KANTAR MEDIA | iab europe

Optimisation over reform

Understanding EU consumers' perception and knowledge of the ad-funded internet and related privacy rights issues

April 2025

Report prepared by Kantar Media

Contents

INTRODUCTION AND EXECUTIVE SUMMARY **3**

Foreword from IAB Europe **4**

Key findings 4

Summary - Insights for the industry and Policy recommendations 6

Methodology 7

1. PERCEPTIONS OF AN ADVERTISING FUNDED INTERNET **8**

1.1 Consumers value freely available online services and these would be missed if not available 9

1.2 Ad-funded online services provide significant value to EU consumers 10

1.3 Consumers believe losing ad-funded services could have wider societal implications 11

1.4 When presented as a funding choice, consent is seen as a fair value exchange for receiving free access by most consumers 12

2. THE CONSUMER EXPERIENCE OF PERSONALISED ADVERTISING **14**

2.1 Consumers feel that online advertising can be useful 1**5**

2.2 Relevant advertising provides some consumers with a positive experience 16

2.3. Personalised ads can resonate with consumers, they are not the main driver of feelings of ad intrusiveness 18

2.4 Not all personalisation is the same 19

3. CONSUMER UNDERSTANDING OF DIGITAL ADVERTISING AND LEGISLATION **20**

3.1 Consumers display a functional understanding of online privacy 21

3.2 Uncertainty about compliance by companies is a concern for many consumers 22

3.3 Providing greater knowledge enhances clarity for consumers 24

4. CONSUMER EXPERIENCE AT THE POINT OF CONSENT **26**

4.1 Consumer behaviour can vary between groups and by context 27

4.2 Trust and confidence are important factors when considering consent 28

5. INSIGHTS **31**

6. POLICY RECOMMENDATIONS FROM IAB EUROPE **33**

7. CONTACT **37**

8. APPENDICES **39**

INTRODUCTION AND EXECUTIVE SUMMARY

Foreword from IAB Europe

The internet is now an essential part of modern lives in Europe. It informs us, entertains us, and connects us in ways previously unimagined. Given its integral role and our clear reliance on the services delivered through it, it is only natural that questions arise about how digital services are funded, how companies interact with consumers, and how personal data is handled in the online ecosystem.

Because of this, consumer confidence regarding their rights to privacy and agency over their online data is more important than ever. It is not simply a binary choice between privacy and an ad-funded internet. Instead, it's a complex interplay of privacy rights, consumer preferences, and commercial interests. This study will show you how these elements influence one another in various ways.

Consumers desire a seamless experience with consent banners, while still expecting robust protections. Although they support privacy legislation, they often believe it is not being effectively implemented, despite the prevalence of consent banners. Consequently, their trust and engagement are affected.

This report seeks to understand what the EU consumer experiences, both in terms of what they know and what they feel. Understanding these perspectives helps the industry interpret the attitudes and behaviours we see online as well as turn them into meaningful recommendations for the digital industry. And it helps policymakers and regulators identify the most pressing issues to solve for and better address consumer needs.

Key findings

The study highlights that when consumers get a clear idea of the value trade-off between paying for content or services and allowing personalisation, the majority are open to this. Consumers desire informed choices, trusting sites and brands that they are familiar with more than others. Cookie banner information tends to be viewed as insufficient, but with the right details, consumers feel more confident in their decisions.

It is fundamental that both the industry and regulators understand that the study highlights the following consumer insights:

1. There is a clear value to ads - EU consumers heavily utilise free or ad-subsidised online services
2. Consumers opt for tracking when they trust the site and understand the value exchange
3. Consumers' trust and familiarity with sites influence the decision to consent

Ad-Funded online services provide significant value to European consumers

European consumers heavily utilise free or ad-subsidised online services, especially communication tools, social media, and search engines, which would be sorely missed if paywalled, showcasing the significant value consumers derive from these services. Further, the potential loss of free access to these services raises significant societal concerns, as consumers fear reduced content quality, lack of access to important information, and exacerbated social and financial inequalities. With this in mind, it is important that consumers understand that personalised advertising funds vital online services, allowing them to remain free and accessible, with most seeing this trade-off as reasonable.

The average European consumer is getting €212[1] of access to sites and services per month without payment, the bulk of which is being funded through advertising.

60% of consumers think that a 'pay or consent' model is reasonable, when they understand the value exchange involved.

Personalised ads resonate more than non-personalised ads

Many EU consumers find online adverts useful, with 80% saying they are at least occasionally beneficial. When consumers get a clear idea of the value exchange between paying or allowing personalisation the majority opt for personalisation. What EU consumers want from personalised advertising is a good, relevant experience. When advertising misses this mark, it can quickly start to feel invasive or annoying, but when it gets it right it is a welcome experience.

Over 50% of EU consumers agree that they prefer ads which are relevant to them over random ads

Over 50% of EU consumers agree that fewer personalised ads are less intrusive than lots of generic ads

Half of consumers are concerned about company compliance with privacy laws

A quarter of EU consumers feel confident and in control of their personal data online due to privacy laws whilst half are concerned about company compliance despite feeling some level of control. Younger consumers (16-34) are more likely to feel confident and in control compared to those aged 55+, who are more sceptical. Confidence in privacy laws also correlates with longer online usage and a positive view of online ads.

52% of EU consumers are concerned about company compliance with privacy laws.

Trust and familiarity are key factors influencing consent decisions

When presented with consent banners, 54% of EU consumers tend to "accept all," with age and time spent online influencing this behaviour. Younger consumers and those who spend more time online are more likely to accept everything, while older individuals and those less familiar with computers show more varied responses. There are notable variations across different markets, reflecting national data protection guidelines. Confidence in privacy laws also correlates with higher acceptance rates, highlighting the interplay between awareness, trust, and consent behaviour. Conversely, those concerned about privacy laws emphasise trust in the site and frequency of visits.

54% of EU consumers accept all general consent banners

[1] Se

Summary

Insights for the industry

Consumers want relevant ads: 80% of consumers find online ads at least occasionally useful and

Methodology

Kantar Media was commissioned to conduct mixed-methods research, incorporating both quantitative and qualitative phases, to deliver a comprehensive understanding of consumers' attitudes towards online advertising across the EU.

This included a **quantitative online survey** of consumers, aged 16+ years across 12 countries, to give a broad representation of the **EU Consumer**.

This was followed by **qualitative groups** in three countries to explore key areas and themes in greater depth. Two online group discussions were held in each country, one comprising individuals in the top third of **positivity** in terms of feeling **online adverts** are useful (Ad Positive) and one including individuals who were in the bottom third for this (Ad Sceptical).

Further details on the methodology can be found in Appendix A.

PERCEPTIONS OF AN ADVERTISING FUNDED INTERNET

1.1 Consumers value freely available online services and these would be missed if not available

EU consumers use many different types of website and online services that are either wholly or partially subsidised through advertising.

Table 1, below, demonstrates the high usage levels of a range of online services and the percentage of users who say they use free and/or paid for services within each category. For all categories, other than streaming services, around 9 in 10 users claim to get at least some access for free.

