to conform to one specific segment or category which can make marketing towards minority groups ineffective (Ahmad, 2003). Advertisers are more successful when they focus on the individual rather than the whole ethnic group and factors like identification with ethnic group, type of product, racial composition of the ad, and ad placement all contribute to ad success (Ahmad, 2003; Green, 1999).

#### **Targeting Ethics**

The ethics surrounding targeting are important to determine as advertisers frequently use targeting to reach their target audience. One ethical approach called deontological sees ethical decision-making as based on a person's duty and moral obligation to act unselfishly and on good will (Place, 2010). Nill et al. (2012) suggests that under a deontological ethical perspective that tracking browser history through cookies breaks the tenet of transparency and truth telling because disclosure is not easily presented and understood. Moreover, when targeting vulnerable populations, advertisers can alienate that group. While website design that favors dominant culture does not alienate vulnerable populations in general, if the products featured are ethnic, a

dominant culture design is viewed as inappropriate (Bartikowski et al., 2016). This finding reinforces Cui's (1997) principle that advertisers should not alter messages for products that serve the same function for all users. If the products do not serve the same function for all users, such as if they are culturally significant to certain groups, then the advertising should reflect those differences. For example, alienation can be used in a more extreme way in the form of dark ads. Conick (2019) defines this tactic as ads that specifically exclude particular groups from being able to see them. Dark ads create an ethical issue, because, while they can be used to overcome visibility issues for minority groups, they can also be used to target minorities with harmful products or to exclude them from beneficial advertising (Conick, 2019). Additionally, exclusion is much less effective than targeting past behavior (Conick, 2019). Targeting practices generate ethical dilemmas for advertisers that must be addressed.

Moreover, the technology in place on many platforms, such as Facebook, raises an ethical issue when it comes to targeting. While Facebook dropped their "ethnic affinity" target audience descriptor to try to prevent discrimination, the platform can still be manipulated to exclude vulnerable populations from receiving beneficial advertising messages (Speicher et al., 2018). Not only can attribute-based targeting be exploited, but so can Facebook's two other targeting methods: PII targeting, which allows advertisers to provide a list of personally identifiable information to target users with, and look-alike targeting, which asks Facebook to create an audience similar to existing consumers (Speicher et al., 2018). The ethical issues surrounding targeting have led to the involvement of several distinct groups that will be discussed next.

#### **Relevant Parties in Targeted Advertising**

There are several parties that play important roles in online demographic-based targeted advertising to vulnerable populations. These parties were sorted into three categories that were illuminated through the research: enforcing groups, major platforms, and activist groups. Enforcing groups are further broken down into two categories: professional and government organizations. Each of these groups takes a stance on the ethics of demographic-based targeting.

#### **Government Organizations**

The U.S. government is an enforcing organization because it is able to pass laws that prevent advertisers from taking certain actions. While there has been an increased number of privacy bills concerning online demographic-based targeting in the U.S. and laws have passed in some states, such as California, there is no baseline federal legislation for the practice (Davis, 2022; Romm, 2018). The Federal Trade Commission recognized the need for laws to change along with technology in a 2012 report where the agency asked Congress to pass baseline legislation to address privacy in online data collection (Federal Trade Commission, 2012). However, no laws were passed, and the only current federal law addressing advertising to vulnerable populations is The Children's Online Privacy Protection Act which was last updated in 2013. This law puts parents in control of children's online information if they are under 13 (Federal Trade Commission, 2012). The government has the ability to limit the use of demographic-based targeting to vulnerable populations but has not passed any significant laws to regulate it.

#### **Professional Organizations**

Professional organizations are another enforcing group. Professional organizations serve as guiding groups that set the tone for advertisers in the industry. For example, the Digital Advertising Alliance provides a guidebook with self-regulatory principles for online behavioral advertising (Digital Advertising Alliance, 2009). Clifford and Shannon (2012) outline the role of a professional organization's rules and codes of conduct as a way to ensure quality and competence of the industry to the public. However, the codes can also be used to benefit the industry's best interest not the public's and to prevent legal action enforcing certain regulations (Clifford and Shannon, 2012). Despite the fact that the codes could be used for self-interest, they have also been found to be important to ethical behaviors. Quality codes of conduct provided by professional organizations have been found to have a general relationship with ethical performance (Erwin, 2011). In this study, Erwin examined and graded codes of conduct based on their quality in categories like readability, availability, and values. Then, those codes of conduct were compared to the ethical scores of the company on the 2008 Covalence Ethical Rankings. Companies were then graded from A to F with A rankings being excellent and F ranking being poor. The results of this comparison found that 50% of companies that had ethical codes graded with an A scored in the top quartile on the ethical ranking. For companies with B scores, 41% ranked in the top quartile (Erwin, 2011). Professional organizations in the advertising industry have the ability to set certain guidelines that lead the industry in terms of the ethics of demographic-based targeting to vulnerable populations.

#### Activist Groups

Activist groups are also relevant parties in demographic-based targeting because they can advocate for policy or legal change to platforms. These groups advocate for a variety of issues including privacy, eliminating discrimination caused by targeting, and the privacy of children online. Activist groups for fair housing put together a lawsuit that was settled with Facebook to prevent advertisers from excluding vulnerable populations from advertisements for housing (National Fair Housing Alliance, 2019). This lawsuit was based on the fact that Facebook allowed advertisers to specifically target housing ads to groups of people based on their gender, socio-economic status, race, and other characteristics. This illustrates how activist groups can be effective in making change to the policies surrounding demographic-based targeting. If activists attempt to make changes without legal action, there are a few key strategies the groups tend to use including damaging the company economically or symbolically and getting large numbers to complete an action such as boycotting or signing a petition to generate change (Den Hond & De Bakker, 2007). Activist groups are particularly important when implementing policy changes on major platforms.

#### Major Platforms

Major platforms for digital advertising include Facebook, Google, and Apple. These platforms are relevant because of the large amount that is spent on digital advertising on each site. Google's digital ad revenue made \$37.1 billion in 2020 (Vranica, 2020 December 1) while Facebook made \$27.19 billion (Tankovska, 2021 February 2). These two companies dominate in the amount of money that is spent on their digital advertising platforms. This makes them key players in determining how targeting is used. Apple comes into the conversation not for the success of its digital advertising, which brings in around \$2 billion (Haggin, 2021), but for the policy it put in place for its new operating system (iOS 14), which will require Apple device users to "opt in" to tracking on their devices (Koestsier 2021 January 22). This decision will disrupt the way that advertisers currently create targeted and personalized ads. Since Apple's announcement, Google has taken it one step further by getting rid of browser history tracking entirely (Schechner & Hagery, 2021 March 3). However, not all of these platforms are looking to innovate in this way. Facebook has firmly stood by its decision to maintain personalized ads and has even launched an advertising campaign to defend the use of personalized digital advertisements (Graham, 2021 February 25). In the campaign and on its website, Facebook

argues that personalized ads help small businesses and level the playing field to help them be found amongst larger companies.

