

Profiling Children for Advertising: Facebook's Monetisation of Young People's Personal Data



Reset.
AUSTRALIA

Dylan Williams,
Alexandra McIntosh,
Rys Farthing

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Executive Summary

THIS REPORT EXPLORES HOW SOCIAL MEDIA PLATFORMS PROFILE YOUNG PEOPLE FOR ADVERTISING PURPOSES, AND HIGHLIGHTS HOW OUT OF STEP WITH COMMUNITY EXPECTATIONS THIS PRACTICE IS.

Previous research has shown that 65% of parents are uncomfortable with businesses targeting ads to children based on information they have obtained by tracking a child online¹ ('profiling for advertising purposes'). This research asked 400 young Facebook users what they thought of profiling for advertising, and found similar levels of discomfort. 65.2% of respondents expressed disapproval or concerns about being profiled.

Using Facebook as a case study, this report outlines how Facebook develops and markets profiles about young people. It shows that while Facebook often uses very personal data to create profiles, they are not particularly careful about what they allow advertisers to promote to them.

This practice is a misuse of young people's data, and not what young people want to happen.

Profiling for commercial advertising purposes should be curbed by stronger data protection regulations for under 18-year-olds. Reset Australia is calling for the introduction of a data code for children and young people under 18-years-old, so that their data is only captured and processed in ways that are in their best interests. This would restrict profiling for purely

commercial advertising. A similar data code has already been passed in the UK, and is on its way in Ireland.

We think young Australians deserve the same, if not better, protections.

- ◆ **Facebook uses personal data collected about young people aged 13-18 to profile them across a range of categories.** Many of these profiles are created using highly sensitive data, that potentially leaves young people vulnerable to advertisers. For example, Facebook uses data it collects about underage users to create profiles of young people with harmful or risky interests such as 13-17 year olds interested in smoking, gambling, alcohol or extreme weight loss. This sort of profiling is part of Facebook's day-to-day business model. Reaching a thousand young people profiled as interested in alcohol will cost advertisers around \$3.03, \$38.46 for those interested in extreme weight loss, or \$127.88 to those profiled as interested in smoking.
- ◆ **Facebook is not especially careful about what they will allow profiles to be used for.** We developed a 'dubious ads' campaign and were able to get approval for ads that:

¹ Office of the Australian Information Commissioner 2020 Australian Community Attitudes to Privacy Survey 2020 <https://www.oaic.gov.au/assets/engage-with-us/research/acaps-2020/Australian-Community-Attitudes-to-Privacy-Survey-2020.pdf>

- reinforced body image ideals, set to be delivered to those profiled as 13-17 years old and interested in extreme weight loss
- encouraged people to 'win prizes' in mobile-game-style gambling, set to be delivered to those profiled as 13-17 years old and interested in gambling
- encouraged young girls to connect and chat with wealthy men, set to be delivered to those profiled as female, 13-17 years old, single and interested in online dating services

- Extreme weight loss: 80.6%
- Gambling: 82.7%
- Adult magazines: 70.4%

◆ **Young people largely disapprove of being profiled for commercial advertising purposes.** We asked our survey respondents to tell us how they felt about profiling. Almost two thirds of respondents expressed disapproval of profiling for commercial advertising purposes, sharing negative emotional responses, calling it as wrong or invasive, or wanting better regulation to curb the practice. Almost a third expressed 'middle ground' reactions, where profiling was just part of a deal they could not refuse or it didn't particularly worry them. Only 2.2% of young people said they found profiling for commercial advertising helpful as it enabled them to connect with products they liked.

To be very clear, we did not run these 'dubious ads'. We only sought approval from Facebook to run them, to clarify if Facebook might offer young people stronger protections. This report is not about these ads, nor advertising standards.

- ◆ **Young people are concerned about the volume of data collected about them and what Facebook 'knows' about them.** We ran a survey of 400 16 and 17-year-olds who use Facebook or Instagram. 77.8% of respondents said they were concerned about the volume of data that is collected about them online.
- ◆ **Young people are extremely concerned about the profiles Facebook is creating about them.** Young respondents were more concerned about Facebook using data to profile young people for advertising purposes, than they were about data collection. Respondents were specifically concerned about Facebook creating profiles based on interests in:
 - Cigarettes: 78.9% of respondents were concerned about young people being profiled this way

"IT'S HORRIBLE. TEENAGERS ARE BEING TARGETED IN EVERY ASPECT OF THEIR EVERYDAY LIFE, THEY ARE ALSO MOST VULNERABLE WHEN SEEING ADVERTISEMENTS"

– SURVEY RESPONDENT

"IT'S WHAT WE SIGN UP FOR, THEY SHOULDN'T DO IT... BUT THEY CAN AND WE LET THEM"

– SURVEY RESPONDENT

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Foreword

By now, the cycle is all-too-familiar: A new report or leak reveals something extremely concerning about how Facebook uses the vast amount of data it collects on its users. Outrage ensues. Facebook responds by claiming it's all a big misunderstanding. If their critics are persistent enough, Facebook may admit to a "mistake" and agree to make some changes.

I have no doubt that this important report will spur justifiable outrage. Or that Facebook, eventually, will agree to implement some restrictions on how its teen users can be targeted. And of course that's a good thing – we never want anyone to target an advertisement to a young person based on their interest in smoking, alcohol or extreme weight loss.

But I hope that *Profiling Children for Advertising* leads to considerably more than targeting restrictions and a few additional protections for teens. Because on Facebook and other social media sites, profiting off of young people's vulnerabilities isn't a bug – it's exactly how the system is intended to work.

On Facebook, anything you say, watch or like can be used against you. Facebook uses the vast amount of data it collects through our activity and interactions on the platform in order to target us with the ads that we will be most likely to click on. When aimed at young people whose developing brains and desire for peer approval already makes them make more susceptible to advertising, this business model is both immensely unfair and harmful.

It doesn't have to be this way. There is a growing movement – in Australia, in the US, and around the globe – to prohibit the use of personalized data-driven marketing to children and teens. Doing so will not only protect young people from the most insidious form of advertising but fundamentally disrupt the business model which prioritizes data collection and engagement at the expense of children's and teen's wellbeing.

So let's insist Facebook fix its "mistakes." But let's also insist on a new set of rules for digital media that puts the rights and wellbeing of young people ahead of Big Tech's profits.

Josh Golin
Executive Director
Campaign for a Commercial Free Childhood

01.

Introduction

Personal data is central to the business model of social media companies. The value of data is two-fold in their ads-based revenue model. Firstly, personal data fuels the curation of a highly personalised stream of content calculated to maximise a user's engagement. The longer a social media platform can keep someone engaged on their platforms, the more advertising units they can sell in their curated stream. Secondly, personal data allows social media companies to create very detailed profiles about their users. These detailed profiles mean they can sell highly targeted advertising units for a higher profit. Combined, this creates a huge business incentive for social media platforms to collect and deploy as much personal data about users as possible.

The vacuuming up of personal data is not restricted to adult users. In Australia, young people thirteen years old and above are able to set up social media accounts on Facebook, Instagram, Snapchat and YouTube, yet their data is used in the same way. This means the personal data of teenagers is being packaged up and monetised to allow advertisers to better target them. Even when it includes highly sensitive information.

These exploitative data practices were exposed in 2017 through a leaked sales document prepared by Australian Facebook executives. It outlined Facebook's capability to target vulnerable teenagers as young as 14 who felt 'worthless', 'insecure' and 'defeated' through monitoring posts, pictures, interaction and internet activity in real time².

Australia has strong laws and standards regulating the content of advertisements targeting children and young people. For example, the Australian Association of

National Advertisers' Code for *Advertising and Marketing Communications to Children* outlines that advertising aimed at children must not encourage unhealthy eating or drinking habits. A mix of laws and standards also regulate the placement of advertising for children and young people. For example, the *Broadcasting Services (Australian Content and Children's Television) Standards 2020* prevent any advertising for alcohol from being run during programmes that are C rated.

However, there aren't laws regulating how children and young people's personal data can be collected and used to *profile* them for advertising purposes. This creates a policy gap for social media platforms when it comes to selling advertising placement to young people online. It is a gap that is increasingly out of step with community expectations.

Other countries are beginning to introduce strong data protection regulations that address these and other data issues,

² "Facebook targets 'insecure' young people" by Darren Davidson, The Australian (May 1, 2017) <https://www.theaustralian.com.au/business/media/facebook-targets-insecure-young-people-to-sell-ads/news-story/a89949ad016eee7d7a61c3c30c909fa6>

including the UK's *Age Appropriate Design Code*³ and Ireland's *Fundamentals for a Child-Oriented Approach to Data Processing*⁴. We think Australia's young people deserve at least the same, if not better level of protection.

Internationally, the newly released UN Committee on the Rights of the Child General Comment (25) on *Children's Rights in Relation to the Digital Environment*⁵ suggests the countries:

'should prohibit by law the profiling or targeting of children of any age for commercial purposes on the basis of a digital record of their actual or inferred characteristics, including group or collective data, targeting by association or affinity profiling'.

Protecting young people from unregulated profiling for advertising purposes is important to Australians. In a recent survey,

the Office of the Australian Information Commissioner found that 65% of parents were uncomfortable with businesses targeting ads to children based on information they have obtained by tracking a child online⁶. They are right to be concerned. The majority of young Australians use Facebook and Instagram, with 70% and 75% of teenagers using the platforms respectively⁷, and all subject to profiling for advertising.