Table 1: percentages using online services and free and/or paid versions amongst users, plus which would be missed

	% using service	Access for Free	Pay to access	Services missed if not available	Would not pay	Can't afford to pay
	(total - 10,500)	(among users – minimum 3,169 – maximum 7,832)	(among users – minimum 3,169 – maximum 7,832	(among users – minimum 3,169 – maximum 7,832)	(among free service users – minimum 2,772 – maximum 6,983)	(users who would not pay for free services – minimum 725 – maximum 3,269)
Personal e-mail	75%	89%	38%	70%	37%	14%
Search engines	73%	89%	17%	69%	41%	14%
Social media/networks	65%	88%	24%	50%	54%	13%
Shopping websites or apps	58%	89%	22%	46%	54%	11%
Online video (e.g. YouTube, Twitch)	57%	89%	27%	51%	50%	15%
Streaming services (TV, music or film)	49%	73%	83%	61%	19%	16%
International, national and local news	47%	88%	31%	49%	55%	11%
Online maps	42%	90%	18%	59%	40%	11%
Sports scores, news and updates	33%	87%	34%	42%	56%	10%
Hobby and lifestyle websites or apps	33%	87%	24%	38%	56%	14%
Product and service reviews	32%	86%	22%	34%	64%	10%
Online gaming including mobile games	30%	87%	35%	38%	53%	13%

As shown in the fourth column of Table 1, services that would be particularly missed if no longer available to consumers often involve communication or connection with the wider world. For example, 70% said they would miss having a personal e-mail account, this rises to 78% for those 55 years and over. Half of consumers said they would miss social media, rising to 62% for 16 to 34-year-olds. Similarly, half (51%) said they would miss online video services like Twitch and YouTube, rising to 63% among the younger 16-34 age group.

It is not just communication services that would be missed by many users. Search engines, integral to how we navigate and explore the digital space, would be missed by 69% and this is consistent across demographic groups. Practical navigation support through online maps would be missed by 59%, with consumers in Czechia (70%) and Germany (66%) being more likely to miss online maps than average.

Among those using free versions of these services currently we also see that large numbers would be resistant to paying for them if that was the only option available. Even services that were most likely to be missed if not available like e-mail (37%) and search engines (41%) were likely not to be paid for (see Table 1). This resistance to paying for these services was also higher among those who said they were finding it difficult on their present income, up to 45% for email and 47% for search engines. This suggests that significant numbers of consumers could be left behind if free access to these services was no longer an option.

1.2 Ad-funded online services provide significant value to EU consumers

Table 2, below, shows the estimated monthly value, in Euros, that consumers receive from using services that are primarily funded via advertising free of charge. Details on the calculation used for this estimate are included in Appendix A but, in summary, the number of services used for free and the number paid for within each of the 12 categories listed in Table 1 above was established. Then, the average monthly spend amongst those paying for each of the services was multiplied by the number of services consumers are using for free.

Table 2: average number of services used for free and estimated value this equates to

	Personal e-mail	Sports scores, news and updates	International, national and local news	Social media networks	Online video	Product and service reviews	Hobby and lifestyle websites or apps	Streaming services	Search engines	Online maps	Shopping websites or apps	Online gaming including mobile games	Total across all services
Unweighted base (Among users)	7,832	3,476	4,996	6,808	5,948	3,320	3,432	5,153	7,678	4,452	6,077	3,169	10,186
Mean number of free services used per category	3.2	1.2	2.0	2.5	1.7	1.2	1.4	1.2	2.1	1.0	3.0	1.3	21.9
The value of these services if paid	€ 26	€ 13	€ 20	€ 22	€ 15	€ 12	€ 18	€ 15	€ 17	€ 10	€ 33	€ 12	€ 212

The average European consumer is getting an estimated €212 of value from access to sites and services per month without payment, the majority of which is being funded through advertising. Excluding shopping websites and apps from this calculation, which are generally less reliant on ads as a primary source of funding, still produces an average of €179 per adult EU consumer who uses the internet. This does not mean that people will necessarily pay this amount if these services switched to a pay-for model, but it does help to quantify the value that is being delivered to consumers by services that they do not directly pay for.

Six-in-ten consumers (62%) correctly identified as true the statement “Advertisers pay more money for personalised advertising, and this helps online services to remain viable and free for me to use”. This suggests some are not aware of the role personalised advertising plays in enabling online services to be free. Examples of this were also apparent in the qualitative research:

"They say ads are necessary, but they also make huge profits. I don’t believe they need to track us this much just to survive."

Later in the discussion this same respondent then said…

“I never realised that ads are what make sites free."

Group Ad Sceptical, France, Male, 55+

1.3 Consumers believe losing ad-funded services could have wider societal implications

Diagram 1, below, details the percentage of users of each type of online service who feel the service no longer being available free to anybody would be harmful to society. The most likely harms this would cause are also listed for each type of service.

Diagram 1: Potential harms perceived through a loss of advertising-funding of services

	Email	Search engines	News	Shopping sites/apps	Social media	Product Reviews
% who see a harm caused to society if losing freely available access	**59%**	**57%**	**56%**	**36%**	**34%**	**34%**
Main harms that losing access is seen as causing society	• Information issues • Social issues • Increasing financial inequalities	• Information issues • Quality would be reduced	• Information issues	• Monopolisation • Increasing financial inequalities • Quality would be reduced	• Social issues • Information issues • Quality would be reduced	• Quality would be reduced • Information issues

Question: If removing personalised advertising meant that these services were no longer available free, so users would need to pay for them, what, if any, impact do you think it would have on people's lives and our society? Answers to select from were: It would be very harmful to society, It would be quite harmful to society, It would be annoying to lose access but not harmful to society, It would not be harmful at all to society, It would be better for society

What specific types of harm do you think would be caused by not having advertising funded access to these services? Answers to select from were: Social issues e.g. isolation, unemployment, Increasing financial inequalities – people would not have access to the best deals, same information or services, more pressure on household budgets, Monopolisation of market - smaller business may find it harder to compete and therefore fold, Information issues e.g. people would not be aware of important messages, events or changes that affect them, Cultural issues e.g. not keeping up with trends, Quality of content or services would be reduced, Other please specify, None of these

Six-in-ten (59%) of those using e-mail services felt that these services no longer being free would be harmful to society and a further 24% an annoyance to lose access. Information issues, like awareness of important messages that can affect lives (46%) social issues like isolation, unemployment (36%) and concerns about exacerbating financial inequalities (23%) and reducing the quality of the services and content (23%) were the most common harms to society mentioned.

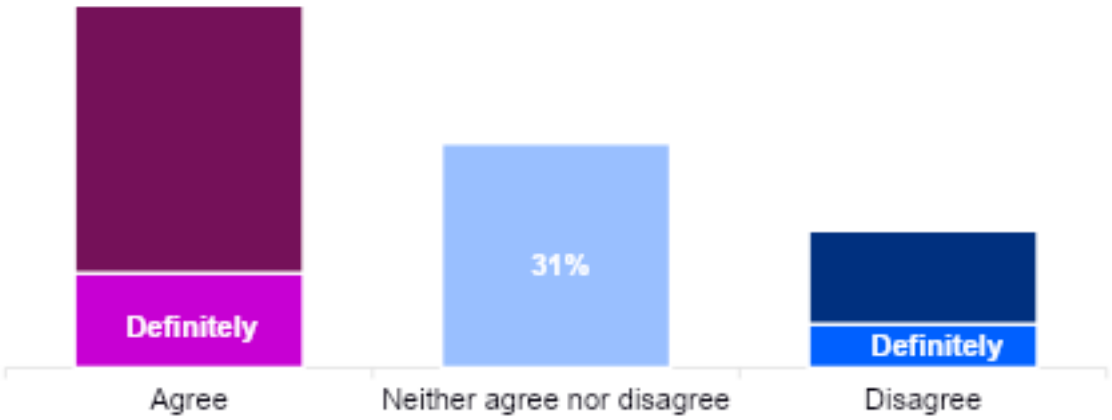
Among users of product and service reviews online, a third (34%) felt it would be harmful to society if free access was lost. When asked what this harm would be, the most cited response was that it would reduce the quality of content or services followed by information issues – people not being aware of important information. This highlights that these services are often more than simply entertainment, they are seen by consumers as helping ensure they get good quality services or products.

1.4 When presented as a funding choice, consent is seen as a fair value exchange for receiving free access by most consumers

Many consumers see providing consent to use their data as a fair exchange of value if in return they get access to a website's content or services. Chart 1, below, shows that half of consumers agreed with this statement and only 19% disagreed that it was a fair trade.