However, the changes being made on these platforms are also caused by other pressures. Several lawsuits have been brought against these companies due to discrimination on their digital advertising technology. One major lawsuit was filed in 2019 when Facebook was sued in a class action lawsuit alleging that it discriminated against older and female users by failing to show them advertising for financial services, insurance, investments, and loans (Stempel, 2019 October 31). Facebook allowed advertisers to target users by their age and gender, which resulted in this type of discrimination. This class action came just months after Facebook settled multiple other lawsuits based on discrimination. After the latest class action, the company agreed to work on limiting the capabilities for advertisers to target based on certain characteristics (Booker, 2019 March 19). However, Facebook is not the only platform that has faced lawsuits.

Google has also faced lawsuits due to its decision to eliminate cookies, essentially a digital footprint each computer IP address leaves as it moves across the Internet. Google is facing antitrust lawsuits from the U.S. Department of Justice and several attorneys general. The lawsuit alleges that Google acts as a monopoly due to its advertising capabilities, which allow the company to dominate the industry (Davis, 2020). The suit also cites Google's decision to block cookies as an assertion of its monopolized power while shutting out third-party advertisers from efficiently targeting consumers with ads. The Department of Justice could make the argument that by removing cookies Google is making it impossible for other advertisers to track data across the internet, and since Google can still rely on the data it gathers directly, it will still be able to effectively target (Morto & Dinielli, 2020). This will also change the way bidding for ads works since third party advertisers will not know if they are being effective with their bids

because they do not have data on particular users. Google, however, will have that data, making them the best choice for digital advertising and pushing out the competition (Morton and Dinielli, 2020). These lawsuits illustrate the relevance and significance of studying the topic of online targeted advertisements through an ethical lens. These ethical problems should be analyzed through a theoretical framework in order to further investigate this issue. To that end, the thesis will answer the following question:

**RQ1:** How do relevant parties position the ethics of online demographic-based targeted advertising?

#### **Theoretical Framework**

In order to determine how the relevant corporate actors are positioning themselves on the ethics of online demographic-based target advertising, I apply an ethical lens drawn from frameworks proposed by Lee (1987) and Cui (1997). Lee's theory suggests that advertisements for harmful products cannot be good and should always be considered unethical. If the product or organization is not harmful, then, the test lies in consumer sovereignty and autonomy. If a consumer has sovereignty, ability to be informed about the product, and the autonomy to make their own decisions, then the advertising is deemed ethical (Lee, 1987). While this framework provides an important lens to explore the issue of ethical advertisements, it can be expanded upon to better fit the question of how to use demographic targeting towards vulnerable groups ethically.

Cui (1997) also provides several suggestions for how marketing practices can be improved to better market to ethnically diverse audiences. The scholar suggests a standardized strategy for products that are used the same way among consumers of all races, a product adaption strategy when ethnic consumers have different preferences or uses for the products, and an advertising adaption strategy when the product does not have different preferences to different people, but communication regarding the product varies (Cui, 1997). Finally, an ethnic marketing strategy should be applied when the current product and communications cannot fulfill the needs of minority consumers. In this case, the business should adapt the product to meet those needs. Cui created important guidelines that should be examined when determining how to ethically market to ethnic consumers. However, they do not particularly address targeting. In this study, these strategies are applied specifically to targeting to determine when targeting based on demographics is necessary and how it can be done ethically — particularly when related to vulnerable populations. These frameworks can be applied in order to critically analyze how the major relevant actors rhetorically situate themselves in order to map the current ethical landscape in the industry. Additionally, the framework will allow me to develop best practices that advertisers can use to determine whether their existing or future targeting practices are ethical.

#### Method

Given the research question of "how do relevant parties position the ethics of online demographic-based targeted advertising?" a thematic analysis was conducted. This type of study is useful because it allows the researcher to report and analyze multiple meanings within data and to create subcategories to further break down the theme (Vaismoradi et al., 2016). A thematic analysis study was chosen for this research because it allowed the researcher to categorize varying data points to get a clear idea of patterns and themes that emerged among the stances of relevant parties. The analysis was conducted by assigning labels to statements and building towards a theme.

### **Data Collection and Sample**

The data collection method was based off of Knudsen and Slager (2015). Data was collected from online statements presented by different organizations with a stake in the future of targeted advertising. Statements were collected from May 2021 through August 2021. Organizations that were chosen fell into four categories: major platforms such as Google, Facebook, and Apple, enforcing groups such as the federal government, guiding groups such as professional organizations, and activist groups. The category for each relevant party is logged in the Appendix. The sample was collected through searches on Google, as well as Butler University's library databases including Nexis Uni. Search terms included "targeted advertising," "targeted advertising ethics," "targeted advertising" plus "Google," "Facebook," or "Apple," "targeted advertising discrimination," "targeted advertising activist groups," "targeted advertising corporate statements," "targeted advertising defense statements" "corporate statements about targeted advertising," "legal cases about targeted ads," and "digital advertising codes of conduct." 67 statements were collected across 23 organizations, and the oldest statement included came from 2009 and the newest came from July, 2021. Of the 23 organizations, there were seven professional organizations, six government organizations, three major platforms, and seven activist groups. Inclusion of statements from an organization was determined by if they fell into the following categories: corporate statements made on a website or blog, codes of conduct, interview comments made by a spokesperson in a news publication, or positioning based on statements made by other experts outside of the organization in popular press or trade publications. Statements were saved and stored in an administrative spreadsheet based on their relevance. To determine which online statements were relevant a few questions were asked of the statements.

- 1. Does the statement come from or is it about a government organization, professional organization, activist group, or a major platform?
- 2. Does the statement comment on ethics, legal issues, or policies regarding targeted advertising?
- 3. Were the statements found in a code of conduct, trade publication, popular press source, on an organization's website, on an organization's blog, or in a legal document?
  If the answer to each of the questions was yes, the statement was used in the sample.

