



Websites Privacy Statements Fall Short of Privacy Laws

Recent research has shown that although more business-to-consumer websites collecting personal data are now posting privacy statements on their websites, the majority of these statements fail to conform with legal obligations.

An analysis of 250 sample websites of businesses represented in Belgium in 2001 and 2002 showed that almost all (nine out of 10) business-to-consumer websites collect personal data, but only just over half of these have a privacy policy displayed on the site. The findings are the result of a study undertaken by Prof. dr. Michel Walrave of the University of Leuven, as part of wider research on e-privacy.

Despite the fact that the number of sites displaying a privacy policy had risen from 43 percent in 2001 to 55 percent in 2002, a closer look at the privacy statements on the sites surveyed showed that the information given was often inadequate, failing to fully comply with the Belgian privacy law and the E.U. Data Protection Directive. Information about the data controller was on occasion incomplete, the purposes of the data processing sometimes vague and not all privacy rights – namely the right to access or rectify personal data and the right to object against the processing of such data for direct marketing purposes – were explained.

The survey showed that when the rights were explained, they often omitted “easy to use procedures” to exercise those rights. Of the websites that informed consumers they would use the data for direct marketing purposes, 89 percent offered a right to object (compared to 73 percent in 2001).

A small proportion of sites however, offered individuals the right to object online to the processing of their personal data for direct marketing purposes by using a tick-box.

A small percentage of sites provided the consumer with the option of checking a box giving explicit permission to use personal data for direct marketing. Although the opt-in regulation for e-mail marketing has not yet come into effect in Belgium, some companies have already adopted permission marketing.

The research also showed that the majority of sites are not only collecting data in an explicit manner, using one or several electronic forms, but in an implicit manner as well, by using cookies or other software to track the click stream of the website visitor. Over half of the sites using cookies (51 percent in 2001 and 67 percent in 2002) use permanent cookies and only 12 % informed their visitors about the reason for doing so.

As part of the research, the internal implementation of the sites' privacy promise was tested by sending an e-mail to the section responsible for the data processing, asking a simple question about the privacy policy of the company. Less than half of the companies replied to the e-mail. From the answers received, two thirds were to the point. The fact that a lot of companies didn't answer could mean that the privacy promise on the website is not communicated internally to persons who have to answer e-mails from website visitors. This could also mean that some 'privacy promises' are not integrated into the organisation's policy.

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