This report aims to demonstrate how one social media business currently allows profiling for advertising to young Australians. We have used Facebook (who also own Instagram) as a case study for this report, but we hope it highlights a broader argument: that Australia urgently needs to regulate how it allows young people to be profiled for commercial advertising purposes.

3 Information Commissioner's Office (UK) 2020 *Age appropriate design: a code of practice for online services* <https://ico.org.uk/for-organisations/guide-to-data-protection/key-data-protection-themes/age-appropriate-design-a-code-of-practice-for-online-services/>

4 Data Protection Commission (Ireland) 2020 *Fundamentals for a Child-Oriented Approach to Data Processing* https://www.dataprotection.ie/sites/default/files/uploads/2020-12/Fundamentals%20for%20a%20Child-Oriented%20Approach%20to%20Data%20Processing_Draft%20Version%20for%20Consultation_EN.pdf

5 United Nations Committee on the Rights of the Child 2021 General Comment (25) on Children's Rights in Relation to the Digital Environment <https://www.ohchr.org/EN/HRBodies/CRC/Pages/GCChildrensRightsRelationDigitalEnvironment.aspx>

6 Office of the Australian Information Commissioner 2020 Australian Community Attitudes to Privacy Survey 2020 <https://www.oaic.gov.au/assets/engage-with-us/research/acaps-2020/Australian-Community-Attitudes-to-Privacy-Survey-2020.pdf>

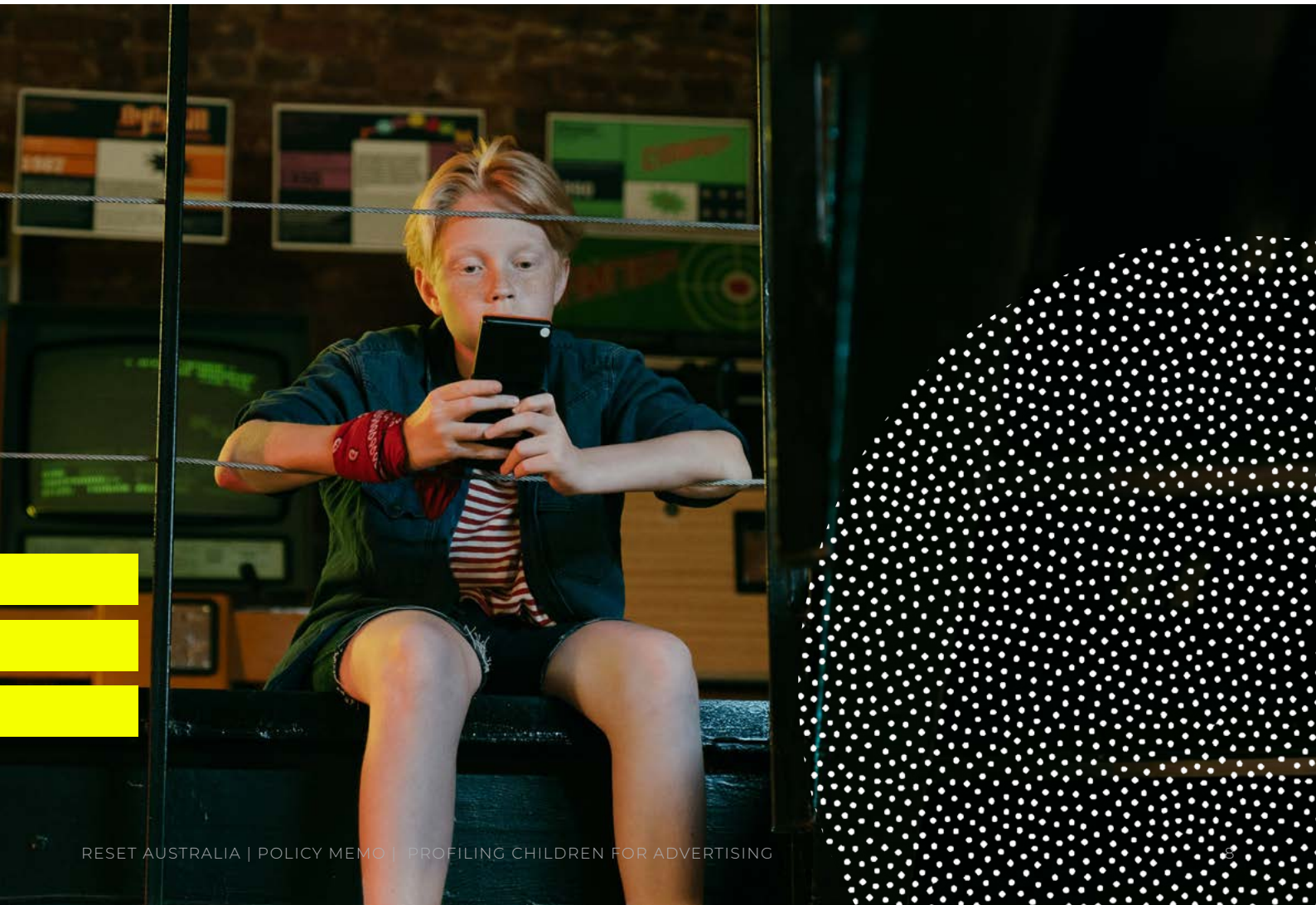
7 eSafety Commissioner 2018 Young People and Social Media Usage <https://www.esafety.gov.au/about-us/research/youth-digital-dangers/social-media-usage>

02. Research Questions

In March 2021, Reset Australia conducted exploratory research to understand how Facebook creates and sells profiles of children and young people, and the potential risks of this.

Our key research questions were:

- ◆ What sorts of profiles are Facebook developing about 13-18 year olds who use their platforms? What sorts of data are they using to create profiles?
- ◆ What sorts of profiles are Facebook making available to advertisers? What is their reach, and how much is Facebook selling access for?
- ◆ What do young people think about the use of their personal data to create profiles for advertising purposes?



03. Methodology

THIS RESEARCH INVOLVED SIX SEQUENTIAL STEPS.

1 SET UP A FACEBOOK PAGE AND ADVERTISING ACCOUNT.

To understand how Facebook profiles children and young people for commercial advertising purposes, we used a Facebook page 'Ozzie news network' (setup for a previous experiment⁸) to see what advertising options Facebook would sell us.

2 ANALYSE THE PROFILES FACEBOOK BUILDS ABOUT YOUNG PEOPLE, AND ALLOWS ADVERTISERS TO ACCESS.

Facebook's Ads manager platform gives us a 'glimpse under the hood' of the data Facebook collects and processes about young people. We used it, and the audience builder, to enable us to see what profiles it creates, how many young people fall into each profile and what it will sell commercial access to.

3 IDENTIFY PROFILES CREATED FROM DATA THAT IS 'ON THE MARGINS'.

A range of concerning profiles were identified by searching for demographics, interests, behaviours or attributes or a combination of these. Facebook's Ads manager platform provided an estimate of the potential reach of each of these profiles for 13-17 year olds.

4 CALCULATE THE PRICE AT WHICH FACEBOOK SOLD ACCESS TO EACH OF THESE PROFILES.

An estimation of the cost of accessing each of these profiles was created, by providing Facebook's Ads manager with a set budget of \$100AUD and noting the estimated reach.

5 EXPLORE IF FACEBOOK IS CAREFUL WITH WHAT THEY WILL APPROVE FOR THESE PROFILES.

We developed a number of entirely age inappropriate, 'dubious' ads for these profiles, and sought Facebook's approval to deliver them through Instagram Stories. We did not run these ads.

6 UNDERSTANDING YOUNG PEOPLE'S PERSPECTIVES.

To capture how young people felt about being profiled by Facebook for advertising purposes we developed a short survey. We promoted our survey of Facebook and Instagram users on these platforms to 16 and 17-year-old Australians. In total, 400 people responded. Identifying personal information was not collected in the survey, and we sought consent to use their responses in this research.

⁸ "How Facebook lets you break Australian Electoral Law in Under 15 minutes" by Dylan Williams, Medium (Mar 9, 2020) <https://medium.com/ausreset/how-facebook-lets-you-break-australian-electoral-laws-in-under-15-minutes-7db5619ccc9b>

LIMITATIONS. Like all research, this method has its limits, specifically:

- ◆ **Calculating the cost to target specific audience groups.** The cost to reach 1,000 people across the different profile categories was calculated based on estimates rather than true cost, as we did not run any of the 'dubious' ads.
- ◆ **Survey participants were self-selecting.** Survey respondents were self selecting meaning results may not be representative of a random sample of the population. However, 400 young people is a relatively high sample size.
- ◆ **The dubious ads never ran.** Due to ethical considerations, none of the dubious advertisements were ever delivered, so it can't be guaranteed these would not later be caught at the last minute, or quickly reported and taken down. They did however make it through the approval process and were scheduled for delivery. Some ads were rejected due to not complying with Facebook's advertising policies, suggesting that this was the review point in the approval process.

