Amazon, Netflix and Spotify – failings in privacy protection on both sides of the Atlantic – US worse

The findings of a new report by the Transatlantic Consumer Dialogue and Heinrich-Böll-Stiftung confirm the urgent need for federal privacy legislation in the US – but they also highlight how companies don't meet all European data protection legislation in the absence of stronger enforcement.

The research used a mixture of anonymous testers, requests for access to personal data made by volunteers, and an analysis of existing EU and US legislation. It found the companies:

- Use default settings that allow third parties to track users on their sites. Amazon was found to be the platform with the most intrusive third-party tracking, and Netflix was the one with the least.
- Do not obtain valid opt-in consent for cookies, which record the user's browsing activity, and instead rely on implied consent, which is in contradiction to the requirements of the e-privacy Directive. Spotify, for example, installed an automatic advertisement cookie on the website app without obtaining consent.
- Apply privacy policies that are ambiguous about what data the companies collect and why. For example, the Netflix privacy notice advises that personal information may be processed for "other purposes described in the Use of Information section of this Privacy Statement", but such purposes are not expressly defined in the statement.
- Use design features and wording which support privacy intrusive defaults. For example, Spotify advises those who seek to disable cookie tracking that in doing so, it may negatively impact their experience, but does not explain why.
- Were found to have increased privacy settings and choices in the EU when compared with the US, especially in relation to data access requests through Amazon US.

Unlike in the EU, no comprehensive federal privacy legislation currently exists in the US. Under the General Data Protection Regulation (GDPR) consumers in the EU enjoy stronger privacy protections and they have the ability to hold companies to account with the help of independent regulatory authorities. However, in January 2020, California will be implementing the California Consumer Privacy Act, which aims to offer California-based citizens consumer privacy protections similar to those of GDPR.

“The findings once again confirm that American consumers have fewer rights, fewer protections and less say in comparison to Europeans. We are more vulnerable and more exposed to Big Tech abuses. The US needs not only strong and comprehensive privacy rules but also effective enforcement of those rules,” said Burcu Kilic, digital rights program director for Public Citizen and US co-chair of the TACD digital policy committee.

Zora Siebert, Head of EU Policy Programme at Heinrich-Böll-Stiftung Brussels European Union, said: "Not all is well in the EU either as companies are making it difficult for customers to be informed about the use of their data on both sides of the Atlantic. Privacy policies should not require 20 minutes to read and should not be difficult to comprehend. Pre-ticked boxes do not help to inform users about data tracking and do not allow active consent to being tracked.
Robust enforcement mechanisms must be in place to ensure that people’s privacy rights are protected in the same way as fundamental human rights.”

TACD and Heinrich-Böll-Stiftung recommend that in the US, there is a need to establish a baseline federal data protection and privacy law that does not pre-empt stronger state privacy protections and that creates an independent data protection agency. Whilst in the EU, regulators should step up enforcement of existing privacy legislation, whilst consumer and privacy organisations continue to pressure and litigate against non-compliant company practices.

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Notes to editors
The report can be found here.

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About TACD
The Transatlantic Consumer Dialogue is a forum of US and EU consumer organisations which develops and agrees on joint consumer policy recommendations to the US government and European Union to promote the consumer interest in EU and US policy making.

TACD champions the consumer perspective in transatlantic decision making. It is our mission to ensure that EU/US policy dialogue promotes consumer welfare on both sides of the Atlantic and is well informed about the implications of policy decisions on consumers.

About Heinrich-Böll-Stiftung
Fostering democracy and upholding human rights, taking action to prevent the destruction of the global ecosystem, advancing equality between women and men, securing peace through con­flict prevention in crisis zones, and defending the freedom of individuals against excessive state and economic power – these are the objectives that drive the ideas and actions of the Heinrich Böll Foundation.

While the foundation maintains close ties to the German Green Party, it works independently and nurtures a spirit of intellectual openness. The foundation maintains a worldwide network with 32 international offices at present.