# Privacy and Discrimination in Digital Marketing

Luxury Roundtable

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#### **Discussion Points**

- Applicable Laws
- Consumer Privacy
  - Third-Party Cookies
  - Data Sharing Between U.S. and E.U.
- Artificial Intelligence
- Discrimination in Digital Marketing
  - Diversity, Equity, and Inclusion
  - Discrimination and Artificial Intelligence
- Advertising Guidelines

#### **Major Laws**

#### **United States**

- California Consumer Privacy Act
- California Privacy Rights Act
- Children's Online Privacy
  Protection Rule
- Consumer Review Fairness Act
- Competition and Transparency in Digital Advertising Act (pending)
- Consumer Review Fairness Act

#### **European Union**

- Digital Services Act
- EU AI Act
- General Data Protection Regulation

## Third-Party Cookies

What is and is not prohibited?



### U.S.-E.U. Data Sharing

• The General Data Protection Regulation applies to the collection of personal data from data subjects in the European Union and the United Kingdom.

Residents of the European Economic Area have special rights over

their data.



## Artificial Intelligence

- Conjured influencers "Weird Science" comes to 2024
- Truth in advertising?
- Brand heritage captured?



### Advertising Guidelines

- The Federal Trade Commission prohibits unfair and deceptive trade practices.
- Like traditional advertisements, digital ads must:
  - be truthful and not misleading;
  - have evidence to substantiate the claims made prior to disseminating the ad;
  - not be unfair; and
  - clearly and conspicuously contain all disclosures that are required to prevent the ad from being misleading.

#### Advertising Guidelines: Disclosures

- .com Disclosure Guidelines Consider:
  - Where is the disclosure placed?
  - How prominent is the disclosure?
  - Do the other ad elements distract attention from the disclosure?
  - Is the ad so long that the disclosure must be repeated?
  - Is the disclosure unavoidable?
  - Can consumers enter your site in a way that causes them to miss the disclosure?

# Advertising Guidelines: Taking Extra Precautions

- Building and optimizing websites
- Targeted ads
- Social media marketing
- Encouraging, collecting, and using user-generated content or reviews
- Native advertising
- Influencer marketing

#### Discrimination and DEI

- Discrimination can be inadvertent when it is as a result of disparate impact. In other words, facially neutral policies may result in prohibited discrimination.
- Scrutinize policies, advertising, AI and other machine learning to ensure no discrimination.

#### Thank You

# And questions