ETHICS: This research uncovered ways Facebook was profiling young people as potentially vulnerable. This research identified the scope and scale of this risk, but did not expose vulnerable teenagers to any harmful content as part of the methodology. To reach 16 and 17 year olds, we used Facebook's advertising tools, but did not profile young people based on vulnerability or highly sensitive information. This was for two ethical reasons; firstly because it is a practice that should not be allowed, and secondly, because it may not be in a young person's best interest to discover that they had been profiled in that way.



04. Research Findings

4.1 HOW DOES FACEBOOK CREATE PROFILES ABOUT YOUNG PEOPLE FOR COMMERCIAL ADVERTISING PURPOSES?

Facebook creates profiles of its users based on demographic data provided by users, such as location, age and gender, as well characteristics that Facebook infers by tracking their online behaviour, such as interests, likes, what they've shared and what they've viewed. Facebook packages up these profiles and sells access to them to advertisers.

The ability to advertise on Facebook and Instagram to particular 'profiles' is not limited to adults. Across Australia Facebook estimates that advertisers could reach 740,000 children aged 13-17.

It is not difficult for advertisers to explore the profiles that are available to them. Facebook's ad manager is automated, and allows you to easily search particular demographics or interests and immediately know the size and scale of your audience (see figure 1). Appendix one describes the different ways young people's profiles can be explored.

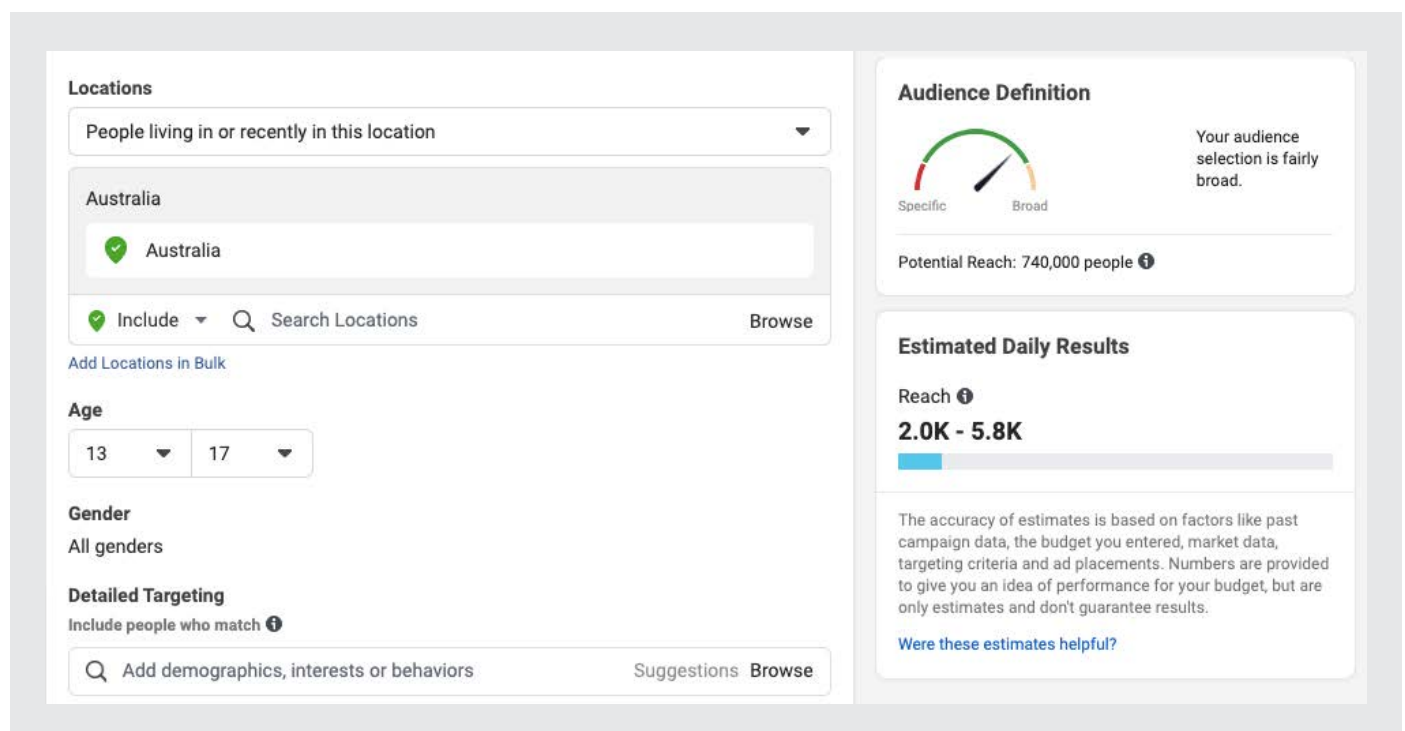


Figure 1: Facebook's advertising manager, illustrating its estimated total reach of 740,000 13-17 year olds in Australia

We found no discernible differences in the profiles developed about 13-17 year olds and those for 18+ users (see figure 2 for an example). Facebook appears to be collecting and using young people's data in the same way as adults.

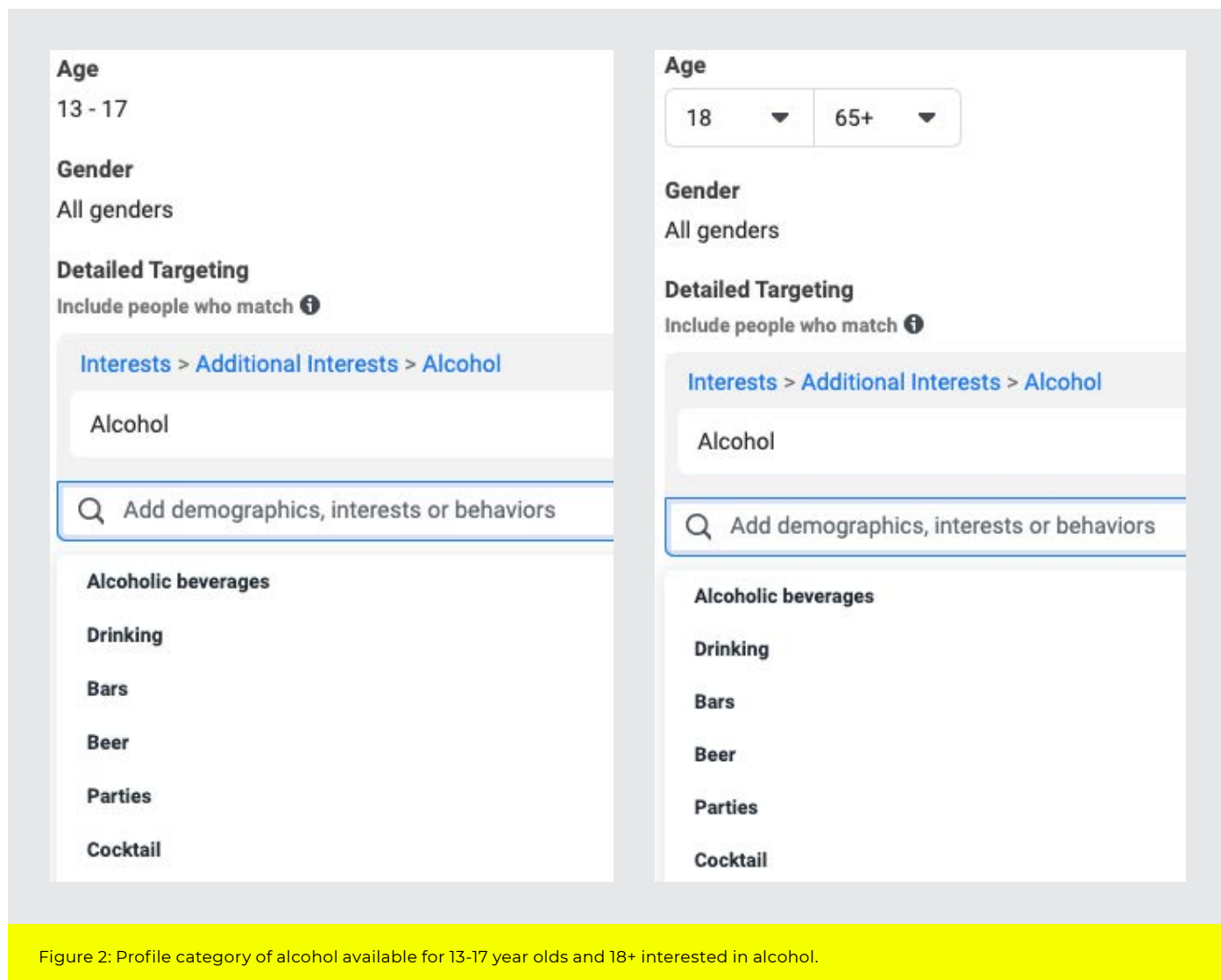


Figure 2: Profile category of alcohol available for 13-17 year olds and 18+ interested in alcohol.

4.2 WHAT SORTS OF PROFILES ABOUT YOUNG PEOPLE IS FACEBOOK PROMOTING?

Facebook sells access to a range of profiles about young people to commercial advertisers. To see if Facebook offered young people any particular protections, we looked to see if they were marketing profiles based on known risks, or where laws around advertising to young people currently exist.