Chart 1: Giving a website consent to process personal data is a fair value exchange for free access

Base: All EU Consumers (10,500)

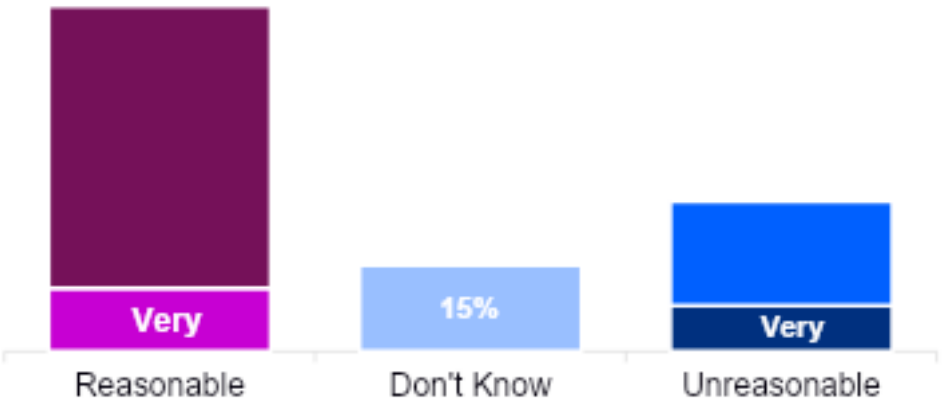


Question: Please tell us to what extent you agree or disagree with the following statements about digital advertising. Giving a website consent to use some of my data is a fair trade-off to be able to access its content or services free of charge

Agreement that consent is a fair value exchange for free access increased after consumers were made aware that advertisers pay more money for personalised advertising, contributing to keeping services free. In this context, the majority of EU consumers (60%) felt a pay for access or consent to personalised advertising model to be reasonable, with only a quarter (26%) thinking this was unreasonable, as shown in Chart 2, below.

Chart 2: Reasonableness of pay-or-consent model once explained

Base: All EU Consumers (10,500)



Question: Given what you now know about advertising personalisation and the degree to which some sites and apps are particularly dependent on revenue from this type of advertising, how reasonable do you think it is for companies to use this type of pay or consent model?

Furthermore, even a majority within sub-groups who were more likely to have concerns around personalised advertising appreciated the value exchange. For example, those 55 years old and over (52%), those who said they find it difficult on their current income (52%) and those who were concerned about companies following online privacy rules (60%) found a pay-or-consent approach reasonable.

This view of consent being a reasonable trade-off for free access to services was also evident in the qualitative research:

“Yes. It's simply because of how you are financially positioned, I'll say it quite openly. If I have a normal income, then I can afford to subscribe to dozens of different sites. But if I'm financially worse off, I have to focus on my very special highlights. That's why I think it won't work at all for most people without advertising. Because you don't just have one hobby or one special site that you want to visit, but I can say to the newspapers or news channels, okay, whether I watch the re-election of the person XYZ on NTV or on WeltTV or on ARD, the news remains the same for now. But how it is reported can be different. But otherwise, I would still say, it's better to accept advertising than paying.

Group Ad Sceptical, Germany, Female, 55+

"I don’t want a future where I have to pay just to read the news or check my email. That’s not how the internet should work."

Group Ad Sceptical, France, Female, 35-54

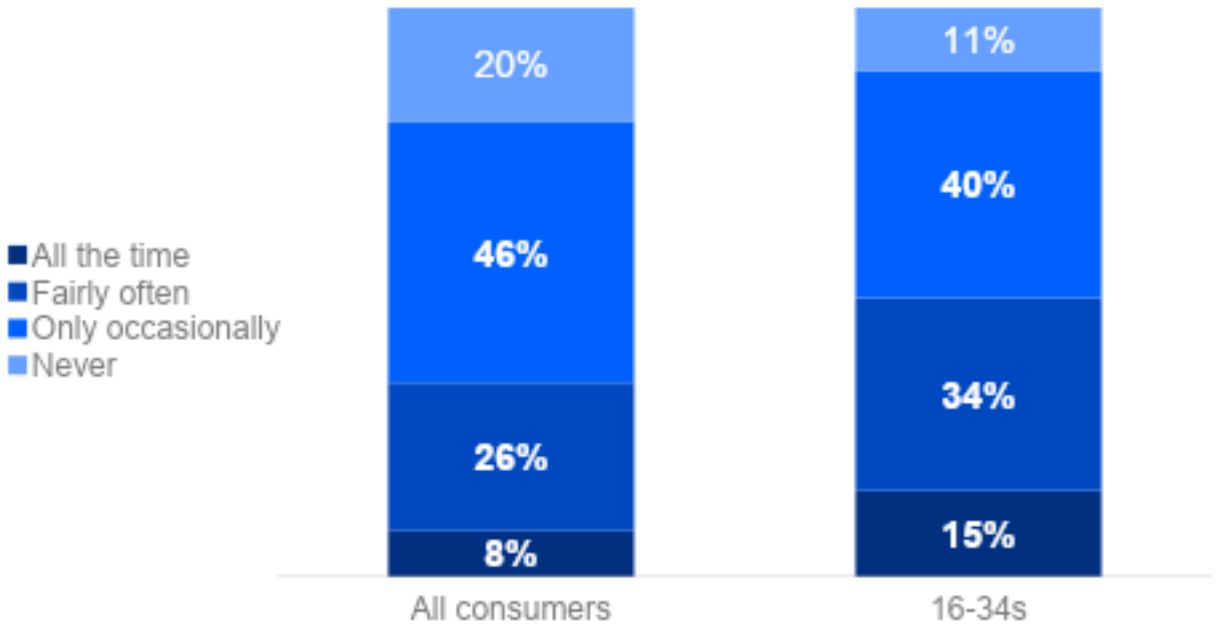
2. THE CONSUMER EXPERIENCE OF PERSONALISED ADVERTISING

2.1 Consumers feel that online advertising can be useful

Four-in-five EU consumers (80%) said that they found online adverts at least occasionally useful and a third found them useful fairly often or all the time. We found that the new generation of consumers, those aged 16-34, were even more likely to think like this with 89% falling into the at least occasionally group. See, Chart 3, below.

Chart 3: How often find online advertising useful

Base: All EU Consumers (10,500), 16-34s (2,748)



Question: How often, if at all, would you say you find the adverts you see online useful? Useful could mean that they help you find out about new products or brands, let you know about sales or pricing, or provide you extra information on a product or category you were already interested in.