#### Analysis

In order to conduct the thematic analysis, first, organizations were sorted into the type of party they fit. Then, statements from organizations were coded by asking specific questions of the data to better understand the general position for the organization. Several rounds of coding were conducted to get an in-depth view of the positions and to categorize them within the code. Questions asked of the data included "who does the organization consider to be a vulnerable group?" and "who should be in charge of regulating demographic-based targeting to vulnerable populations?" While coding, short summaries of each statement were created in order to better understand the stance of the organization. Statements helped build towards an organizational stance that fit into one theme.

Themes were then developed through an iterative process that began with determining positions, categorizing them, and finally looking for themes within the categories. Once patterns were found in the discourse, fives themes were identified, and each organization was labeled with a particular theme (Vaismoradi et al., 2016; Desvars-Larrive et al., 2020). They include the following positions: neutral stance, supports non-discriminatory demographic-based targeting, supports consensual demographic-based targeting, supports legal demographic-based targeting,

and opposes demographic-based targeting. These positions are defined in the table below. The organizations were then analyzed to see where they fit along Cui and Lee's ethical framework by whether they would pass or fail these ethical standards. A tiered indicator was created based on Lee and Cui's frameworks and used to evaluate the organizations (Dobie, 2018). This was done to determine whether or not the organizations upheld ethical standards in their stance on targeted advertising.

# Table 1

Supports non- discriminatory demographic- based targeting	"Supports non-discriminatory demographic-based targeting" was defined as a position that supported demographic- based targeting unless specific groups were targeted in a way that was harmful based on their sensitive characteristics. The ethics of the issue revolved around sensitive groups and no other issues.	An example of an organization that supports demographic-based targeting unless it is discriminatory is the American Civil Liberties Union (ACLU). This is reflected in their statement, "Facebook must change its platform to prevent advertisers from exploiting user data for discriminatory purposes, and ensure once and for all that all users, regardless of gender, race, age, or other protected status, are given a fair shake "
Supports consensual demographic- based targeting	"Supports consensual demographic-based targeting" was defined as a position that focused on privacy and allowed demographic-based targeting as long as the consumer was informed and wanted to participate. This position did not look at how discrimination could influence the ethics of the issue.	status, are given a fair shake." An example of an organization supporting demographic-based targeting as long as there is consent is Apple. This is reflected in Apple's decision to allow users to opt out of targeting through cookies. Apple explained the reasoning behind the decision in this statement, "Now is a good time to bring this out, both because of the increasing amount of data they have on their devices, and their sensitivity [about the privacy risks] is increasing, too,' Erik Neuenschwander, Apple's chief

		privacy engineer, said in an interview" (Liedtke, 2021).
Supports legal demographic- based targeting	"Supports legal demographic-based targeting" was defined as a position that wanted to prevent illegal discrimination in those areas but was not concerned about other types of discrimination. This stance was also not concerned about privacy or other issues tied to demographic-based targeting.	The Department of Housing and Urban Development (HUD) supports demographic-based targeting unless it is discriminatory. This is reflected in statements like "Using a computer to limit a person's housing choices can be just as discriminatory as slamming a door in someone's face."
Neutral stance	"Neutral stance" was defined as little to no mention of demographic-based targeting, and the stance that was presented was unable to be determined if it was in support of or opposed to demographic- based targeting. This strategy was used to defer to others for the ethics of demographic-based targeting.	The Association of National Marketers (ANA) took a neutral stance because it does not mention targeting at all in its ethical guidelines.
Opposes demographic- based targeting	"Opposes demographic-based targeting" was defined as organizations that did not support demographic-based targeting under any circumstances and found it to be unethical.	Google is an example of an organization that opposes demographic-based targeting. This is reflected in the statement: "Today, we're making explicit that <u>once third-party cookies are</u> <u>phased out</u> , we will not build alternate identifiers to track individuals as they browse across the web, nor will we use them in our products."

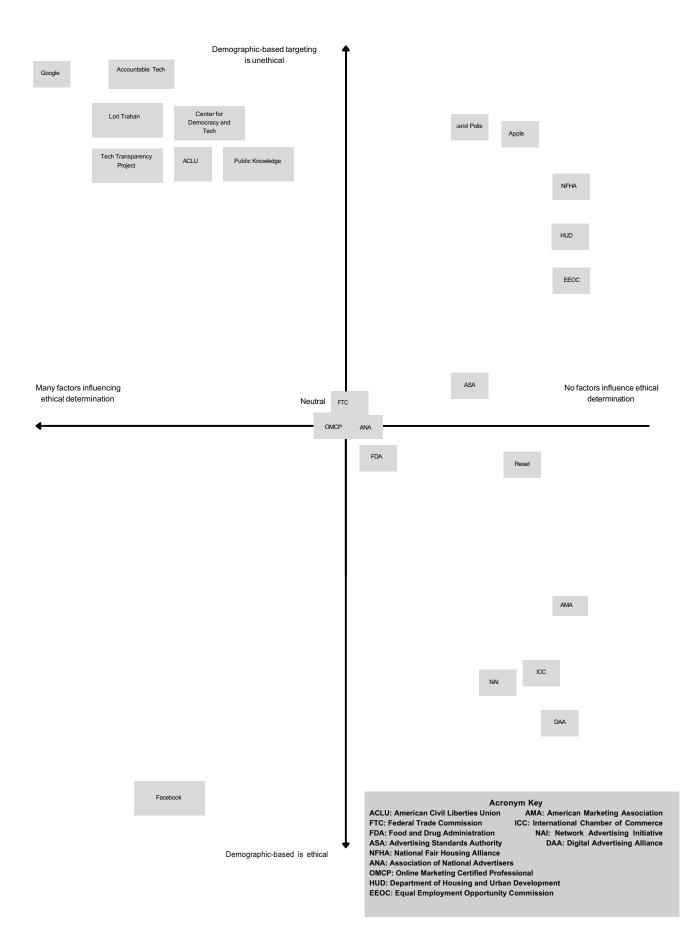
# Findings

Several patterns appeared throughout the data as it was analyzed. The thematic analysis

found that most of the 23 organizations used in this study took a neutral stance, supported

consensual demographic-based targeting, or supported non-discriminatory demographic-based targeting. Only two groups positioned demographic-based targeting as entirely unethical, and no organizations positioned demographic-based targeting as completely ethical. It was also found that similar types of organizations tended to position the issue similarly. For example, three of the professional organizations took a neutral stance on demographic-based targeting and three others took the stance that demographic-based targeting is ethical with consent from the user. Only one organization took a differing position. Government organizations most often had a neutral or in support of legal demographic-based targeting position with two in each of these categories. Activist organizations most often had the stance of in support of non-discriminatory demographic-based targeting with three groups fitting into this stance. These findings are illustrated in the ethical continuum map depicted in Figure 1. Further patterns emerged when analyzing the groups that fell into each positioning strategy and their unique stances. The next sections will further analyze the nuances in the findings within positioning strategies.