We found we were able to buy access to young people profiled as having age-inappropriate, harmful or risky interests, including:

- ◆ Smoking and vaping
- ◆ Alcohol
- ◆ Gambling
- ◆ Publications and products rated 18+, like Playboy
- ◆ Extreme weight loss and weight loss
- ◆ Fast foods
- ◆ Online dating services
- ◆ Publications that promote harmful gender norms, like Sports Illustrated

Users profiled as interested in...	Potential reach of 13–17yo Australians	Estimated cost of reaching 1000 people from this audience
Alcohol	52,000	\$3.03
Gambling	14,000	\$11.24
Cigarettes	Fewer than 1,000	\$138.50
Electronic cigarette	Fewer than 1,000	\$210.97
Playboy	1,400	\$102.88
Extreme weight loss	3,600	\$38.46
Weight Loss	21,000	\$9.09
Fast food	140,000	\$1.18
McDonald's	54,000	\$2.63
Online dating service	3,300	\$55.56
Sports illustrated	1,400	\$115.47

[Appendix 2](#) documents the wide range of profiles on sale.

4.3 WHAT ADS WILL FACEBOOK ALLOW ADVERTISERS TO PROMOTE TO PROFILES?

Facebook restricts advertising content about alcohol, gambling and other age inappropriate categories⁹. However, this policy does not cover the profiles that Facebook develops for advertisers. This means that although advertising alcohol is against Facebook’s policy, Facebook will allow you to target people interested in alcohol.

We wanted to see if Facebook was careful with what it would allow advertisers to promote to young people’s profile, particularly given the sensitive nature of some of the profiles. We tested this by creating some ‘dubious advertising content’ to see if we could get them approved for Instagram Stories.

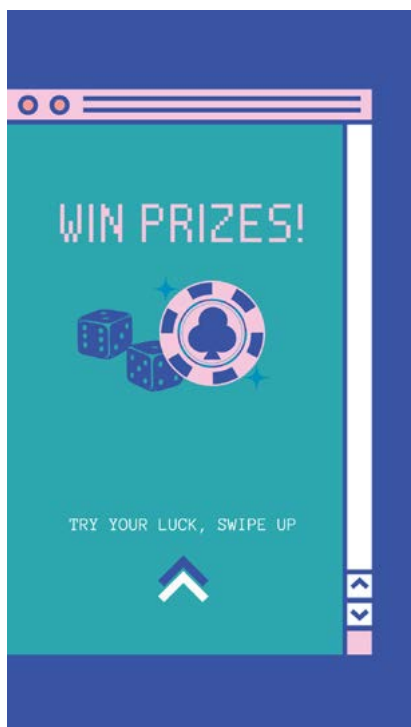
To make sure that no harm was caused by this dubious ad experiment, the ads were not delivered to any young people. We did this by:

- ◆ Scheduling the ads for several months in the future
- ◆ Setting up a rule that automatically turned off the ad if it reached more than zero people

This allowed us to submit the dubious ads for approval, receive a response, and delete the ads without showing them to anyone.

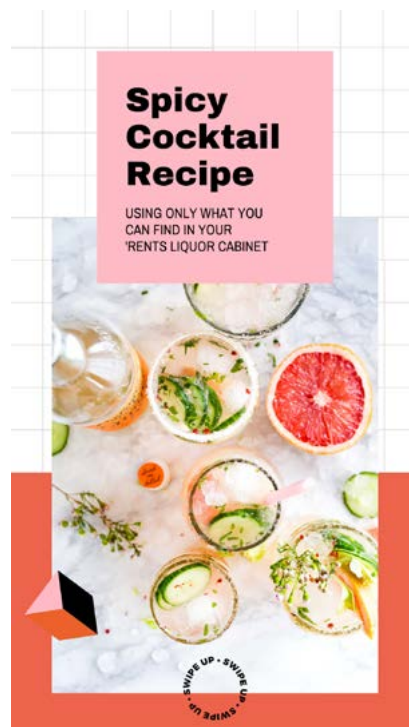
We found that most ads that we submitted were approved by Facebook. Far from stringently applying their policy, many of our dubious ads included content that is clearly in breach of their advertising policy.

Profile: Age 13-17, interested in gambling



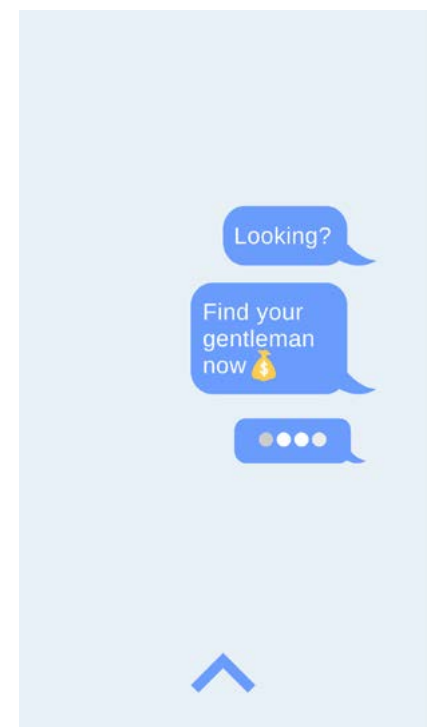
APPROVED

Profile: Age 13-17, interested in alcohol



APPROVED

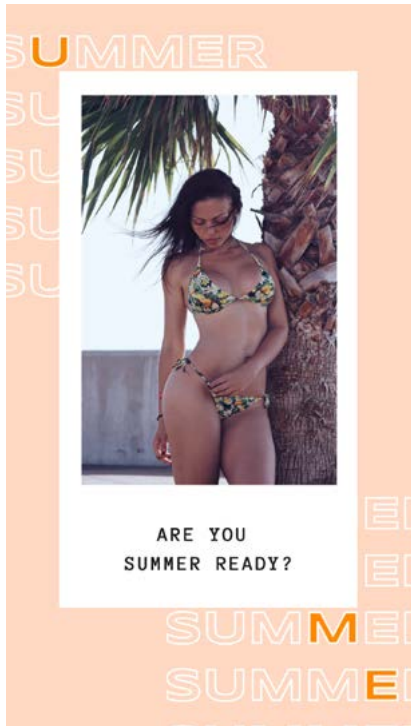
Profile: Age 13-17, female interested in online dating services



APPROVED

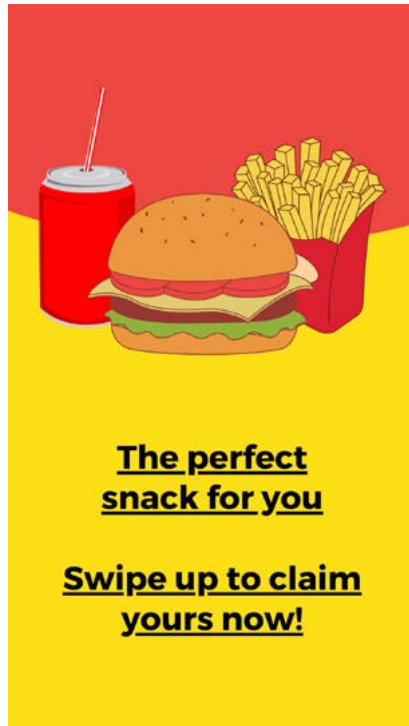
⁹ Facebook 2021, Advertising Policy <https://www.facebook.com/policies/ads/>

Profile: Age 13-17,
interested in extreme
weight loss



APPROVED

Profile: Age 13-17,
interested in fast food



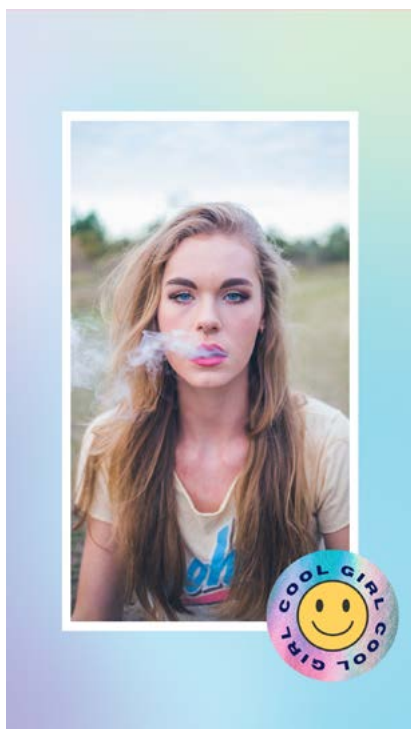
APPROVED

Profile: Age 13-17,
Interested in
Sports Illustrated



APPROVED

Profile: Age 13-17,
interested in smoking



REJECTED

Profile: Age 13-17,
interested in smoking



REJECTED

Profile: Age 13-17,
interested in smoking



APPROVED

The rejection of our initial smoking ads suggests that our 'dubious ads campaign' did pass through the Facebook approval process, so that we can be confident our approved ads would have been allowed to run.

It was clear Facebook are not careful what they will sell access to young people's profiles for.

4.4 ARE YOUNG FACEBOOK USERS CONCERNED ABOUT PROFILING AND DATA COLLECTION?

We surveyed 400 16 and 17 year old Facebook and Instagram users about Facebook and Instagram's data profiling.

Overall, 77.8% of respondents were concerned about the volume of data companies collect on them through online tracking, with 32.5% extremely concerned. Only 6.8% of respondents were not at all concerned (see figure 3).

