

AT&T, Comcast & Verizon Expand “Big Data” Tracking & Targeting of Consumers Why the largest ISPs oppose federal and state privacy and digital marketing safeguards

By Jeff Chester

Internet service provider (ISP) giants, which dominant how Americans gain access to broadband Internet, cable TV, streaming video, and other telecommunications services, are aggressively expanding their capabilities to gather and use personal data. Leading ISPs AT&T, Comcast and Verizon are taking full advantage of all information flowing from PC's, mobile phones, set-top boxes, and other devices. ISP giants are using “Big Data” analytics, artificial intelligence, and an array of cutting-edge technologies to identify who we are, what we do and how best to target us with marketing and advertising. They are also working closely with data brokers to gain access to even more personal information. AT&T, Comcast and Verizon, for example, work with Acxiom's [LiveRamp](#) subsidiary to build robust profiles that help them identify us regardless of what devices we may be using at the moment.

ISPs envision a future in which we are continuously connected to their vast digital media networks for nearly everything we do. Through their monopolistic control over key broadband, cable TV, and satellite networks, ISPs are able to closely monitor what we do online—including both in and out of home, school or work. Marketers are told by ISPs that they can use their data and networks to “micro-target” an individual on all their “screens,” including for financial, health, retail and even political advertising. They are also positioning themselves to play an important role as our society is further transformed by digital technology, such as with so-called “[smart homes](#),” “connected cars,” the [Internet of Things](#), and high-speed “[5G](#)” networks.

Last year, the Republican majority in Congress and the Trump administration [eliminated](#) what have been the only federal consumer privacy protections afforded to all Americans—safeguards enacted in October 2016 by the Federal Communications Commission (FCC) that required ISPs to engage in responsible data practices. ISPs saw that important FCC data-protection safeguard as a formidable obstacle to their plans to “monetize” consumer data. With Network Neutrality—a critical requirement to ensure an open and democratic Internet—also ended by the same FCC, phone and cable ISPs have vanquished federal protections for fair treatment of consumers online—including with their data.

Unless states weigh in with safeguards, AT&T, Comcast, Verizon and other major ISPs will pose—despite their denials—a major threat to consumer privacy. With ISPs especially touting their prowess to capitalize on a consumer's location, states have an especially important role to play protecting the public from “hyper-local targeting” and other geo-marketing practices.

Here are just some recent developments on ISP consumer data and digital marketing practices.

AT&T, according to the Trump administration's Department of Justice [filing](#) opposing its acquisition of Time Warner, is "the country's largest distributor of traditional subscription television; the second largest wireless telephone company, third largest home internet provider; one of the largest providers of landline telephone service; and also the country's largest Multichannel Video Programming Distributor (MVPD), with more than 25 million subscribers." Its control over broadband, satellite, and mobile telecommunications services is a key reason why AT&T tells marketers that it has "More Scale, More Targeted, More Screens...advanced TV and multi-screen solutions for your brand."

Last February, trade publication DigiDay leaked AT&T's "[pitch deck](#)—highlighting what it called its "digital video advantage." That advantage includes "the ability to access the hottest content on TV and across platforms; the ability to reach the multi-platform viewing audience in a single buy; premium and non-skippable inventory" (ads a consumer can't avoid). AT&T's DirecTV is positioned by the pitch deck as an effective competitor to streaming video services offered by Amazon, Netflix and YouTube. Through several data advertising platform partners, AT&T offers real-time ad targeting of individuals who view streaming video and other online content. The pitch deck breaks down AT&T's DirecTV audience, in order to help advertisers more effectively reach Hispanics, African Americans and households with children. Its 2017 "Media kit" explained how the company helps advertisers reach individuals on all their devices, giving marketers the ability to "serve ads to the same target audience on TV and digital devices across tens of billions of impressions."

AT&T especially highlights its deep [relationship](#) with consumer data providers, including Equifax, Experian, Crossix, Neustar, and Nielsen Catalina. These allies help AT&T target its subscribers with ads promoting loans and other financial services.

AT&T Adworks has recently [opened](#) a "new state-of-the-art-media lab"—an "interactive space designed to inspire marketers...[that] shows the future of media consumption and how marketers can most efficiently reach their targets across any platform." Designed to reflect how digital media reflects "the consumer's life," the lab enables advertisers to "interact" by using "data visualization tools" to see how individuals can be targeted through streaming video, Internet of Things devices, on mobile phones and even via data-enriched outdoor advertising.