Figure 1



#### **Neutral Stance Positioning Strategy**

Neutral stance themes ranged from statements that addressed demographic-based targeting but not in a concrete way, to no mention of demographic-based targeting at all. Six organizations were categorized into this theme. Three professional organizations, two government organizations, and one activist group took a neutral stance. They also tended to rely on the law to guide and enforce the majority of demographic-based targeting issues. One example of an organization taking a neutral stance is found in The Association of National Advertisers. The Association of National Advertisers did not address demographic-based targeting in its digital marketing code and stated that it did not govern online behavioral advertising, "Nothing in this Article or definition is meant to restrict or prohibit the use of aggregated or anonymized data pertaining to direct contact points, the use of profile data for online behavioral advertising ("OBA"), or online banner advertising" (Association of National Advertisers, 2022). This takes demographic-based advertising completely out of the scope of what ANA seeks to guide advertisers about.

Another professional organization that took a neutral stance on this issue was Online Marketing Certified Professional. This group's code defers to the law in cases of determining the ethics of demographic-based targeting and states one of its goals as, "To avoid actions or omissions that are harmful to any person or entity, and to adhere to all applicable laws and regulations" (Online Marketing Certified Professional, n.d.). In general, this group does not provide guidelines to help advertisers determine how to ethically use demographic-based targeting. The Advertising Standards Authority's code, however, does include details of how to avoid discriminating against groups of people, but it does not address demographic-based targeting directly. Instead, it focuses on "not portraying people in a way that will cause offence based on sensitive characteristics" and preventing stereotyping in advertising (Advertising Standards Authority, 2010). This stance focuses more on behaving ethically than providing actual guidelines on the issue of demographic-based targeting.

There were also three groups that were not professional organizations that took a neutral stance on this issue. One group was the activist organization Reset. Reset mentions that it wants to "hold big tech accountable "and "tackle lawlessness" on the internet that often leads to negative effects, but it does not describe where demographic-based targeting fits in to this lawlessness or holding big tech accountable (Cashman, 2021). Unlike the professional organizations, but similar to other activist groups, Reset's stance is that the government and the laws put in place should be the ones regulating and enforcing these issues. The U.S. Food and Drug Administration's guidelines also offers a neutral stance on this issue. They instead provide a comprehensive guide to advertisers in terms of how products should be advertised but do not address demographic-based targeting (Food and Drug Administration, 2014). These vague stances vary in their level of depth and guidelines, but overall, they do not give a clear position in terms of the ethics and uses for demographic-based targeting.

#### Supports Non-Discriminatory Demographic-Based Targeting Positioning Strategy

This theme is defined as a position that supported demographic-based targeting unless specific groups were targeted in a way that was harmful based on their sensitive characteristics. Organizations fit this theme when they take the position that demographic-based targeting is ethical but acknowledge that safeguards are necessary to ensure it cannot be used to discriminate. Six organizations were sorted into this category. Three were activist groups, one was a professional organization, one was a government group, and one was a major platform. This stance also varies significantly in organizations with some groups defining many areas of discrimination in demographic-based targeting that need to be remedied and others changing policies after discrimination has occurred. Facebook falls into this positioning theme. Facebook supports demographic-based targeting and presents it as the key to protecting small businesses (Levy, 2020). However, Facebook states that it does not support demographic-based targeting in a way that can cause discrimination based on sensitive characteristics, "Our job is to make sure these benefits continue while also making sure that our ads tools aren't misused. There is a long history of discrimination in the areas of housing, employment and credit, and this harmful behavior should not happen through Facebook ads" (Sandberg, 2019). Facebook also provides a fairly comprehensive code that it uses to guide advertisers, so they know how to prevent discrimination according to Facebook's definition (Facebook, n.d.). Facebook takes the stance that platforms should be allowed to regulate themselves, but that advertisers should be the ones held responsible for breaking the law. Overall, Facebook positions demographic-based targeting as ethical and helpful to small businesses, and it also heavily focuses its messaging on addressing and not tolerating discrimination.

The American Marketing Association is the only professional group within this theme, but its code does not give as much guidance as to what is considered discriminatory. It states in its code of conduct that advertisers should be careful of how they use sensitive characteristics: "Value individual differences and avoid stereotyping customers or depicting demographic groups (e.g., gender, race, sexual orientation) in a negative or dehumanizing way" (American Marketing Association, 2021). Similarly, activist organization Public Knowledge positions itself as being in support of demographic-based targeting but fails to give concrete guidance on how to address this problem. Public Knowledge acknowledges there is a lot of work that needs to be done on platforms to ensure they are not discriminatory and takes the stance that the government should be in charge of enforcing harsher laws that prevent discrimination on platforms: "Far too often we have seen platforms and online services discriminate against people of color and other marginalized groups in various facets of their lives" (Phys.org, 2019). While this organization does take a stand against discrimination in advertising, it does not give guidelines to advertisers to ensure they use it correctly; rather, they focus only on government action.

A government official that also positions the issue in this way is Lori Trahan, a U.S. congresswoman representing Massachusetts. Trahan led the introduction of the Social Media Disclosure and Transparency of Advertisements (DATA) Act that is meant to increase transparency from big tech by requiring that they allow researchers to access their advertising databases. Trahan's goal is to further understand areas where major platforms might be discriminating against users, "Massive digital platforms like Google and Facebook continue to profit hand over fist from targeted ads while bad actors actively exploit their lack of transparency to harm consumers, including some of the most vulnerable in our communities" (Trahan, 2021). Each of these organizations represents a different category type within the data with one being a platform, one a professional organization, one governmental, and one an activist group. While each of these groups position discrimination as a problem within demographic-based targeting they each position a different group as being responsible for enforcing rules and regulations to prevent it.