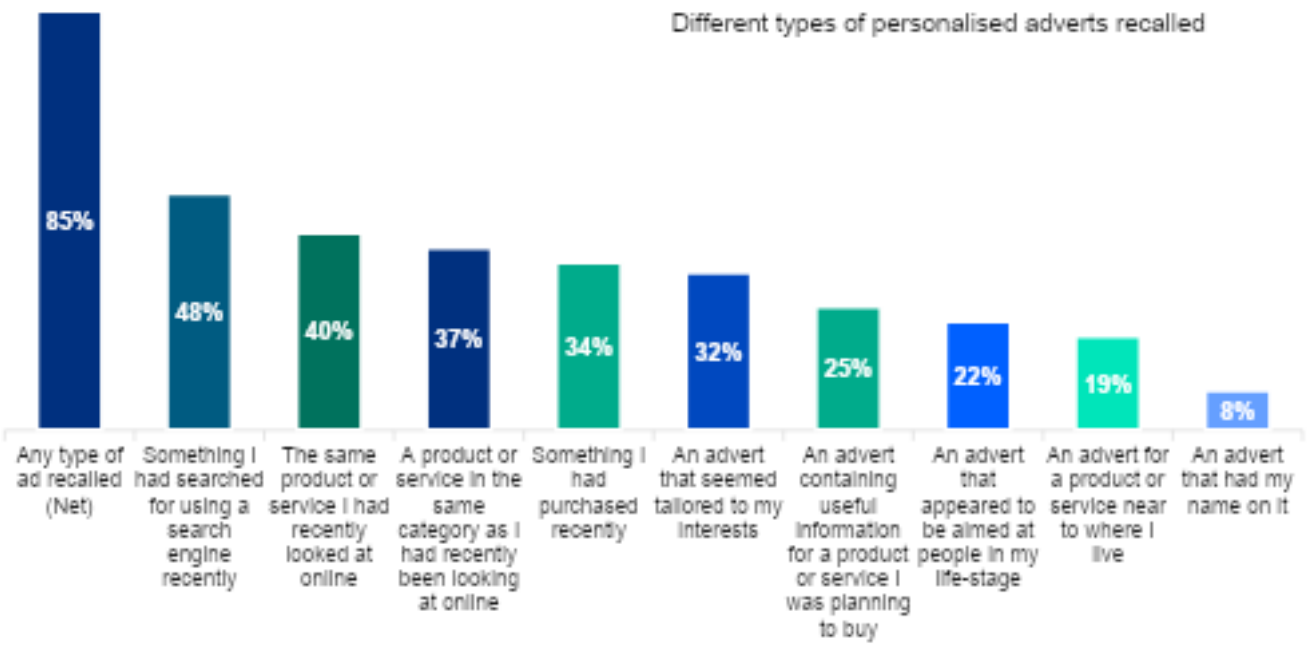
Chart 3, also shows that usefulness varies for the majority of consumers which leads us on to the finding that consumers were able to recognise they had seen different types of adverts. The majority of EU consumers (85%) said they recalled seeing at least one of the nine types of personalised advert they were prompted with (listed in Chart 4). Also, participants in the qualitative research were able to recall different kinds of personal ads and how they understood those ads had been selected for them.

"Well, I had, and this was probably due to the time, an advertisement for the Green Week in my internet history, which was also quite well done, I have to say. So, whoever was behind it did a good job. It was very memorable. The theme was taken from a Netflix series, Stranger Things. It was one of those jelly monster examples, in a gummy bear format. It looked quite funny, I liked it. It was also amusing because we had personally planned to go to the Green Week at the weekend."
Group Ad Positive, Germany, Male, 35-54

The types of personalised ad that were most frequently recalled were ones that consumers thought had been powered by prior search engine activity, mentioned by 48% of consumers as shown in Chart 4. Other types of adverts with high recall included ones that appeared to be driven by products or services recently looked at online (40%) and products and services in the same category recently looked at (37%). Spending longer online, as well as using a wider variety of services, correlated positively with recalling more of these different types of personalised advert.

Chart 4: Different types of personalised adverts recalled

Base: All EU Consumers (10,500)



Question: Which of the following types of adverts can you recall seeing while using a website or an app? Please select all that apply.

2.2 Relevant advertising provides some consumers with a positive experience

A quarter of EU consumers recalled an advert that contained useful information for a product or service they intended to buy. In this situation, where an ad has been well-targeted, there is clear evidence of the value of a personalised ad as three-quarters of this sub-group (73%) gave a positive response to seeing this type of advert, see Chart 5 below. Even 7 in 10 who said they were sceptical about companies tracking them online gave a positive response to this type of advert if they recalled seeing one.

A third of consumers (32%) recalled seeing an advert that seemed tailored to their interests and 65% of those also gave a positive opinion about this type of ad. Again, even those sceptical about companies tracking them online were likely to be positive (62%).

Chart 5: Positive response across different ads recalled seeing

Base: All recalled seeing ad (An advert containing useful information for a product or service I was planning to buy – 2,606, An advert that seemed tailored to my interests – 3,408, An advert for a product or service near to where I live – 2,012, An advert for something I had purchased recently – 3,615)

Question: And what is your opinion of these types of adverts? This positive net combines together the results for the 7 statements which show a positive response to ads, of the 11 different responses. This Chart shows 4 of the 9 different key ad types recalled.

Many respondents in the qualitative research also felt that well-made and appropriately personalised advertisements are effective at sparking interest and called out examples where they had led them to purchase a product.

"In fact, I used to be very interested in a brand that is well known in the action sports and motorsports sector filming, GoPro. I had also been interested in various cameras from them and actually saw an advertisement from a competitor, DJI, by chance, I think it was on Instagram or on Facebook at the time. But I clicked on the banner ad, went to the website, it went straight to DJI, looked at the product and the price was attractive. I bought it and, I have to admit, I then sold all my GoPro accessories, including the cameras, because the new product was significantly better at the time than what I had and what GoPro offered for the price."
Group Ad Sceptical, Germany, Male, 34-54

One in five consumers (19%) recalled adverts that were geographically personalised to them, so relevant by location. Two-thirds (64%), of those who recalled seeing this form of advert had a positive reaction to them (see Chart 5). Contrast this with the third of people (34%) who recalled seeing an advert for something they had already recently purchased. For this sub-group, positive reaction dropped considerably, to 43% (see Chart 5).

This appears to show that it is irrelevance, more than personalisation, that bothers those who are annoyed by online adverts. Evidence from the qualitative research supports this. Relevant advertising can really stand out in a positive way. An example of this was a vitamin drink advert with a unique promotion that felt different to other similar adverts. The other side to this is that when targeting misses the mark, it can be a source of annoyance.

"I have a great example: I bought an SLR camera from Amazon, pretty much the biggest that Canon had in its program, and immediately received an ad for a small compact camera from Nikon, which was the competitor, at least at that time. It was a small compact camera, so a €250 camera, but I bought a camera for 4000 euros. So, I was assigned to the camera target group, but so imprecisely that I was assigned to both the wrong category and the wrong performance class in such an undifferentiated way"

Group Ad Sceptical, Germany, Male, 55+

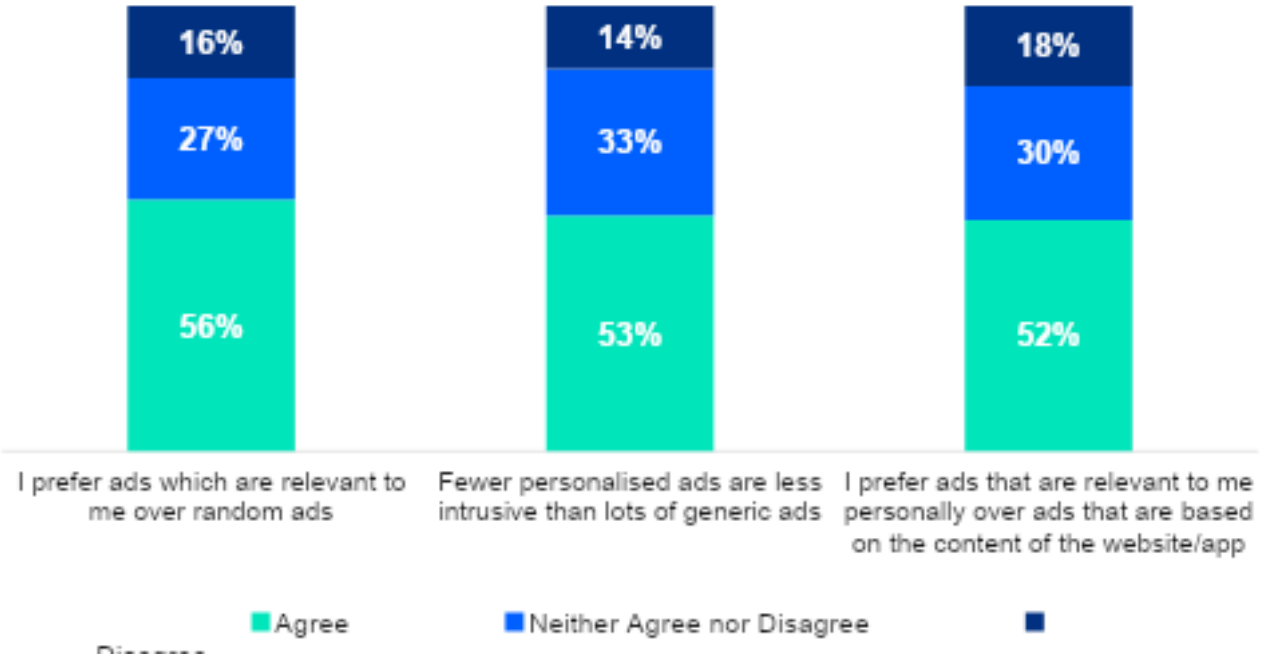
2.3. Personalised ads can resonate with consumers, they are not the main driver of feelings of ad intrusiveness

More than half (56%, see Chart 6) of consumers agreed with "*I prefer ads which are relevant to me over random ads"*, giving it the highest level of agreement of all the advertising related attitudes in the survey. Similarly, more than half also agreed that "*Fewer personalised ads are less intrusive than lots of generic ads"* (53%) and "*I prefer ads that are relevant to me personally over ads that are based on the content of the website/app" (*52%), as shown in Chart 6.

