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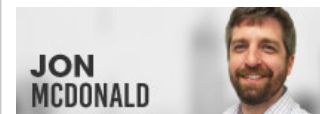
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## With Its Updated Opt-Out Tool and Upcoming Summit, NAI is Empowering Members to Adapt to Online Advertising Trends

By: Jon McDonald

***The Crunch:** The [Network Advertising Initiative \(NAI\)](#) continues its mission of helping members grow while remaining vigilant about consumer privacy concerns by introducing a new version of its digital advertising opt-out tool. The tool has always allowed NAI members to be open and transparent with consumers about what data they collect and why, but the new version includes the disclosure of more advanced non-cookie tracking technologies and the choice to opt out of them. The NAI also sparks conversations about privacy through panels and presentations at its annual member summit, which will be held in New York City this year. For the first time, the event will feature an online advertising privacy hackathon aimed at giving consumers even more notice and choice, both cornerstones of the NAI's purpose.*

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The [Network Advertising Initiative \(NAI\)](#) and its members have always been concerned about consumer privacy. The NAI strives to provide transparency and choice in online advertising, and, in doing so, its member businesses gain more trust from consumers. But that often means the NAI has to be well ahead of the technology curve to provide the most timely information and tools.

For years, the NAI has allowed consumers to easily opt out of cookie-based technologies used to track their movements on the web for more effective and targeted advertisements. Its membership of third-party advertisers believed it was important to show people what information is collected and why — and give consumers an easy way to opt out.

But as technology became more advanced, so did advertising techniques, and eventually, the NAI opt-out tool's focus on cookie-based opt-outs didn't allow for its members to provide notice and choice for other types of tracking technology, such as statistical IDs. The original tool was designed only for

consumer choice for cookie-based technology, and informed users how their data would be used by member companies while also providing an easy way to opt out of receiving targeted ads. So, the NAI took decisive action.

“We knew our members’ technologies and acted quickly when some of our members were interested in developing non-cookie technology,” NAI President and CEO Leigh Freund told us. “So we worked together on an opt-out tool that included new ad delivery innovations, and they made a tremendous commitment to improving the privacy choices that consumers have.”



*NAI President and CEO Leigh Freund talked to us about the organization's updated opt-out tool.*

The NAI's focus is always on the future of interest-based online advertising and its members' responsibility to consumers, which is why the organization is constantly reevaluating its tools to make them better.

That resolve is one of the main reasons the NAI hosts a member summit each year to gather valuable input on a personal level and address the big picture questions. This year's summit focuses on new technologies and hot-button issues like privacy regulations under a new administration, the proliferation of new platforms, and even the global e-privacy laws that need to be carefully navigated by US companies.

## **Upgraded Opt-Out Tool Boosts Online Tracking Transparency**

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Until a few years ago, cookies were the primary method of tracking for online advertisers. Cookies are small bits of information that a website sends to be stored on a user's computer, making the user easier to identify.

The NAI's opt-out tool was designed to make cookie technology more transparent and give the consumer a choice to decline to receive them. Many users like the idea of cookies because they often result in more relevant ads on the pages they visit.

But other tracking technologies were on the horizon, and the NAI issued guidance for these non-cookie technologies a couple of years ago, informing companies that they fell under the member code and offering best practices.

“We applied our member code to new types of non-cookie technology,” Leigh told us. “Our code is technology neutral, so we helped members understand how the same principles apply to innovations

in online advertising and tracking.”

After issuing the guidance, the NAI realized that its opt-out tool would also need a major upgrade for its members to continue on the same path to transparency for non-cookie technology. So NAI member companies invested resources and effort to update it — but it wasn't easy.

“We worked directly with our members and their technology teams to tap into their creativity and ingenuity,” Leigh told us. “We also needed to understand the workings of each company to make the tool work.”

The NAI also found a partner in the Digital Advertising Agency (DAA), which had a similar tool, and wanted to work with the NAI on a new version so that it would become the standard for all third-party online advertisers. The NAI also incorporated user feedback from its original tool into the new design making it faster, more visually appealing, and easier to understand.