#### Supports Consensual Demographic-Based Targeting Positioning Strategy

Many organizations in the data set were concerned with the privacy issues that come along with demographic-based targeting. These concerns often manifested themselves in the position of being in support of demographic-based targeting as long as consent was given by the consumer. This theme is defined as a position that finds demographic-based targeting to be ethical as long as the consumer was informed and wanted to participate. Six organizations were categorized in this theme. There were three professional organizations, one government organization, one major platform, and one activist organization in this stance. This position, however, did not look at how discrimination could influence the ethics of the issue. A major platform that falls into this positioning is Apple. Apple stresses the need for privacy when it comes to demographic-based targeting, "'If we accept as a normal and inevitable the fact that everything in our lives can be added and sold, then we lose much more than data,' Cook said during a virtual keynote at the Computers, Privacy & Data Protection Conference in January. 'We lose the freedom to be human'" (Au-Yeung, 2021). Despite this assertion, Apple is not entirely opposed to demographic-based targeting since they still allow users to opt-in, and much like Facebook they take the stance that the platform should be the one to enforce and regulate policies. However, after receiving consent by opting-in, Apple has safeguards in place to ensure more security for their users. Apple does not share data with third parties about sensitive characteristics, and no Apple Pay or Health app data is used in targeting (Apple, 2022). Advertisers are also not allowed to target individuals based on sexual orientation, religious beliefs, or political affiliations. This is similar to the theme in support of non-discriminatory demographic-based targeting, but the first concern of Apple is privacy, so it falls into the supports consensual demographic-based targeting position.

Three professional organizations also positioned themselves as finding consensual demographic-based targeting to be ethical. Network Advertising Initiative provides comprehensive guidelines on demographic-based targeting and puts a heavy emphasis on consent. One area of the guidelines that points to this is the opt in requirement for sexual orientation and sensitive health segments including, "Information including inferences about sensitive health or medical conditions including but not limited to, all types of cancer, conditions predominantly affecting or associated with children and not treated with over-the-counter medication, mental health-related conditions, and sexually transmitted diseases" (Network Advertising Initiative, 2020). The organization also takes the stance that advertisers should not target children under 16 without parental consent. The code also states that different levels of consent and notice may be needed based on the sensitivity of the demographic information and data use. The organization takes the stance that laws should provide a baseline for demographic-based targeting but for more in-depth ethics, advertisers should enforce and regulate themselves.

The International Chamber of Commerce also positions itself along the idea that demographic-based targeting is acceptable as long as the consumer consents to it. The organizations believes that consent is especially necessary when targeting relies on sensitive characteristics, "In general, companies should not create or use [Internet-Based Advertising] segments based on sensitive data. Those seeking to create or use such IBA segments relying on the use of sensitive data as defined under applicable law should obtain a web user's—consent, prior to engaging in IBA using that information" (International Chamber of Commerce, 2018). Like many professional organizations, this group positions the issue as one where advertisers should handle the enforcing and regulating with minimal government regulations. These organizations tend to position the issue of demographic-based targeting as ethical but require extra steps from platforms and advertisers to ensure there is consumer consent.

#### Supports Legal Demographic-Based Targeting Positioning Strategy

Some groups also support demographic-based targeting but raise concerns about ads for housing, employment, or finance. These are the legally protected categories. The definition for this theme was defined as a position that wanted to prevent illegal discrimination in specific areas but was not concerned about other types of discrimination. Therefore, many government organizations reflect this positioning statement and believe that the government should be in charge of regulating these practices. Three organizations take this stance, two government organizations and one activist group. Housing and Urban opposes demographic-based targeting in cases such as when advertisers only advertise important housing messages to certain groups of people. While HUD opposes demographic-based targeting in this case, it does not mention other cases that may cause discrimination (Tobin, 2019). Therefore, they position themselves around the idea that demographic-based targeting as a concept is acceptable, but there are certain instances where it should not be used. In an article responding to the lawsuit against Facebook about this issue, HUD stated that demographic-based targeting in housing ads is just as discriminatory as more traditional ways of preventing people from receiving those services: "Facebook is discriminating against people based upon who they are and where they live,' HUD Secretary Ben Carson said in a statement. 'Using a computer to limit a person's housing choices can be just as discriminatory as slamming a door in someone's face'" (Tobin, 2019). It also had the stance that the government should put regulations in place to limit the possibility of discrimination in housing ads.

Another government organization, the U.S. Equal Employment Opportunity Commission takes a similar stance. EEOC sued Facebook over their platform's ability to exclude certain people from seeing housing, employment, and finance ads. The organization's stance is that these types of discrimination are just as malicious and harmful as other forms of discrimination, "This historic decision shows that our civil rights laws apply to digital advertising and recruiting. It underscores that the internet is not a civil rights-free zone,' Peter Romer-Friedman, one of the lawyers' representing workers in the seven cases, said in a statement to Vox" (Campbell, 2019). The organization believes that the government should be used to create regulations for demographic-based targeting, but it also believes that the platforms can and should be held responsible for how advertisers use their site. The activist group National Fair Housing Alliance also falls into this theme. Its main focus is on the particular issue with discrimination in housing (National Fair Housing Alliance, 2019). These organizations also all positioned the issue as one of the government and laws holding the platforms that use these practices accountable for their actions.

#### **Opposes Demographic-Based Targeting Positioning Strategy**

While many organizations found some issue with demographic-based targeting, only two positioned demographic-based targeting as unethical. One major platform and one activist group took this stance. This theme was defined as organizations who did not support demographicbased targeting under any circumstances. Google is a major platform that positions the issue this way. Google made the decision to entirely remove cookies from their platform to prevent users' data from being tracked. Google positions itself as an ethical actor making its decisions based on the concerns of users. Statements about its new system, which will place users into interest categories, state that Google will not allow groups to be made based on sensitive characteristics, "People shouldn't have to accept being tracked across the web in order to get the benefits of relevant advertising. And advertisers don't need to track individual consumers across the web to get the performance benefits of digital advertising" (Temkin, 2021). In taking this stance, Google also positions platforms as the organization that should be in charge of regulating these issues.

An activist group that also positions demographic-based targeting as unethical is Accountable Tech. Accountable Tech positions demographic-based targeting as an invasion of privacy and a way to cause significant discrimination online (Accountable Tech, n.d.). The group positions the issue as the government's responsibility to ban demographic-based targeting. In a coalition letter signed by Accountable Tech and several other activist organizations, the group calls for the complete removal of surveillance advertising. "Major social media platforms amplify hate and conspiracism by design, and feed users increasingly extreme content, because that's what generates the most engagement and profit" (Accountable Tech, n.d.). Both of these organizations take the stance that demographic-based targeting should not be allowed no matter the circumstances. The significance of these findings will be further discussed below.