Of those who did not agree with the statements, most of them were neutral, leaving only 16% who disagreed with "*I prefer ads which are relevant to me over random ads",* 14% for *"Fewer personalised ads are less intrusive than lots of generic ads"* and 18% for *"I prefer ads that are relevant to me personally over ads that are based on the content of the website/app ads".*

Chart 6: Attitudes regarding digital advertising

Base: All EU Consumers (10,500)



Question: Please tell us to what extent you agree or disagree with the following statements about digital advertising...

Attitudes towards personalised advertising are fairly consistent across age groups, though 55+s are slightly more likely to disagree with *I do not find personalised ads to be any more intrusive than random ads* (28%), than 16-34s (23%) and 35-54s (25%). Similarly, lighter internet users (fewer than 2 hours on the internet per day) are also more inclined to disagree (30%) than mid and heavier internet users. Personalised ads seem to be more intrusive to those who are less accustomed to them.

There is variation in the outlook across EU countries, with those in Germany and the Netherlands being notably less likely to agree with positive statements towards personalised ads, while Spain, Italy and Czechia see much stronger agreement with positive attitudes towards personalised ads.

Whilst there was clear preference for personalised ads overall, some participants in the qualitative research suggested there needs to be a balance.

"I don't mind ads when they're relevant, but sometimes it feels like they're watching me too closely."
Group Ad Sceptical, France, Female, 35-54

Limiting the volume of ads received is also important to consumers as seen from 53% agreeing that "*Fewer personalised ads are less intrusive than lots of generic ads"*. Just as for irrelevance, a feeling of bombardment appears to be more intrusive for consumers than personalisation and participants in the qualitative research spoke about feeling bombarded by ads, especially when the same ones are felt to be repeating for them. Clearly, ad personalisation is not the primary driver of perceived ad intrusiveness.

2.4 Not all personalisation is the same

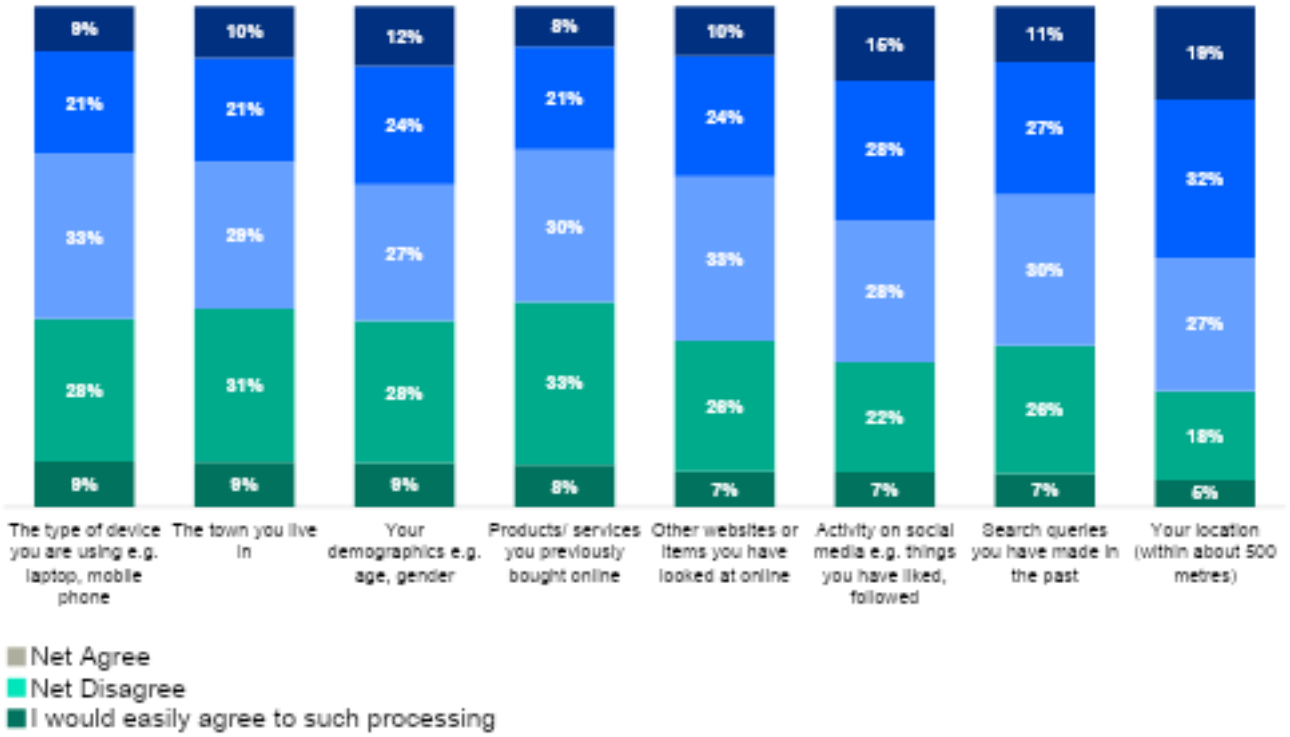
Consumers are generally quite open to the use of many different types of digital data to provide personalised advertising to them. This includes their digital footprint, e.g. products and services previously bought with 71% saying they would either agree or were at least neutral to the usage of this type of data, see Chart 7. We also see a general openness to the use of broader information like the town they live in or demographics.

However, when it comes to the different types of data that can be used by advertisers to provide personalised adverts, consumers feel the most negatively towards the use of directly relatable data like a more precise location (within about 500 metres), with just over half disagreeing with its use.

Women are notably more likely to disagree with the use of precise location (55% vs 46% for men). Older consumers are also more likely to disagree with the sharing of precise location than younger consumers with 55% of +55s disagreeing with its use, versus 46% of 16-34s and 48% of 35-54s.

Chart 7: Consumers' agreement with the use of each type of data by advertisers in order to provide personalised ads

Base: All EU Consumers (10,500)



Question: We are now going to show you some of the types of data that could be used by advertisers to provide you with more relevant or personalised adverts when online if you agreed. Please tell us how you feel about the use of each type of data.

CONSUMER UNDERSTANDING OF DIGITAL ADVERTISING AND LEGISLATION

3.1 Consumers display a functional understanding of online privacy

We used a 'true or false' quiz format[2] as part of the survey to evaluate EU consumers' understanding of the rules and regulations around online privacy, as well as how these advertising systems work. The results showed that most consumers have an understanding of the rules, but for some there are gaps in their knowledge, with 61% of answers given being correct overall.