Comcast: The cable TV colossus, which also operates Universal Studios, NBC, and several digital advertising and technology firms, is committed to better leveraging "Big Data." Comcast sees itself at the "[center](#) of the household building connections between users, devices, products, and services." Comcast is developing capabilities to take better advantage of the insights [generated](#) by its "systems capable of processing billions of events per day." This includes identifying actionable data, including in "real time," generated from its video and Internet platforms. Through

its [“identity strategy.”](#) Comcast plans to deliver a “transformative customer experience” that will market to us online “throughout the customer lifecycle.” To help accomplish this, Comcast is building out its “Big Data” capabilities at the “enterprise level,” including for “event processing, analytics,” storing our information in the cloud, and various forms of digital “testing and optimization.”

Comcast’s “Applied Artificial Intelligence (AI)” [group](#) is working to create “intelligent applications that [can] impact millions of people on a daily basis.” Among its projects involving “machine learning” are ways to [“build](#) virtual assistants that interact with millions of customers in natural language and automatically find solutions to their needs.” It’s part of a much larger “Technology and Product” research infrastructure at Comcast that has offices in Silicon Valley, Philadelphia, Denver, Chicago and Washington, DC. Comcast is also deploying “blockchain” insights platform technology, which it calls [BlockGraph](#), to help develop more detailed digital dossiers on consumers so they can be targeted for advertising and other services.

Comcast’s [“FreeWheel”](#) subsidiary, with offices in Paris and other global locations, is an advertising, data management and digital rights management technology company. FreeWheel helps video and digital media companies deploy what it calls a “unified ad management platform.” That system allows clients to engage in “intelligent ad [decisioning](#) across all devices, environments, and data sets....” FreeWheel’s customers, which for the U.S. market include AT&T’s DirectTV, Fox, Time Warner and Viacom, can use its technologies to “unify audiences across desktop, mobile, OTT (so-called Over-the-Top streaming video), and [cable TV] set-top boxes [to] profitably monetize their content.”

Comcast’s growing [expansion](#) in data-driven marketing—operated by both its Advanced Advertising Group and Spotlight service—involves FreeWheel and other acquisitions, including Visible World and Strata. [Strata](#), for example, is now partnering with “Choozle,” a Big Data-oriented advertising system that helps marketers target a consumer on social, mobile, video and other platforms. The Comcast’s Strata and [Choozle](#) alliance “will allow thousands of advertising agencies to access detailed consumer data to execute digital advertising campaigns as conveniently as they would buy local TV advertising.”

Comcast’s NBCUniversal division has also deepened its use of data-driven techniques to target its viewers. NBCU has its own “advanced advertising” [platform](#)—Audience Studio—and is promising marketers that its “Total Audience Delivery” will help [target](#) a consumer on “digital, linear, mobile and out-of-home viewing.” Its “data-based” profiling of its viewers includes information provided by “set top data from Comcast” and other sources. NBCU’s “Audience Studio Targeted Digital,” for example, enables advertisers to reach “[digital](#) audiences” who view its portfolio of “entertainment, lifestyle, news, sports and Hispanic” content. Comcast’s NBCU urges advertisers to provide them their own (first-party) information on consumers so it can be merged with the TV network’s data. The result, claims NBCU,

is that marketers will reach their “objectives through precision targeting at unequaled scale.” What NBCU means is that the same kinds of sophisticated capabilities that Comcast relies on to reach its broadband consumers are also available through its TV subsidiary.

Verizon: To further its plans to harvest consumer information to bolster its “differentiated data” ad-targeting capabilities, Verizon has created a new division called “[Oath.](#)” Incorporating “50 media and technology brands that engage more than a billion people around the world, the Oath portfolio includes HuffPost, Yahoo Sports, AOL, Tumblr, Yahoo Finance, Yahoo Mail” and other properties. Oath operates a real-time data targeting apparatus called [One](#). It also owns a leading digital video ad company called [BrightRoll](#) that delivers targeted marketing in real time to streaming video. The result of Verizon’s investments, it explains, is the “most advanced and open advertising technology” [system](#) that “spans across mobile, video, search, native and programmatic ads.” Verizon’s Oath promises its clients it delivers “[people based marketing](#).” People-based marketing is a marketing industry euphemism for using our personal data to identify us online. In the case of Verizon’s Oath, that includes our “location, passions and interest from social (media), purchase intent from search and advertising engagement, cross device identity from users mapped across devices, favorite content from web, app and Smart TV data, on and offline purchases and recent store visits from mobile geolocation data.” Oath explains that its “[suite](#) of advertising technology lets you activate this data to find and message consumers all along their journey.”

Verizon acquired AOL after that company had made its own considerable acquisitions of data targeting companies, including those that access [mobile](#) data from apps. Consequently, Verizon can claim that “Oath has the industry’s largest mobile demand portfolio to help you monetize across every device...,” including in real-time.

This is just a brief snapshot of leading ISP data and digital marketing practices today. ISPs’ unfettered control over broadband communications enable them to eavesdrop on the communications and behaviors of millions of individuals and households. Without consumer safeguards, they will further mushroom into even more formidable—and unaccountable—gatekeepers over our information and privacy.