#### Discussion

In answering the question of how relevant parties position the ethics of online demographic-based advertising, the results found that there were a variety of positioning strategies used by relevant parties. There is a clear lack of consistency across the positioning of relevant parties and in their definitions of vulnerable populations. Part of this could be due to the diverse missions of the various organizations, however, there are also inconsistencies within relevant parties. Additionally, relevant parties tend to place the responsibility of addressing these challenges on other organizations, and only a few look for solutions within their own organizations. Although Cui (1997) and Lee's (1987) frameworks provide a strong guide for evaluating the ethics of advertising as a whole, they are not comprehensive enough to evaluate the nuances that arise with online demographic-based targeting to vulnerable populations. In this discussion, recommendations for additions to these frameworks are explored. Then, stances on vulnerable populations are examined and a preliminary definition is proposed. Finally, responsibility and regulation and the way relevant parties position these aspects are evaluated.

#### **Expanding the Ethical Framework**

When evaluating the positions of relevant parties through Lee (1987) and Cui's (1997) frameworks, none of the organization's stances passed both standards. Only three organizations' positions passed Lee's (1987) ethical guideline, and no groups passed Cui's (1997) product adaption or ethnic marketing strategies. The results from these two categories illustrate that while many organizations are addressing how demographic-based targeting to vulnerable populations can be harmful and trying to eliminate it, they are not addressing the situations that might warrant unique practices specifically for people in vulnerable populations. As Bartikowski et al (2016), pointed out, there are circumstances when advertising towards specific populations is necessary and appropriate, however, no organizations used in this study addressed the nuances of this issue. This gap points to a need for an adapted ethical framework to help guide advertisers.

Lee (1987) and Cui's (1997) theories successfully offer a baseline for evaluating ethical advertising. Lee's (1987) framework allows advertisers to examine the purpose of the product and determine if it is harmful, which is relevant to both traditional and demographic-based targeting. Sovereignty and autonomy are still useful categories but have become further complicated with the evolution of online advertising. These categories are of particular concern for relevant parties with the supports consensual demographic-based targeting stance. Cui's (1997) framework sets a good standard for advertisers to think about as they determine the ethics of marketing their products to certain vulnerable populations, especially with the guidelines for adapting products and advertising to diverse consumers. However, both Lee (1987) and Cui's (1997) frameworks are not comprehensive enough for the current state of online demographic-based targeting. Lee's framework lacks specification that would better fit the current needs of advertisers. For example, Lee's framework fails to address ethical issues pertaining to

discrimination. Sovereignty and autonomy have changed drastically since Lee's framework was developed due to the rapid technological advances used in advertising (Liu-Thompkins, 2019). Cui's framework is similarly outdated. Elements of the guidelines such as creating an advertising adaption strategy could lead to the harmful use of dark ads (Conick 2019).

Lee's (1987) guideline for autonomy can be expanded to further reflect modern practices by evaluating whether users have the choice to opt out of targeting. The ability to opt out of targeting is a primary ethical concern for relevant parties in the supports consensual demographic-based targeting theme. Informed consent is especially important because of the many ways demographic-based targeting can cause harm (Watcher et al, 2019; Summers et al, 2016; Ali et al, 2019). By evaluating if advertisers provide detail into how they are using targeting, Lee's sovereignty principle can better reflect current targeting practices. These expansions will allow Lee's framework to be more relevant to current practitioners' needs.

Cui's framework should also be expanded upon to better reflect current ethical targeting issues. The category of standardized advertising should be eliminated for online demographic-based targeting because it allows advertisers to continue to target vulnerable characteristics as long as they do it the same way for all identities. This can be problematic because ad delivery can still be unethical (Sweeney, 2013; Ali et al., 2019) and ignoring vulnerable populations will further the problems with targeting (Pires & Stanton, 2002; Wilkins, 2016). This is especially important to relevant parties within the theme supports non-discriminatory demographic-based targeting. The categories of product and advertising adaption should be expanded to determine the purpose of the product and advertising and whether that purpose is harmful to vulnerable populations. This will help reinforce Lee's (1987) framework and Bartikowski et al.'s (2016) findings of taking the purpose of the product and advertising into account when directing it at

certain groups (2016). If the purpose of the product is the same for all people, demographicbased targeting should not be used. The category of ethnic marketing should also be eliminated because targeting should not be used exclusively for vulnerable populations. This can cause issues like dark ads, which can be used for discrimination (Conick, 2019). Expanding Cui's framework will better allow for concerns regarding discrimination to be addressed and will better help advertisers evaluate the ethics of their advertisements.

These frameworks should be used together along with the addition of several new categories to evaluate the ethics of demographic-based targeting to vulnerable populations. One key principle should be determining comprehensiveness of the organization's definition of vulnerable populations. Another area for evaluation should be responsibility. This principle will determine if an organization accepts responsibility for their role within discrimination and actively seeks to avoid that discrimination. These adjustments to the ethical framework would allow for a more clearly defined ethical standard that can inform advertisers engaged in targeting.

#### **Vulnerable Populations**

Across the relevant parties, there is a large disparity in the definition of vulnerable populations. Defining vulnerable populations is important not only ethically, but also to improve business practice (Smith & Cooper-Martin, 1997; Ahmad, 2003). Additionally, without a definition of vulnerable populations, advertisers may fall into inadvertent stereotyping and other ethical issues (Pires & Stranton, 2002). Some relevant parties in this study provided a detailed description of what attributes and characteristics are considered vulnerable while others provide only a few specifics or do not describe vulnerable populations at all. For example, of the professional organizations used in this study, two of the organizations do not provide a definition of vulnerable populations. One of the professional organizations studied, the American Marketing Association, does provide a definition, but it is not comprehensive and leaves out key groups. Even within a single category of relevant parties, there is inconsistency in defining vulnerable populations.

Government organizations, major platforms, and activist groups add to these discrepancies by giving a wide variety of definitions. Within government organizations, there is more consistency in what are considered vulnerable characteristics, which tend to be those protected by law such as gender, age, health information, race, and finances. Similarly, activist groups tended to focus on specific vulnerable groups rather than vulnerable populations as a whole. While government organizations and activist groups often limited what was considered vulnerable, major platforms often created more comprehensive lists of characteristics that would be considered vulnerable in advertising. Despite their more comprehensive definitions of vulnerable populations, major platforms tend to be the relevant parties that most often face lawsuits for discrimination (National Fair Housing Alliance, 2019; Campbell, 2019). This wide variety of definitions of vulnerable populations can easily cause confusion for advertisers and make the ethics of demographic-based targeting to vulnerable populations even more unclear.