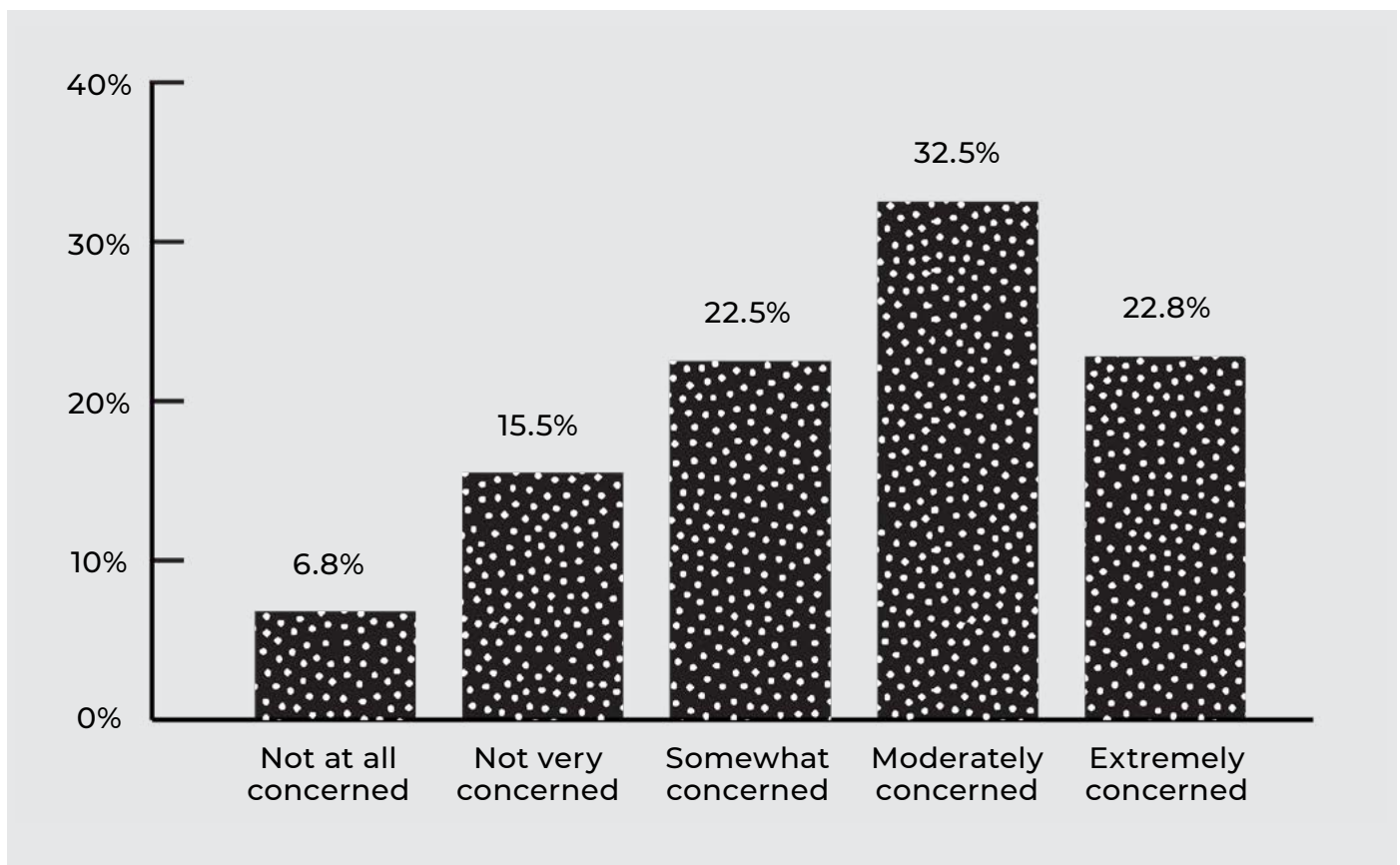


Figure 3: Respondents level of concern about the 'volume of data companies collection about you through tracking online'

In terms of which data they were most uncomfortable about Facebook and Instagram knowing, respondents were most concerned about them knowing details about 'where they might be'. 85.1% were concerned (extremely, moderately, or somewhat) about Facebook knowing where young people live and 84.9% were concerned about Facebook knowing where young people go to school.

Following this, respondents were concerned about Facebook or Instagram knowing if young people are interested in:

- ◆ Extreme weight loss: 73.6% concerned
- ◆ Gambling: 72.0% concerned
- ◆ Cigarettes: 68.0% concerned
- ◆ Adult magazines: 72.% concerned

Facebook knowing teenagers are interested in fast food or violent video games was of least concern, but 39% of respondents were concerned (see figure 4).

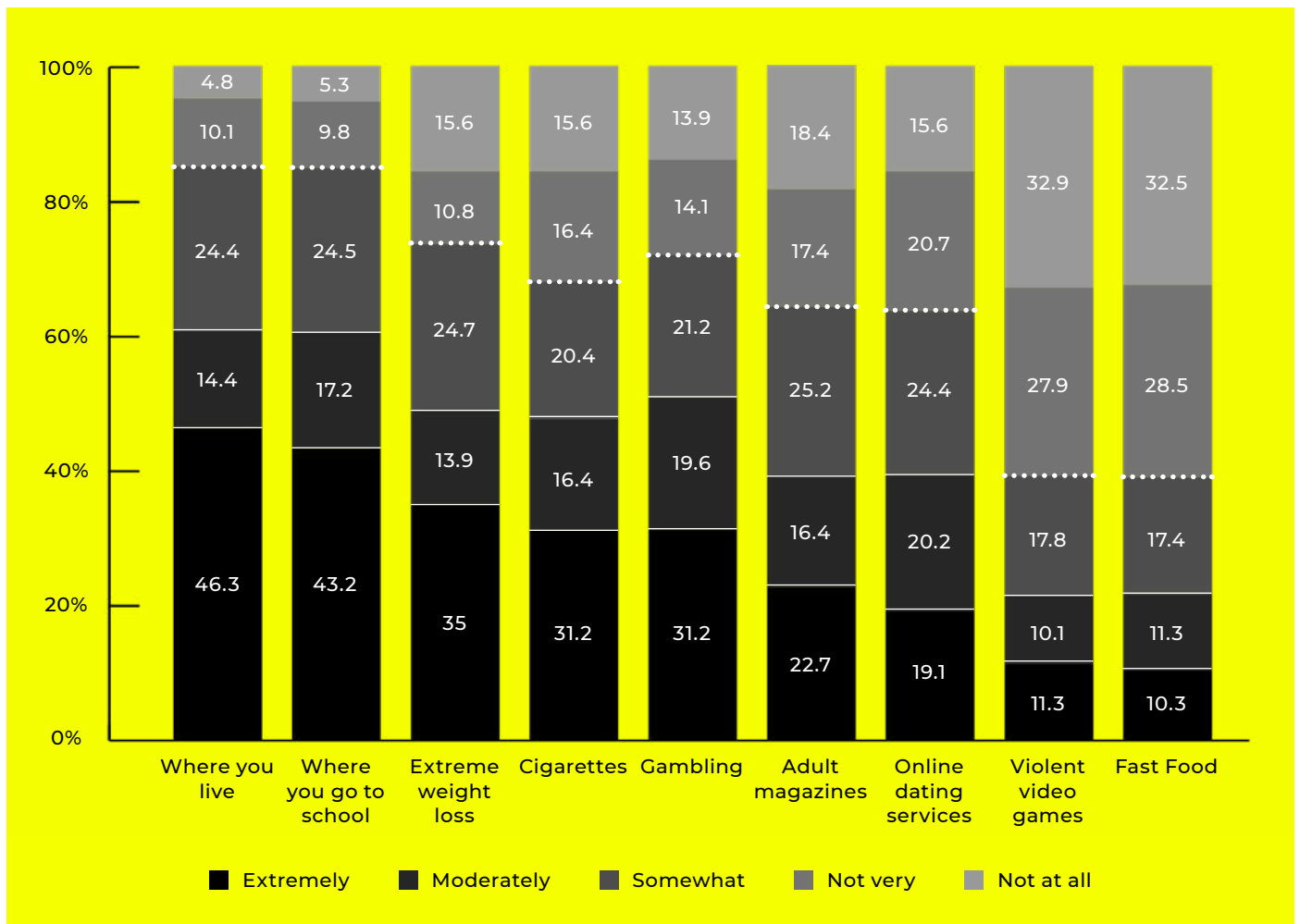


Figure 4: Respondents level of concern about Facebook and Instagram knowing these things about teenagers

A similar profile of concerns were shared when it came to respondents worries about being profiled for commercial advertising purposes. Profiling by ‘where you might be’ again was of most concern, with 80.2% of respondents concerned about advertisers profiling them based on where they live, and 84.9% based on where they go to school.

