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EU Cookie Law Could Be the Death of Digital Both Consumer Experiences and Marketing Effectiveness Will Take a Hit

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On Saturday, a European Union law governing the opting in and out of website cookies will go into effect. The law, often referred to as the E.U. Cookie Directive, was enacted in the name of privacy. However, the impact on the digital industry will be immense and, possibly, damaging.

What's at stake when all cookies in Europe must be opt-in? Poor brand experiences online, even-more-terrible customer experiences, hobbled e-commerce, and the ruin of digital advertising and marketing as we know it.

The law, as it stands, does not consider its impact on the industry. Forcing these requirements on marketers will lead to huge erosion in the quality of web experiences for consumers -- the very constituents it hopes to protect.

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When customers opt out of sharing their data, they take away our ability to improve products and services. This law will result in websites becoming, well, dumb again.

If you opt out, the next time you go to Netflix, you won't receive any movie

recommendations because Netflix won't remember what you've watched in the past. Amazon's famed 1-Click experience will have to be replaced by 15 clicks. Ratings and reviews will cease to exist, effectively silencing the critic in all of us. Google searches will give you results for the wrong city.

My personal fear is filling out forms. Remember that lovely chore from 2002? Nostradamus I'm not, but anticipate a rise in abandonment rates for forms. Basically, everything that makes the web more enjoyable and efficient and easier to use will be gone.

For marketers and agencies, losing tracking means losing the data needed to prove a website's value or ad effectiveness. CMOs will again face the challenge of justifying big budgets for digital channels.

So, how did we get here? A year ago, the E.U. said all consumers visiting a website need to understand what data is being collected via cookies, and be given the choice to opt-out of all tracking. It gave all E.U. countries a year to comply. The year is now up and fines of up to €12,000 per incident per user may be enforced. Yep, that's €12 million per 1,000 unique visitors and onward from there. The U.K. proceeded to take the law to an extreme and shift the directive from "opt out" to require "opt in." Ireland has jumped on the U.K. bandwagon.

In practical terms, the E.U. law will mean that every website you visit in the U.K. and Ireland will prompt you to opt-in to one of four types of cookies upon arrival at the site. It also means that for the rest of the E.U. countries there will be the same prompt, but one that allows you to opt out instead of opting in.

If you operate E.U.-based websites, here's how to avoid fines:

1. Run a cookie audit on your site and have documentation showing all the cookies on all the pages per country website -- the best way to do this is to consult with Evidon or TrustE and have them run the scan.
2. Determine the solution and create a project plan for the technology to manage cookies.
3. Ensure your analytics and legal teams are working together to monitor the situation. To do so, sign up for the daily email from the International Association of Privacy Professionals (IAPP). You may consider certification as well. Visit <https://www.privacyassociation.org/> to keep abreast of the evolving story.

What's more, the U.S. may soon feel the domino effect.

I asked Adobe's Chief Privacy Officer MeMe Rasmussen her opinion on the law's threat to the industry here in the U.S. To paraphrase her response: "I don't think the U.S. government would want to destroy e-commerce ... but if we don't educate on the Hill it might lean that way."

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