A clear definition of vulnerable populations should be comprehensive and able to evolve with technology. This definition must encapsulate as many identities and characteristics as are able to be targeted and potentially be used to discriminate. The definition must also be standard across organizations so advertisers can clearly reference it when planning to engage in targeting. This study proposes expanding Reichert's (2006) definition of vulnerable groups to create a preliminary definition for advertisers. To that end, this study proposes the definition, "vulnerable populations are people who belong to a group or have an attribute that has historically been discriminated against within the country where advertising is taking place and need special attention to avoid exploitation." This definition encompasses not only certain minority groups, but also, health conditions, which can be a privacy concern (Burkell & Fortier, 2015). The key to a proposed definition being successful is holding organizations accountable for using it is and creating a clear order of responsibility when it comes to regulation and enforcement.

### **Responsibility and Regulation**

This study found that most relevant parties place the responsibility for handling the ethics of this issue on another organization instead of addressing the issue internally. However, it is important to note that organizations within each relevant party had varying levels of authority over the issue. Despite this, each relevant party tended to take a similar stance as to how the issue should be regulated. Professional organizations were most likely to place the responsibility for maintaining a high ethical standard on advertisers and the combination of both advertisers and the government. However, they did not acknowledge the role of their ethics codes and guidelines in guiding advertisers to make that choice. For example, the Online Marketing Certified Professional's guidelines states that advertisers should "adhere to the law of the land" and they "encourage" marketers to follow the guidelines they set forth, but they do not have any sort of system to monitor that adherence. This is particularly problematic because professional organizations primarily help ensure that advertisers create quality work and are competent (Clifford and Shannon, 2012). Moreover, as Erwin (2011) found quality codes of ethics have been found to create more ethical behavior. By failing to address their responsibility in guiding the industry, professional organizations are not able to adequately inform advertisers on how to use these technologies ethically.

The three major platforms used in this study each take varying levels of responsibilities for regulating their platforms; however, they all fail to address how their technologies allow for misuse within their advertising systems. This is especially problematic due to the significant amount of discrimination which has been caused on these platforms (Stempel, 2019 October 31; Davis 2020, June 1). Google positioned advertisers, platforms, and the government as all responsible for regulating this issue. Google's stance is that the organization takes a comprehensive approach by requiring ads follow all laws as well as removing ads that violate their codes of ethics. However, regulation responsibility is still heavily placed on the advertiser in statements such as, "advertisers are still responsible for complying with all applicable advertising policies, in addition to Personalized advertising policies" (Google, 2021). Additionally, while Google's stance is that they oppose demographic-based targeting, their actions in building new technologies that could be used to discriminate similarly to demographic-based targeting signal that the goals of the company may not match the policies outlined (Morto & Dinielli, 2020; Davis, 2020). Google places responsibility for ethically using this practice primarily on the advertiser.

Similarly, Facebook believes that regulation should a combination of following laws and enforcing their policies. However, Facebook holds that advertisers are responsible for how their ads are placed and the consequences of those placements. Facebook does not acknowledge how the capabilities of its platform allow for unethical practices, and this attitude has continually caused Facebook to be sued. Yet, Facebook still positions itself as able to self-regulate the platform (Sandberg, 2019), but that when laws are broken and unethical practices take place, they are absolved from blame (Tobin, 2019). Major platforms have a responsibility to advertisers to set ethical standards on their platforms since they make billions in advertising each year (Vranica, 2020 December 1; Tankovska, 2021 February 2; and Haggin, 2021), and hold a large influence on the industry. Major platforms' ability to lead the industry through the capabilities available on their platforms (Koestsier 2021 January 22; Graham, 2021 February 25; Schechner & Hagery, 2021 March 3) makes it imperative they set strong ethical standards. While shifting the blame away from themselves may prevent them from further lawsuits, it leaves their platforms open for ethical issues such as discrimination. Major platforms need to take further responsibility for their platforms and the way advertisers use them.

Activist organizations tended to place the blame on the government for failing to hold major platforms accountable. While four of the six groups thought the platforms should be responsible too, many believed that major platforms could not be trusted to regulate themselves without government intervention. While activist organizations cannot directly implement changes to the advertising industry, Den Hond & De Bakker's (2007) strategy for enacting change could be incorporated into activist groups' goals. Additionally, activist organizations putting the responsibility on the government showcases the need for the government to create laws that will set ethical standards for this issue.

All government organizations agreed that they should be in charge of regulating these issues, however, there were varying degrees of responsibility taken by these parties. Several individual politicians have taken stances that place regulation responsibility firmly with the government. Lori Trahan, a United States congresswoman, sponsored a bill that would force more accountability from platforms by requiring that they release data on demographic-based targeting (2021). The Federal Trade Commission (2012) has also asked the government to pass legislation that would serve as a baseline for regulating these issues. Although these attempts have been made, the government as a whole has done little to regulate demographic-based

targeting to vulnerable populations. Groups like the Department of Housing and Urban Development (Tobin, 2019) have taken steps to hold platforms accountable, but they fall into more reactionary actions like lawsuits rather than regulations that would prevent these actions. While the government recognizes that laws must be followed by platforms and advertisers alike, no new laws have been passed to specifically address these issues.

Ultimately, each relevant party has failed to truly take accountability for their role in this issue, and instead, shifts the blame to another entity. As long as this continues, there will be a lack of accountability and ethical violations will continue to occur and organizations will be forced to be reactive to these issues rather than proactive. Based on the positioning that shifts blame away from the organization, it is not surprising that many of these relevant parties shape their stances around their best interests rather than the best interests of vulnerable populations.

#### Conclusion

This study used a thematic analysis to determine the positioning of relevant parties on the issue of demographic-based targeting. The results of this study found that organizations fell into five stances: neutral, support consensual demographic-based targeting, support non-discriminatory demographic-based targeting, supports legal demographic-based targeting, and opposes demographic-based targeting. However, the wide variety of stances between relevant parties point to a need for an expanded ethical framework to better analyze the ethics of demographic-based targeting. This study proposes an expanded ethical framework. Additionally, there was significant inconsistencies in the definition of vulnerable populations across relevant parties, so this study offers a preliminary definition for these groups. This definition can serve to help unify advertisers and help them better assess the ethics of demographic-based targeting.