Following this, respondents were also concerned about Facebook profiling young people who were interested in:

- ◆ Cigarettes: 78.9% concerned
- ◆ Extreme weight loss: 80.6% concerned
- ◆ Gambling: 82.7% concerned, and
- ◆ Adult magazines: 70.4% concerned (see figure 5)

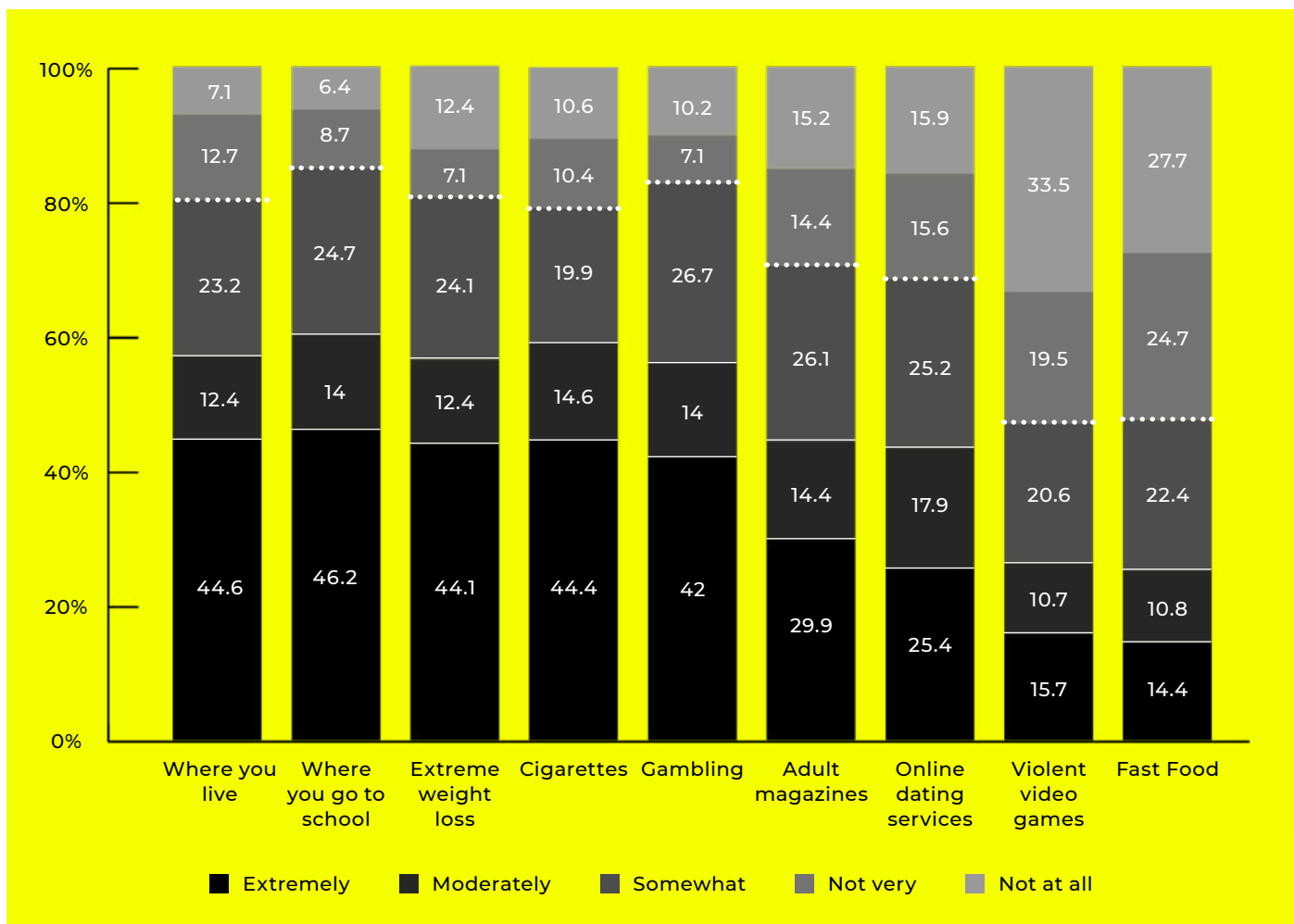


Figure 5: Respondents level of concern about the 'Facebook and Instagram allowing advertisers to target ads to teenagers based on' specific pieces of information

Respondents were consistently more worried about Facebook profiling them for commercial advertising purposes, than Facebook simply knowing about them. For example:

- ◆ 68.0% of respondents were concerned (31.2% extremely so) that Facebook knows young people are interested in cigarettes but 78.9% were concerned (44.4% extremely so) that Facebook profiles young people this way for advertising purposes
- ◆ 73.0% of respondents were concerned (35.0% extremely so) that Facebook knows a young person is interested in extreme weight loss, but 80.6% were concerned (44.1% extremely so) that Facebook profiles young people this way for advertising purposes.

With the exception of where you live, this trend was consistent across all profiles. An average of 65.0% of respondents were concerned about Facebook knowing a piece of information about teenagers, compared to 71.2% who were concerned that Facebook profiles young people based on this information.

This suggests that beyond the reservations about the amount of data that Facebook holds about them and the profiles they are able to create, young Australian Facebook users have strong concerns about Facebook profiling them for advertising purposes.

4.5 WHAT WERE YOUNG PEOPLE'S SPECIFIC CONCERNS ABOUT BEING PROFILED FOR COMMERCIAL ADVERTISING?

Of the 400 survey respondents, 274 answered the question 'How do you feel about Facebook and Instagram collecting teenager's data for use in advertising? Across the responses eight different themes emerged, in three broad categories.

Firstly, 65.2% of respondents expressed disapproval of profiling for advertising purposes. We broke these down into four types of negative responses; those who shared negative emotional reactions, those who called it as wrong or immoral, those who called it privacy invasive, and lastly those who called for better regulation to curb the practice.

- ◆ 28.3% spoke to the raw emotions of being profiled for advertising purposes, with comments such as:

"EXTREMELY VIOLATED"

"AWFUL"

"WORRIED AND ANXIOUS"

"CRINGE"

"IT'S CREEPY. STOP IT."

"FKN SCARED"

"OVERALL I FEEL NEGATIVE ABOUT IT"

"I DON'T LIKE IT WE'RE CHILDREN"

"YUCK"

"CREEPED OUT"

"USED"

- ◆ 18.8% felt it was wrong or immoral to profile and target young people in this way. They said things like:

It is so wrong for years and years of governmental and societal efforts targeted against gambling, smoking and eating disorders in teenagers to be instantly undone if Facebook can promote these just for a quick buck.

I think overall that it is highly immoral for big companies like Facebook to be selling the data of its users. However, it is especially concerning that this collecting occurs with those that are considered minors by the law. Teenagers are especially vulnerable to the ideas they experience online, such as indoctrination into alt-right ideologies.

It's horrible. Teenagers are being targeted in every aspect of their everyday life, they are also most vulnerable when seeing advertisements.

It's incredibly dangerous, these are impressionable kids, we can be hurt by these things targeting us, not to mention no one should know where teens live online?

I think it is unfair and shouldn't be allowed especially because a lot of the data that is collected are used to create targeted ads that promote things that are damaging to teenagers. I think it is unethical that Facebook and Instagram collect information to use to make money by promoting things like dating services and gambling when it is inappropriate for teenagers (under 18!!!!) to be participating in.

- ◆ 10.7% felt it was an invasion of personal data and privacy. They shared thoughts like:

It violates teenagers privacy, we shouldn't have to feel tracked by a huge company with all that we do.

I feel that it's too invasive. It makes me feel spied on when I'm just trying to talk to my family.

It makes me feel unsafe that my private affairs are collected by Instagram and Facebook.

We're minors, it's using the reliance of kids my age using social media to their benefit in a harming way, its a business, and I have an understanding of the terms And conditions, but knowing where I live, who I'm dating, what I'm doing to my body, might as well be just as bad a child pornography, you already know everything else, why not know every inch of my privacy

- ◆ 7.4% felt there needed to be more regulation and laws to protect young people. For example, they said:

There needs to be more regulations around it than the typical adult because we are more impressionable. We are still children.

There should be more protective laws over what is acceptable in order to keep young people safe.

I feel like there should be an age limit for collecting data.

Don't think it should be legal.

But not all the young people we spoke to felt strongly negative about profiling. Secondly, there was a 'middle ground' group of 32.6% respondents who suggested that; profiling could go either way; that they felt it was just part of a 'deal they could not refuse', or; that they were not concerned by the practice.

- ◆ 12.1% felt that context was important, and in some cases it was okay but limits were needed. They offered comments like:

To a certain point it's okay, like targeting their interests and giving them ads based on that. But when it comes to personal stuff like schools, addresses, relationships etc, it starts to get concerning with ads based on those.

I think that some targeted advertising around things like gaming isn't dangerous, just a bit weird. However, around certain topics such as extreme weight loss or addictive things like gambling it could definitely be a problem, and harm a person's state of mind which might already be at risk.

I don't have a huge problem with targeted advertising, it can be good for both parties. I do have a problem when they are spreading misinformation that can affect teens and the way they view different things, like their body image or the impacts of alcohol.

Promoting business pages like clothes or games seem okay to me but the promotions of diet schemes, vapes, alcohol, sex toys to teenagers don't seem appropriate.

- ◆ 4.0% felt it was inevitable when signing up to these platforms. They shared thoughts like:

It's uncomfortable but we all know that there's not much you can do about it

At this point in my life, I've pretty much accepted that a large amount of my personal data is going to be free game for advertisement use. To me it feels like an unwritten catch of social media, and I'm alright to trade that data to use Instagram and other platforms.

It's unethical but it's a TOS (Terms of Service) that we all accept to use them.

It's what we sign up for, they shouldn't do it... but they can and we let them.