“We worked with the DAA to integrate their members into the tool and launch it jointly, so there would be no confusion about different opt-out choices,” Leigh said. “We think that is a tremendous win for consumers as well.”

[The revamped opt-out tool](#) allows a user, if he or she chooses, to opt out of all advertising technologies from member companies in a matter of seconds. The building process also allowed the NAI to clean up the tool by making disclosures more clear and providing prominent links to privacy policies.

But the NAI isn't resting on its laurels. Instead, the organization is always looking to the horizon for what technologies are coming down the pipeline and asking questions about how businesses will handle the responsibility that comes with them.

## **Summit Features Future-Focused Panels and a Privacy Hackathon**

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The [NAI Member Summit](#) is an opportunity for businesses to meet and discuss the most important issues facing the digital advertising industry, and upcoming trends that may change the landscape.

The summit returns to New York City for 2017 and, in addition to hosting engaging panels, discussions, and keynotes, the event [will include a hackathon](#) to build on tech industry interest garnered at last

year's summit in San Francisco.

"We are doing a privacy-themed hackathon called Privacy.hack and technologists will create innovative solutions to industry challenges," Leigh told us. "They can build new privacy tools, new ways to provide notifications, or even help make long privacy policies more understandable for consumers."

The hackathon will take place over two weeks to give teams the time to build projects, and will culminate with an all-day, on-site hack the day before the 2017 NAI Member Summit. Once completed, prizes will be awarded for the best project in two categories: notice and choice. The winners will be announced during the summit, and the teams will demonstrate their projects to the audience.

After the hackathon, the NAI Member Summit will tackle some of the most pressing topics in digital privacy, hosting discussions on the next wave of technologies — like Smart TVs and how the NAI's code applies to them. But Leigh also realizes the importance of thinking outside the box, and having privacy discussions about things that may seem outlandish now, but could be commonplace in the future.



*The NAI Member Summit returns to New York City this year and will include a hackathon for the first time.*

"I know it may sound far-fetched, but if toasters or refrigerators are connected to the internet — and are collecting data — we need to know how to provide privacy notices and choice when it comes to those devices," Leigh said.

During the summit, Commissioner Terrell McSweeney, of the Federal Trade Commission, will join Leigh for a fireside chat about the privacy developments in Washington, D.C., under the new administration — a topic of high interest among digital advertisers. New technologies will be a theme, as well, with panels focused on public policy, strategies, and working with innovative platform providers to ensure more disclosure.

The international regulatory environment will be another hot topic, as companies working within the US privacy framework will need to solve the challenge of integrating the proposed e-privacy regulations in Europe so digital advertisers can interact and innovate globally while still respecting geographic laws.

The summit will even have a panel focused on fake news and what responsibility third-party advertisers may have to help clean up the digital advertising supply chain. The discussions and panels deal with timely, and sometimes controversial, issues, but NAI knows the subjects need to be broached because they are critical to the industry's future.

## **Growing Membership Shows a Commitment to Consumer Privacy**

Because the NAI remains focused on the future, it can stay ahead of the digital advertising curve by upgrading features like its opt-out tool, which provides more choices and fosters consumer trust for its member businesses. And its annual summit is a place where privacy policies for the future can be

discussed and prepared for years in advance. The NAI's commitment to its members and consumers is why the NAI continues to grow, showing businesses the value of adhering to its policies.

"NAI membership has seen steady growth. Last year we had 16-18 new members, which is a significant increase in companies that are committing to responsible privacy practices," Leigh told us. "We think that is a real win, and seeing companies from areas like data location and smart TV manufacturers are expanding our reach."

Having a significant portion of the third-party digital advertising industry as members helps the NAI show how the industry as a whole respects consumers and promotes positive, committed privacy choices in data use.

"I think our membership increase reflects that we have been successful, but we are always innovating and looking for the next piece of technology," Leigh said. "We provide value to businesses and consumers while balancing consumer privacy and innovation, making sure that both are top-of-mind."

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19

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