This study had several limitations that should be discussed. The sample collected is one potential limitation as it could be further expanded to include more data and give a more comprehensive view of stances concerning relevant parties. Additionally, relevant parties could be expanded to include other major platforms and industry leaders. As the issue of demographic-based targeting is continually evolving, more current data beyond August of 2021 could be incorporated to give a more up to date version of statements. Future research should continue to capture stances from relevant parties and analyze them through ethical lenses. Researchers should also consider researching how well relevant parties' stances align with their actions and determine if there are any inconsistencies in the positioning and decisions and practices made by the organization. Moreover, future research on the ethics of this type of targeting should be completed, and further updates to the ethical frameworks used for evaluation can be utilized to give a more comprehensive view of this issue. The definition of vulnerable populations should also be tested and expanded upon to determine its ability to guide ethical advertising.

With the evolution of advertising technology, demographic-based targeting has become an easily accessible tool to advertisers. This has led to the questioning of the ethics of this tool, and relevant parties positioning the issue in different ways. These differences often leave advertisers with conflicting or vague information that fails to inform them and to protect vulnerable populations. There is a need for clarity and specification in guidelines for advertisers. This can be achieved by expanding the current ethical framework, creating a comprehensive definition of vulnerable populations, and outlining responsibility and regulations for relevant parties. By implementing these changes, advertisers and relevant parties can ethically use demographic-based targeting while protecting vulnerable populations.

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# Appendix

# Data Sample

Organization	Classification	Date	Found At	Description
Digital Marketing and Analytics Association/Assoc. of National Advertisers	Professional Organization (Guiding)	Current website	ANA Website	Guidelines for Digital Marketing
American Marketing Association	Professional Organization (Guiding)	Website	AMA Website	Code of Conduct
International Chamber of Commerce	Professional Organization (Guiding)	2018	ICC Website	Communications Code
Online Marketing Certified Professional	Professional Organization (Guiding)	Website	OMCP Website	Code of Ethics
Network Advertising Initiative	Professional Organization (Guiding)	2020	NAI Website	NAI Code of Conduct
Advertising Standards Authority	Professional Organization (Guiding)	Website	ASA Website	Code of Practice
Digital Advertising Alliance	Professional Organization (Guding)	2009	DAA Website	Self-Regulatory Principles
Colorado Governor Jared Polis	Government (Enforcing)	July, 2021	MediaPost	Article about position
Lori Trahan U.S. Congresswoman	Government (Enforcing)	May 20, 2021	Lori Trahan's Website	Press Release for Social Media DATA Transparency Legislation
Equal Employment Opportunity Commission	Government Organization (Enforcing)	September 25, 2019	Vox	Statement about Facebook lawsuit
FDA	Government Organization (Enforcing)	June, 2014	FDA Website	Industry Guidance
Federal Trade Commission	Government Organization (Enforcing)	Website	FTC Website	Advertising and Marketing for the Internet
Housing and Urban Development	Government Organization (Enforcing)	March 28, 2019 (two samples)	NPR and ProPublica	Facebook lawsuits
Google	Major Platform Statements	9/25/2020, website, website, March 3, 2021, March 30, 2021,	Alphabet, Google, Google, Google, Google, The Markup, Wired, Forbes, The	Code of conduct, ad policies, personalized advertising policies, blog post about removal of

		February 11, 2021 , March 22, 2020, April 20, 2021, April 9, 2021, March 28, 2019, October 25, 2019, September 15, 2017	Verge, The Verge, The American Prospect, The New York Times	cookies, blog post about privacy, Google allowing ads to be prevented from being shown to "unknown gender," article about banning targeted advertising, article about Apple's decision about cookies, Google updated YouTube to remove hate speech, article HUD investigating Google, article about hate group ads, article about targeting racist sentiments
Facebook	Major Platform Statements	Website, September 14, 2017, December 16, 2020, March 19, 2019, Website, April 26, 2021, August 4, 2020, June 26, 2020, September 15, 2017, July 1, 2020, March 22, 2016, June 28, 2020, December 13, 2019, March 4, 2020, April 20, 2021, May 27, 2021, December 12, 2019, January 10, 2017, April 29, 2021, March 22, 2020, April 27, 2021, website, September 27, 2019	Facebook, Meta, Meta, Meta, Meta, Los Angeles Times, CNBC, The New York Times, The New York Times, NPR, The Guardian, The Guardian, ProPublica, The Washington Post, Forbes, MediaPost, Ad Week, AdWeek, MediaPost, Media Post, Wired, Australia Broadcasting Corporation, The New York Times, Forbes	Advertising policies, Updating Ad Targeting, Blog about Facebook ads helping small business, Blog about preventing discrimination, Personalized advertising, Facebook's response to Apple's privacy change, Facebook boycotts, Facebook boycotts, Face criticism for ads targeting racist sentiments, Facebook boycott, Facebook ethnic affinity advertising, Facebook lawsuit, Facebook lawsuit, Facebook lawsuit, Facebook lawsuit, Facebook vR, Retargeted ads, Apple privacy changes, Facebook algorithim gender bias, Banning target advertising, Facebook targeting to teens, personalized ads and privacy, Targeting advertising and lawsuits
Apple	Major Platform Statements	Website, April 26, 2021, April 26, 2021, April 20, 2021, May 26, 2021	Apple, Associated Press, Los Angeles Times, Forbes, Ad Age	Advertising policy, Apple privacy changes, Apple privacy changes, Apple's privacy changes, Removal of cookies

Reset	Activist Organization	August 6, 2013	Reset website	Digital and online activism
Tech Transparency Project	Activist Organization	5/4/2021, May 4, 2021	Campaign for Accountability website, Wired	Tech Transparency press release, Facebook targeting teens
Accountable Tech	Activist Organization	Website	Accountable Tech website	Ban surveillance advertising
Center for Democracy and Technology	Activist Organization	February 13, 2019	Phys.org	Data discrimination activism
Public Knowledge	Activist Organization	August 12, 2020, July 9, 2020, February 13, 2019,	Public Knowledge website, Public Knowledge website, Phys.org	Tech policies and discrimination, Facebook boycott, Data discrimination activism
American Civil Liberties Union	Activist Organization	3/19/2019, September 20, 2018	ACLU website, Forbes	Facebook lawsuit, Targeting young men for job ads Facebook
National Fair Housing Alliance	Activist Organization	March 18, 2019	NFHA website	Facebook lawsuit