- ◆ 16.5% didn't mind, or saw it as just part of Facebook's business model. They said things like:

Not really that bad, it's a target market and they need to understand us to give us what we want.

I don't really care to be honest... I know in the end I'm really just a very small number in their algorithm. And sometimes the ads are like. What I really want to see, especially about local events I wouldn't have known about otherwise. So I guess it's probably okay.

I don't really mind. It's a good method to collect data, so why not.

Lastly, only 2.2% young people said they found profiling for advertising helpful, as it made advertising more relevant for them. For example, they stated:

I don't feel that there's a problem with age and targeted advertising because personally I get recommended things I actually like, but I feel they are a bit unregulated as a lot of scams make it on Instagram.

I find it really helpful sometimes because I end up finding a lot of small businesses or products.



05. Conclusion

The way Facebook uses the data of young people in Australia is opaque and difficult to track. But this research demonstrates that some uses of young people's data are out of step with community expectations. Our survey of young people highlighted widespread concern about the way that data is used by Facebook and Instagram, especially when it comes to profiling young people for commercial advertising. Previous research has demonstrated similar levels of concern among parents¹⁰. Profiling for commercial advertising is a practice that does not seem to meet the expectations of young people nor their parents.

It is worth remembering that for many young people social media has become a key part of their day to day lives. They cannot simply 'log off' and stay off. Social media also has the capacity to enrich young people's lives in many ways, but many platforms present their services—which includes data extraction for profiling—as an offer they cannot refuse.

The granular level of information that is tracked about young people online is unprecedented. Facebook is able to

determine where a young person goes to school, where they live, and if they are interested in extreme weight loss, gambling or alcohol.

Some of what they know is extremely sensitive data that should be treated with care. But instead, it is packaged up into profiles for commercial advertising purposes. This sort of profiling creates an online experience where advertisers are allowed to target potentially vulnerable young people for commercial gain, and places huge power in the hands of unknown advertisers.

This practice raises considerable questions about young people's privacy, and about why Facebook is allowed to use young people's personal data to create this sort of commercial risk in the digital environment. Where the Australian government, schools and parents are constantly working towards a safer online experience for young people, it is unclear how profiling for commercial purposes is in young people's best interests.

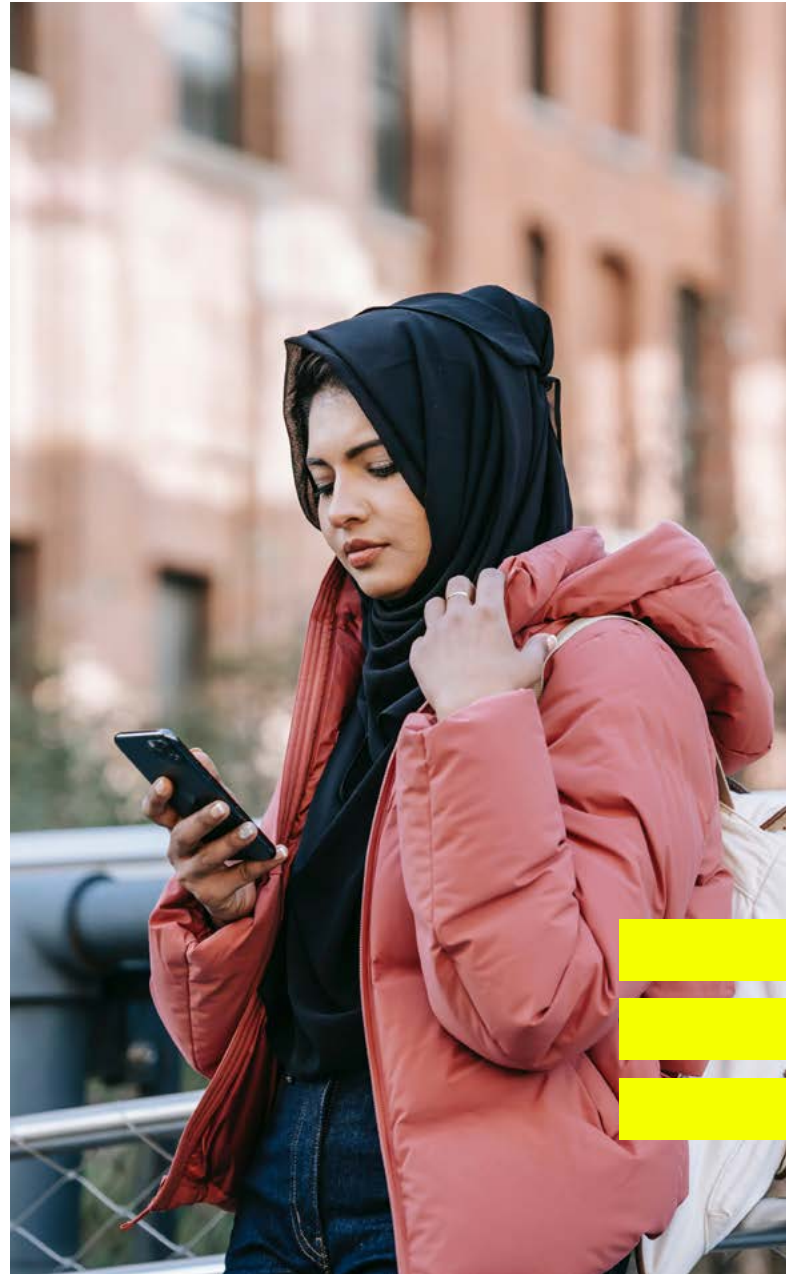
¹⁰ Office of the Australian Information Commissioner 2020 Australian Community Attitudes to Privacy Survey 2020 <https://www.oaic.gov.au/assets/engage-with-us/research/acaps-2020/Australian-Community-Attitudes-to-Privacy-Survey-2020.pdf>

06. Recommendations

Australia needs a regulatory code governing how children and young people's data can be collected and used. Other countries have implemented or are proposing similar codes already, including the *UK's Age Appropriate Design Code*, and Ireland's *Fundamentals for a Child-Oriented Approach to Data Processing*. Australia's young people deserve the same, if not better, protections.

This would address pernicious issues like profiling for commercial purposes, and realise Australia's obligations as set out in the UN Committee on the *Rights of the Child General Comment (25) on Children's Rights in Relation to the Digital Environment*.

We know that the government is already thinking about these issues. In March 2019, the Attorney General and Minister for Communications and Arts announced amendments to Australia's *Privacy Act* for the Office of the Australian Information Commissioner to introduce specific rules for children¹¹. The Australian Competition and Consumer Council agreed that this was a useful approach in their *Digital Platform Inquiry*¹² and the review of the *Privacy Act* in 2020 addressed some questions around how best to protect children's data privacy¹³.



¹¹ Attorney General & Minister for Communications, Minister for the Arts 2019 *Tougher penalties to keep Australians safe online* <https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22media%2Fpressrel%2F6577790%22;src1=sm1>

¹² ACCC 2019 *Digital Platforms Inquiry* <https://www.accc.gov.au/system/files/Digital%20platforms%20inquiry%20-%20final%20report.pdf>

¹³ Attorney General's Department 2020 *Privacy Act Review Issues Paper* <https://www.ag.gov.au/system/files/2020-10/privacy-act-review--issues-paper-october-2020.pdf>

Reset Australia wants the best possible code for children and young people.

This means it must:

- ◆ Put children’s best interest at the heart of decision making about their data. Data must only be collected and used where it is in children’s best interests. This would restrict or prohibit the use of their data to create profiles for commercial advertising, especially profiles where it is clearly not in a young person’s best interest.
- ◆ Put young people in control of their data by requiring:
 - Expressed consent - Data should only be processed where children (and parents) have meaningfully consented and know about it, except under a limited set of circumstances

- Transparency and accountability - Children (and parents) should be informed about data processing every time their data is processed, except under a limited set of circumstances
- Data minimisation and restricted data sharing - Only necessary data should be collected and it should not be circulated, except under a limited set of circumstances

- ◆ Protect all under 18 years olds
- ◆ Cover all services children may use

It must also be overseen and properly enforced by a strong regulator, and align with Australia’s existing progressive Online Safety Act.

For more information about what Reset Australia wants to see in a Code for children and young people visit: au.reset.tech/childrensdatacode

07. Appendix

APPENDIX 1: THE TWO WAYS ADVERTISERS CAN SEARCH THE PROFILES FACEBOOK IS SELLING

Profiles can be seen by potential advertisers in a range of ways, either:

- ◆ through searching for demographics, interests, behaviours (see figure 1).
- ◆ searching for specific interests or attributes directly in the search bar, where Facebook’s helpful algorithm also provides similar suggestions based on their initial search (see figure 2).