This was echoed in the qualitative research where many were generally aware of there being regulations to protect them. Some named GDPR, but while they understood the principle of protecting their privacy online, some stated they lacked a deeper understanding of the details of what this actually meant in practice. For instance:

"I can name GDPR and even the Personal Data Protection Act in Poland, but I still don't know all the details. It's supposed to protect us, yet it doesn't feel very practical."
Group Ad Positive, Poland, Male, 35-54

"I don't think I have such a broad and deep knowledge, unfortunately. But what I do know is that the sites have to keep asking if you want to save your data. That's why these banners exist in the first place."
Group Ad Positive, Germany, Male, 16-34

By country, Denmark was the location that provided the highest percentage of correct answers (66%), followed by Republic of Ireland (65%), Norway (64%), Sweden, and Poland (both 63%), Spain and Czechia (62%), Netherlands (61%), Italy and Germany (59%), Belgium (58%) and France (57%).

When we look at the individual quiz statements (Table 3, below) we see statements around companies' use of personal data with the proper permissions were most likely to be correctly answered. The statement that people were most likely to answer incorrectly was the false statement 'The consent banner will always be shown each time I visit a website even if I have agreed to accept collection of my personal data recently'. This highlights that many are unaware of how identifiers like cookies can be used to improve the experience of users on repeat visits.

The true statement 'Companies could face severe fines if they do not collect the relevant consent from me when collecting my data for marketing purposes e.g. via cookies' was either answered incorrectly or unknown by 2 in 5 consumers showing that not all consumers are aware of the potential punishments for companies deemed to be breaching consent rules by their lead authority.

[2] See Appendix A for further explanation

Table 3: Quiz statements

Base: All EU Consumers (10,500)

Quiz Statements	Statement True or False	% correctly answered True or False	Unsure	Incorrect
If I agree, companies may use my past shopping to recommend further products	**True**	76%	11%	13%
If I agree, companies can use data such as location or device type to create personalised ads	**True**	76%	12%	12%
If I agree, companies can use device location to show geographically personalised ads	**True**	74%	13%	13%
If I agree, companies can use my past browsing of websites to show personalised ads	**True**	74%	12%	14%
If I agree, companies may use my demographics (e.g. age, gender) to show personalised ads	**True**	73%	12%	15%
If I agree, companies may use my search history to show personalised ads	**True**	69%	14%	17%
Some cookies are an essential part of making websites work, for example they ensure I don't have to fill in passwords every time I visit a site	**True**	68%	13%	18%
Advertisers pay more money for personalised advertising, and this helps online services to remain viable and free for me to use	**True**	62%	23%	15%
Companies could face severe fines if they do not collect the relevant consent from me when collecting my data for marketing purposes via cookies	**True**	61%	19%	20%
Companies are allowed to install marketing cookies on my device without obtaining clear consent from me in advance	**False**	59%	15%	27%
It is not possible to withdraw my consent for the collection of my data for marketing purposes after I have clicked to accept it	**False**	55%	17%	27%
Companies may use private texts, emails and social media correspondence to show personalised ads	**False**	42%	18%	40%
Smartphones and smart devices actively listen to our conversations to show us personalised ads	**False**	35%	18%	47%
The consent banner will always be shown each time I visit a website even if I have agreed to accept collection of my personal data recently	**False**	31%	21%	48%

Question: "This next section is a quiz game, based on personalised advertising, where the ads you are shown are made more relevant to you. Some of the statements we make about personalised advertising will be true and some false and we would like you to tell us which you do or do not believe." Statements were shown in a random order for each respondent to avoid order bias.

Within sub-groups, there was a difference worth noting by age as 16–34-year-olds scored lower on the quiz (57% of answers given were correct) than 35-54s (62%) and 55+ years (63%).

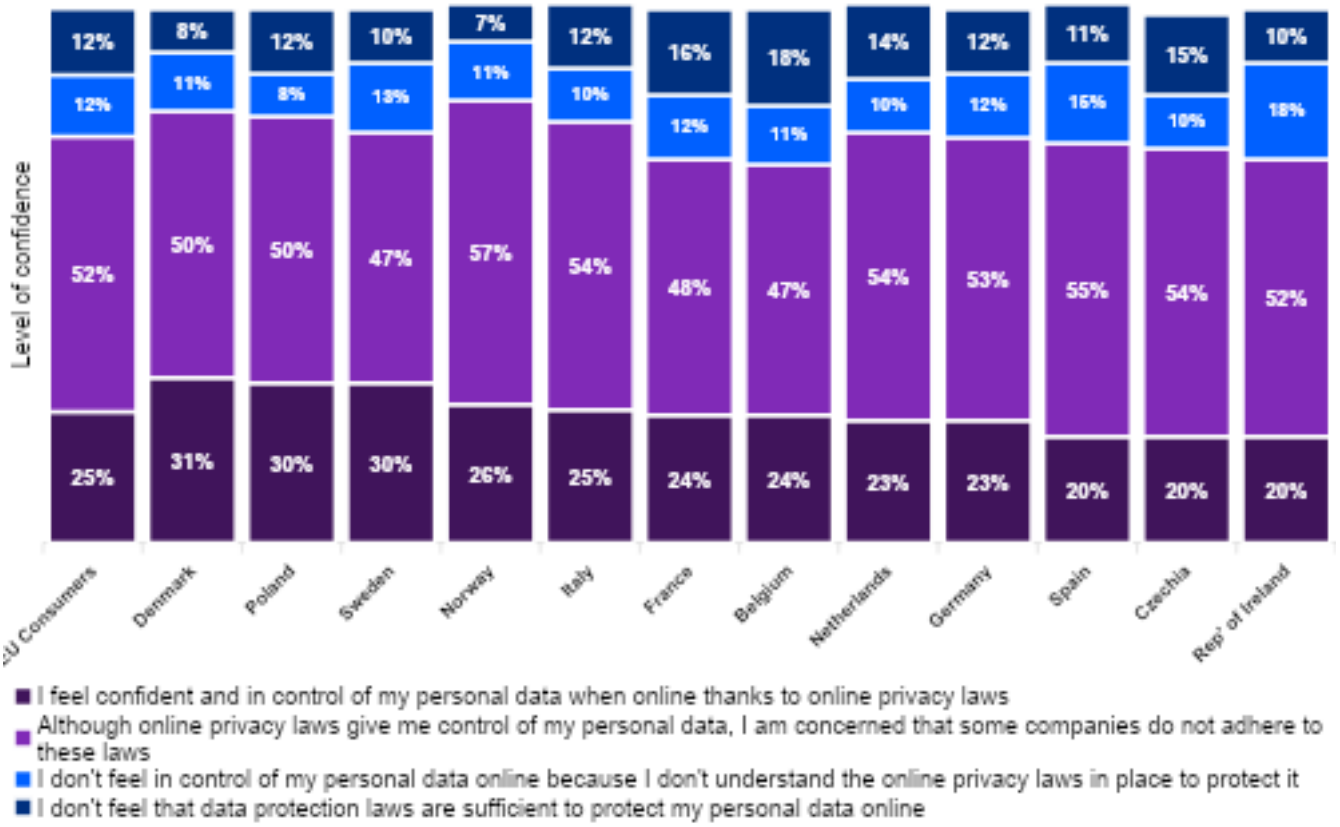
3.2 Uncertainty about compliance by companies is a concern for many consumers

As shown in column 1, of Chart 8, below, when asked to choose which of four options most closely matched their views on data privacy laws, a quarter of EU consumers said they felt confident and in control of their personal data when online, thanks to online privacy laws. At the other end of this scale, only around 1 in 10 (12%) said they did not feel data protection laws were sufficient to protect their personal data online. Another relatively small segment of consumers was those who said they don't feel in control because of a lack of understanding of the online privacy laws, again, around 1 in 10 EU consumers (12%).

By far the biggest group is those who did feel online privacy laws gave them control over their personal data, but had concerns over whether companies were adhering to these rules. This sceptical group accounted for half of EU consumers (52%).

Chart 8: Feelings on online privacy laws by market

Base: All EU Consumers (10,500) by market (1000 - Germany, France, Italy, Spain, Sweden, Poland, Netherlands, Czechia, Belgium. 500 - Denmark, Republic of Ireland and Norway)



Question: Which of the following 4 statements do you think most closely matches how you feel about online privacy laws and how they protect your personal data?

We also saw this sceptical attitude reflected clearly in the qualitative research in all three countries where this took place (Germany, France and Poland):

"Even with all these laws, I still assume my data is being collected and used in ways I don't know about."
Group Ad Sceptical, France, Female, 35-54

"If a company misuses my data, what actually happens to them? Do they even get punished?"
Group Ad Sceptical, France, Female, 35-54

There is a gradual trend showing younger consumers, aged 16-34 years, are more likely to say they feel confident and in control (32%) than those aged 55+ (19%) who are more likely than average to be in the sceptical segment of those concerned about company adherence to the laws (55%). We also see that greater confidence in the privacy laws corresponds with other factors such as spending longer online and having a more positive view of online adverts.

Looking at individual EU markets, we see greater confidence in online privacy laws in Poland, Sweden and Denmark, while Spain, Republic of Ireland and Czechia are lower on this scale (Chart 8).

3.3 Providing greater knowledge enhances clarity for consumers

Following the quiz section we provided a brief summary[3] of the rules and legislation, including which of our quiz questions were true and false, to educate respondents.

Just through this, relatively light, engagement with consumers we found that 27% became more confident in data privacy laws and the agency they have. A quarter (24%) of those who were concerned about how companies comply with these rules became more confident and a similar proportion (23%) of those who said they lacked understanding of online privacy laws (Chart 9, below). This appears to show that by providing relevant information even reticent consumers can have their perspective shifted. However, not all became more confident based on the information provided but we would reiterate that this was a basic approach and could be further refined.

Chart 9: Change in confidence in privacy laws and controls post-quiz/knowledge prompting section

Base: All EU Consumers (10,500), Concerned by company compliance (5,418), Lack of understanding of online privacy laws (1,203)

Question: At the start of the survey, we asked you how you felt about online privacy laws, and you said the statement closest to your view was… Knowing what you know now, has that view changed in any way?

A key message we heard from across all the qualitative groups was that when it came to the information provided to consumers clarity is key, moving away from jargon and into terms that the average consumer can more easily and quickly digest.

[3] See Appendix A for further details

“There is too much bureaucracy, there are just too many terms and conditions to read through, so it's just too much. People are overwhelmed by information. If someone would just tell me that if I press the red button, nothing will be stored and it's quite clear that everything will go nowhere, then I would clearly know that if I am on this homepage and press a red button at the top, then everything is safe for me.”
Group Ad Positive, Germany, Male, 35-54

"I didn't have any boxes at the top, just one big banner. I didn't see any other consents – when I entered a new page, it was just a big chunk of text that you definitely can't skip. You have to press it, and if you want to enter the website, you have pretty much no choice but to accept."
Group Ad Positive, Poland, Female, 16-34

"Privacy policies should be short and clear, not pages of legal jargon no one reads."
Group Ad Sceptical, France, Female, 35-54

"I have to say that they (the banners) don't always have to be written in such a dry way. There are some websites that make a bit more of an effort and combine the necessary with something fun. As an example, there's a biscuit that's been bitten off and added as an image, and then it's said with simple or easy-to-understand language: 'Sorry, we have to do it, we don't want to, but we have to do it this way."
Group Ad Positive, Germany, Male, 35-54

CONSUMER EXPERIENCE AT THE POINT OF CONSENT

4.1 Consumer behaviour can vary between groups and by context

As shown in Chart 10, column 1 below, when presented with a generic consent banner, (see Appendix B) half of consumers (54%) said their default was simply to 'accept all'. A quarter (26%) said they would normally decline and 19% said tailoring consent was their normal behaviour.

The qualitative research suggests this can be an automatic behaviour for some.

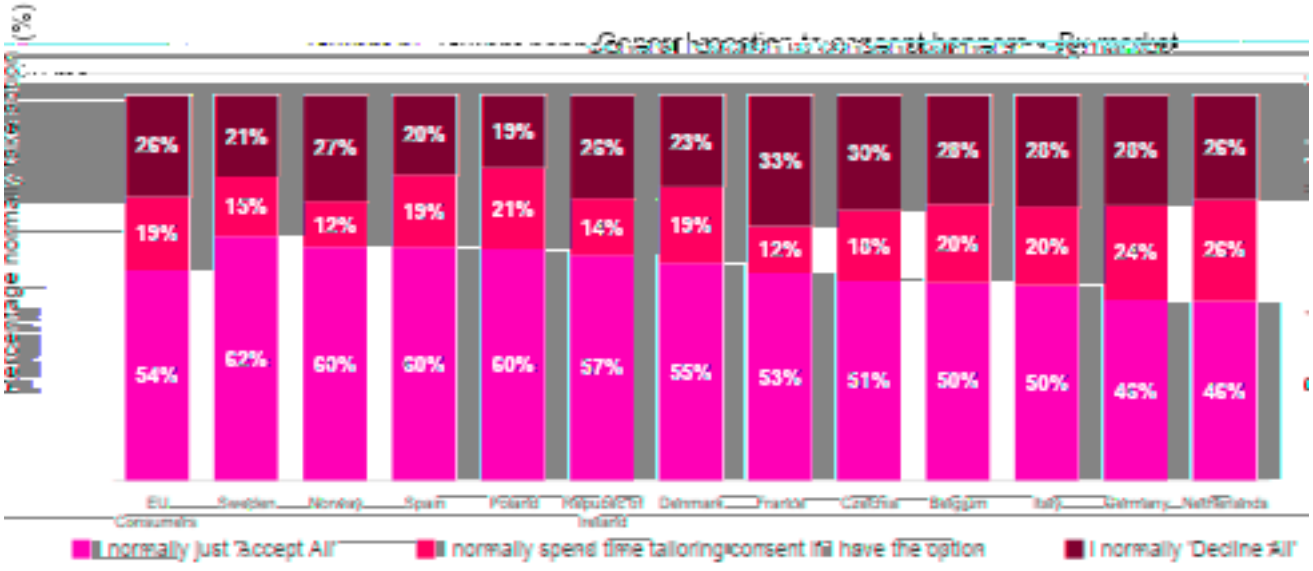
> ***"Well, by now I know roughly what it means when I click "Accept", but I think a lot of it is just automatic, especially with these banners. It's just an automatic reflex because if you visit so many pages and keep getting this, I don't think about it for five or ten minutes."***
> *Group Ad Positive, Germany, Female, 16-34*

There is a clear age trend when it comes to these behaviours with 61% of 16-34s claiming they normally accept all and only 20% declining, compared with 47% of those aged 55+ years saying they accept all and 31% normally declining. Time spent online also followed a clear trend, with those spending longer online being more likely to accept everything.

There is variation in acceptance behaviours across the different markets, as shown in Chart 10, below. In some cases this looks to be reflective of the differing national practices when complying with national data protection rules, with markets such as Poland, Ireland and Sweden, not requiring a 'Reject All' option in the first consent layer, only in the secondary layer. Sweden at 61%, followed by Spain, Norway and Poland at 60%, were the countries most likely to say they just accept all. Given their practices, Sweden and Poland's comparatively high acceptance is unsurprising, while high acceptance in Spain is more likely a chosen behaviour. The countries with the lowest acceptance as the norm were Netherlands and Germany, both at 46%.

Chart 10: General reaction to consent banners

Base: All EU Consumers (10,500) by market (1000 - Germany, France, Italy, Spain, Poland, Netherlands, Czechia, Belgium. 500 - Denmark, Republic of Ireland and Norway)



Question: (example consent banner shown) When you have previously seen these types of messages asking you to accept collection of your personal data to personalise content and/or advertising - that is, to adapt it based on your observed or inferred interests - what do you normally do?