- ◆ Demographics > Education > Education level > High school grad
- ◆ Interests > Hobbies and activities > Home and garden > Furniture
- ◆ Behaviours > Purchase behaviour > Engaged shopper

Figure 1: Examples of filters available to advertisers to create the users profiles they wish to target

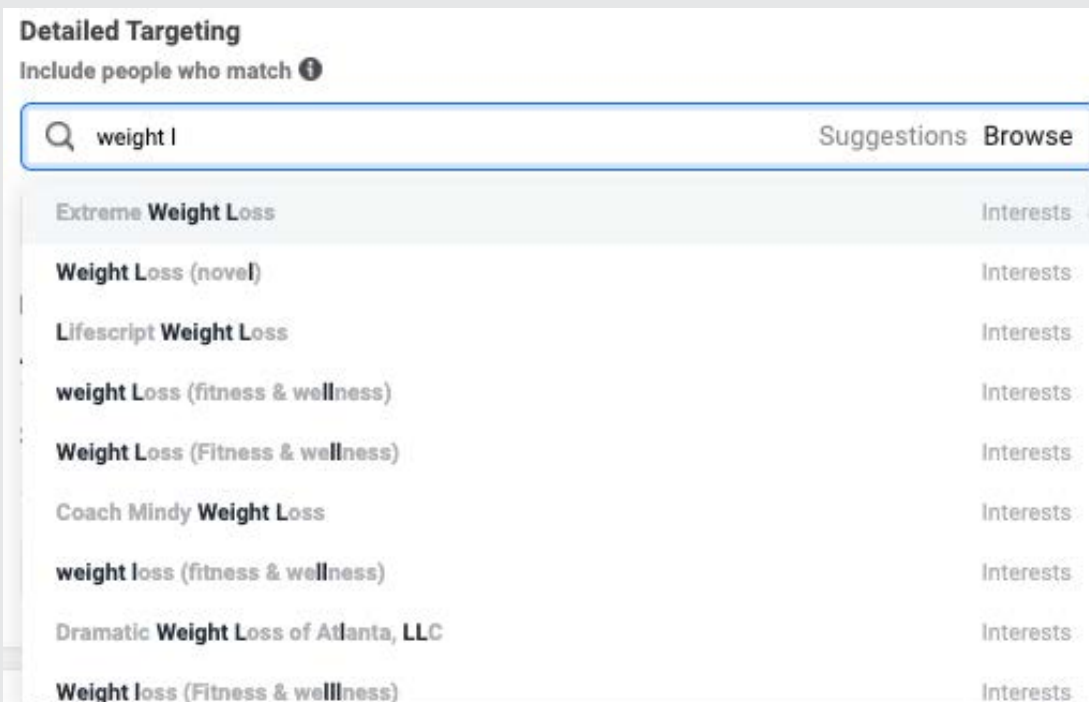


Figure 2: An example of a targeting search

Advertisers can see ideal profiles to target based on any combination of these categories.

Many of the profiles, such as ‘gambling’ and extreme weight loss’, were found directly in the search bar, rather than through browsing. The options available through search are captured in the tables the targeting category as ‘Interests > Additional interest’.

It is impossible to easily discern all the profiles Facebook will see access to through search as these ‘additional interests’ are not listed under browsing. It is probable a range of other questionable profiling options are available to reach teenagers through the search function that our research did not surface. A full list of profiles we identified through Facebook Ad manager is available in the appendix 2.

APPENDIX 2: SOME OF THE PROFILES AVAILABLE AND THEIR REACH, HIGHLIGHTING THE BREADTH OF DATA FACEBOOK HOLDS ABOUT YOUNG PEOPLE

Age	Targeting category	Specific targeting	Potential reach
13–17	Interests > Additional interest	Cigarette	Fewer than 1000
13–17	Interests > Additional interest	Alcohol	52,000
13–17	Interests > Additional interest	Love & sex	17,000
13–17	Interests > Additional interest	CrossFit	110,000
13–17	Interests > Additional interest	Kayla Itsines (bikini body)	130,000
13–17	Interests > Additional interest	Paleo	4,200
13–17	Interests > Additional interest	Sports betting	7,100
13–17	Interests > Additional interest	Gambling	14,000
13–17	Interests > Additional interest	Extreme Weight Loss	3,600
13–17	Interests > Additional interest	Weight Loss	21,000
13–17	Interests > Additional interest	Fasting	Fewer than 1,000
13–17	Demographics > Relationship > Relationship Status	In a relationship	40,000
13–17	Demographics > Relationship > Relationship Status	Single	69,000
13–17	Life events	New Relationship	1,300

13-17	Interests > Additional Interests	Dating	75,000
13-17	Interests > Additional interest	Cigarette	Fewer than 1000
13-17	Interests > Additional interest	Online dating service	3,300
13-17	Interests > Additional interest	Relationship counseling	1,600
13-17	Interests > Additional interest	Self help	30,000
13-17	Interests > Additional interest	Meditation	150,000
13-17	Interests > Additional interest	Muslim holidays	5,600
13-17	Interests > Additional interest	Judaism	1,500
13-17	Interests > Additional interest	Buddhism	7,400
13-17	Interests > Additional interest	Chinese (all)	3,800
13-17	Interests > Additional interest	Arabic	3,700
13-17	Interests > Additional interest	Hindi	Fewer than 1,000
13-17	Interests > Fitness and wellness	Bodybuilding	110,00
13-17	Interests > Food and drink > Beverages	Energy drinks	14,000
13-17	Interests > Food and drink > Food	Fast food	140,000
13-17	Interests > Additional Interests	McDonald's	54,000
13-17	Interests > Additional Interests	Fortnite	110,000
13-17	Interests > Additional Interests	Call of Duty	56,000
13-17	Interests > Additional Interests	Military tactics	1,100
13-17	Interests > Additional Interests	Tinder	Fewer than 1,000

13-17	Interests > Additional Interests	Getup!	1,700
13-17	Interests > Additional Interests	Greenpeace	6,300
13-17	Interests > Additional interest	Freedom of speech	6,300
13-17	Interests > Additional interest	Donald Trump	7,100
13-17	Interests > Additional interest	Australian Greens	6,700
13-17	Interests > Additional interest	Australian Labor Party	13,000
13-17	Interests > Additional interest	Liberal Party of Australia	4,600
13-17	Interests > Additional interest	Durex	2,600
13-17	Interests > Additional interest	Playboy bunny	2,600
13-17	Interests > Additional interest	Playboy (lifestyle)	1,600
13-17	Interests > Additional interest	Kim Kardashian	50,000
13-17	Interests > Additional interest	Kylie Jenner	72,000
13-17	Interests > Additional interest	Sports Illustrated	1,400
13-17	Interests > Additional interest	Maxim (magazine)	Fewer than 1,000
13-17	Interests > Additional interest	Feminism	17,000
13-17	Interests > Additional interest	Victoria's Secret	25,000
13-17	Demographics > Education > Schools	Specific high school A	Fewer than 1,000
13-17	Demographics > Education > Schools	Specific high school B	Fewer than 1,000
13-17	Demographics > Life Events > Birthday	Upcoming birthday	14,000
13-17	Demographics > Life Events	Birthday in April	21,000

13-17	Demographics > Life Events	Away from family	4,900
13-17	Demographics > Life Events	Recently moved	Fewer than 1,000
13-17	Behaviors > Purchase behavior	Engaged Shoppers	63,000
13-17	Interests > Additional interest	Online shopping	390,000
13-17	Interests > Additional interest	Bitcoin	2,500

APPENDIX 3: OTHER DUBIOUS ADS CREATED AND THEIR APPROVAL STATUS

Ad creative	Targeting	Approval Status
<p>The ad creative shows a close-up of a muscular man's torso and arm. He is wearing a dark blue baseball cap and has several tattoos on his left arm and chest. He is holding a black dumbbell in his right hand. The text 'Have you remembered your protein shake today?' is overlaid in a white, bold, italicized font at the bottom of the image.</p>	<p>Age: 13-17 Interest: Bodybuilding</p>	<p>APPROVED</p>
Ad creative	Targeting	Approval Status
<p>The ad creative is a vertical black rectangle. At the top, the text 'JOIN CHERRY BROOK' is written in large, bold, white, sans-serif capital letters. Below this, there is a photograph of a person wearing a Guy Fawkes mask, a symbol associated with hacktivism. At the bottom of the image, the text 'swipe up' is written in white, with a white arrow pointing upwards to the right.</p>	<p>Age: 13-17 Education: One specific high school in the Sydney area</p>	<p>APPROVED</p>

Ad creative



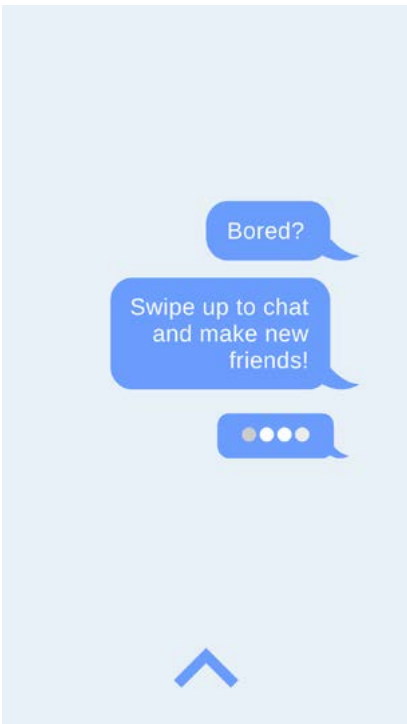
Targeting

Age: 13-17
Interest: Call of Duty

Approval Status

APPROVED

Ad creative



Targeting

Age: 13-17
Relationship status: Single

Approval Status

**REJECTED -
"THIS AD DOESN'T
COMPLY WITH OUR
ADVERTISING POLICIES"**



Reset Australia is an independent organisation raising awareness and advocating for better policy to address the digital threats to Australian democracy.

hello@au.reset.tech | au.reset.tech