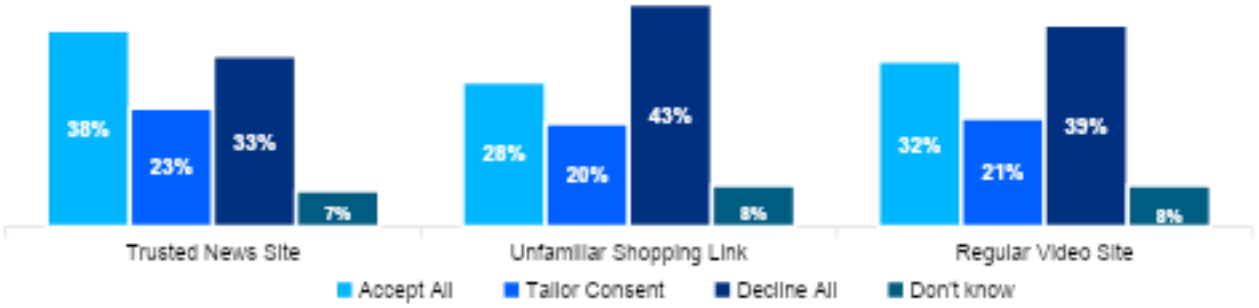
It is also clear to see that there is a strong correlation between confidence in privacy laws and how people say they act at consent banners, 70% of those who said they were confident in privacy laws said they normally just accept all. This drops to 53% for those who said they felt they lacked an understanding of the laws, 50% for those that see the laws as sufficient but are concerned about company compliance and 40% for those who see data protection laws as insufficient.

Another group that was more likely than average to say they tended to accept all were the 14% of EU consumers who said they were generally uncomfortable with computers, with 62% saying they normally accept all. This might seem counterintuitive but may speak to a sense from the qualitative groups that consent requests are often seen as a hurdle to pass rather than an opportunity to decide, especially for those with the types of gaps in knowledge we have raised in section 3 of this report.

Following the generic example, we also asked interviewees to consider their reactions to consent banners in the three scenarios shown in Chart 11, below. There was clear differentiation in response by scenario with a trusted news site getting far higher acceptance rates for consent banners than an unfamiliar shopping website found via search.

Chart 11: Reactions to consent banner across all tested scenarios

Base: All EU Consumers (10,500)



Questions: Chart 11 columns from left to right - When you have previously seen these types of message asking you to accept collection of your personal data to personalise content and/or advertising - that is, to adapt it based on your observed or inferred interests - what do you normally do?/ Imagine that you're reading a news site you visit regularly and trust. That banner pops up asking for permission to collect your data to personalise content and/or advertising. How would you respond in this scenario?/ You're shopping for sunglasses online and click on a link to a sunglasses website you had not heard of before from a search engine. That banner pops up asking for permission to collect your data to personalise content and/or advertising. How would you respond in this scenario?/ Imagine you're on a site you use often to watch free videos online. That banner pops up asking for permission to collect your data to personalise content and/or advertising. How would you respond in this scenario?

4.2 Trust and confidence are important factors when considering consent

When we asked about the main reasons for *accepting* data collection the most frequently given reason was familiarity and trust in the site, making people comfortable with accepting, as demonstrated in Chart 12, below. Only 14% said they accepted expecting they would get a better experience on the site. Also, only 1 in 10 said they felt a moral obligation to accept due to the investment made in the website.

Chart 12: Reasons why EU consumers allow data to be collected

Base: All EU Consumers (10500)

Question: On the occasions you visited a website or online service and decided to accept data collection, what would you say were the main reasons behind accepting?

If we look at those who said they had confidence in online privacy laws, we see that although the main drivers remain consistent, other factors also start to be cited more frequently. In fact, this confident group was more likely than average to say; understanding the purpose of the data collection (20%), expectation of getting a better experience (16%), being unconcerned (17%), clear understanding of data use (17%), expecting more relevant ads (16%) and it feeling the right thing to do (14%).

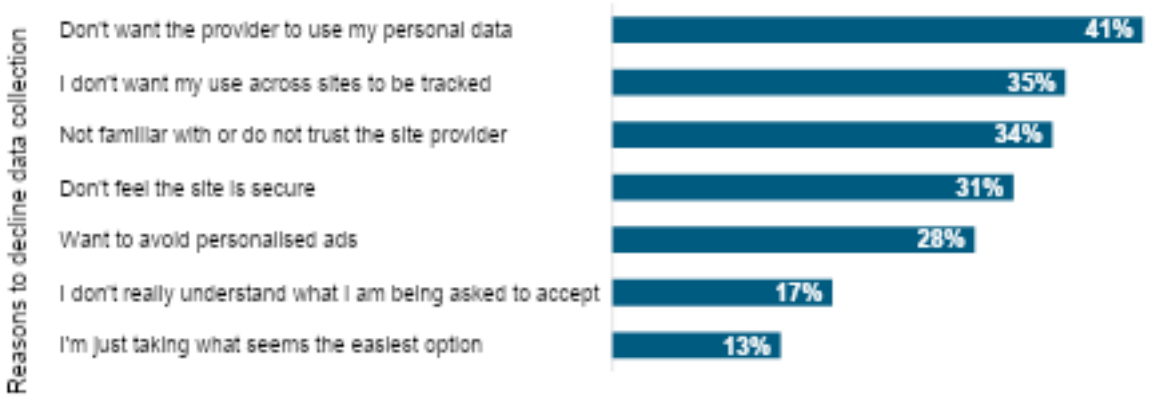
Those with concerns about companies following privacy laws tended to say trust/familiarity with the site (34%) and it being a regularly visited site (30%) as reasons to accept. For those with less knowledge of the laws, taking the easy option (24%) was the response given most frequently.

For consumers in Germany, site familiarity/trust is clearly a key factor (34%) and Germany, France and Ireland were the markets most likely to say that it feels the right thing to do, all at 12%. Consumers in Poland were more likely than others to give consent expecting to get a better experience on site (20%) and more relevant adverts (16%).

When we asked what are the main reasons for *rejecting* data collection at consent banners, we found that the two most frequent reasons consumers gave were around retaining control of their data, the next two focused on trust or security concerns, as shown by Chart 13 below. Further, down on the scale we then see concepts of avoiding adverts, uncertainty and just trying to take the path of least resistance, suggesting rejection is less likely to be driven by a desire for easy access to a service than is the case for acceptance.

Chart 13: Reasons why consumers decline data collection

Base: All EU Consumers who decline data collection: (10500)



Question: On the occasions you visited a website or online service and decided to decline data collection, what would you say were the main reasons behind declining?

For those who said they had confidence in privacy laws, we see that the reason this group is most likely to say they have rejected tracking was when they felt the site was not secure (30%), this group is also much more likely than average to say they are just taking what seems like the easiest option (17%).

Looking at individual markets, we see that consumers in Germany are above average for citing reasons of control and trust as to why they reject consent and are well below average for giving reasons of not understanding or simply taking the easiest option. Consumers in Ireland (28%) and Norway (24%) were most likely to say a lack of understanding was a reason to decline. At 41%, consumers in Ireland were also more likely to give site security as a reason.

Our qualitative groups further raised some interesting points with regard to consent banners and their interactions with them. Firstly, as was also noted from the quantitative research, trust in the site/provider is clearly seen as important for consumers if they are accepting cookies.

In our groups we asked about how the consent banner experience could be improved and there were some very clear views:

1. **Language** – this needs to be clear to the lay person, it is often felt to be too technical to follow and even intentionally opaque. Adding to both a sense of frustration as well as scepticism.

   "I tried reading one properly, but it was just too long and technical. I gave up and clicked accept like I always do"
   Group Ad Sceptical, France, Male, 55+

2. **Purpose** – following on from the language they also want to understand the 'why' behind the request.

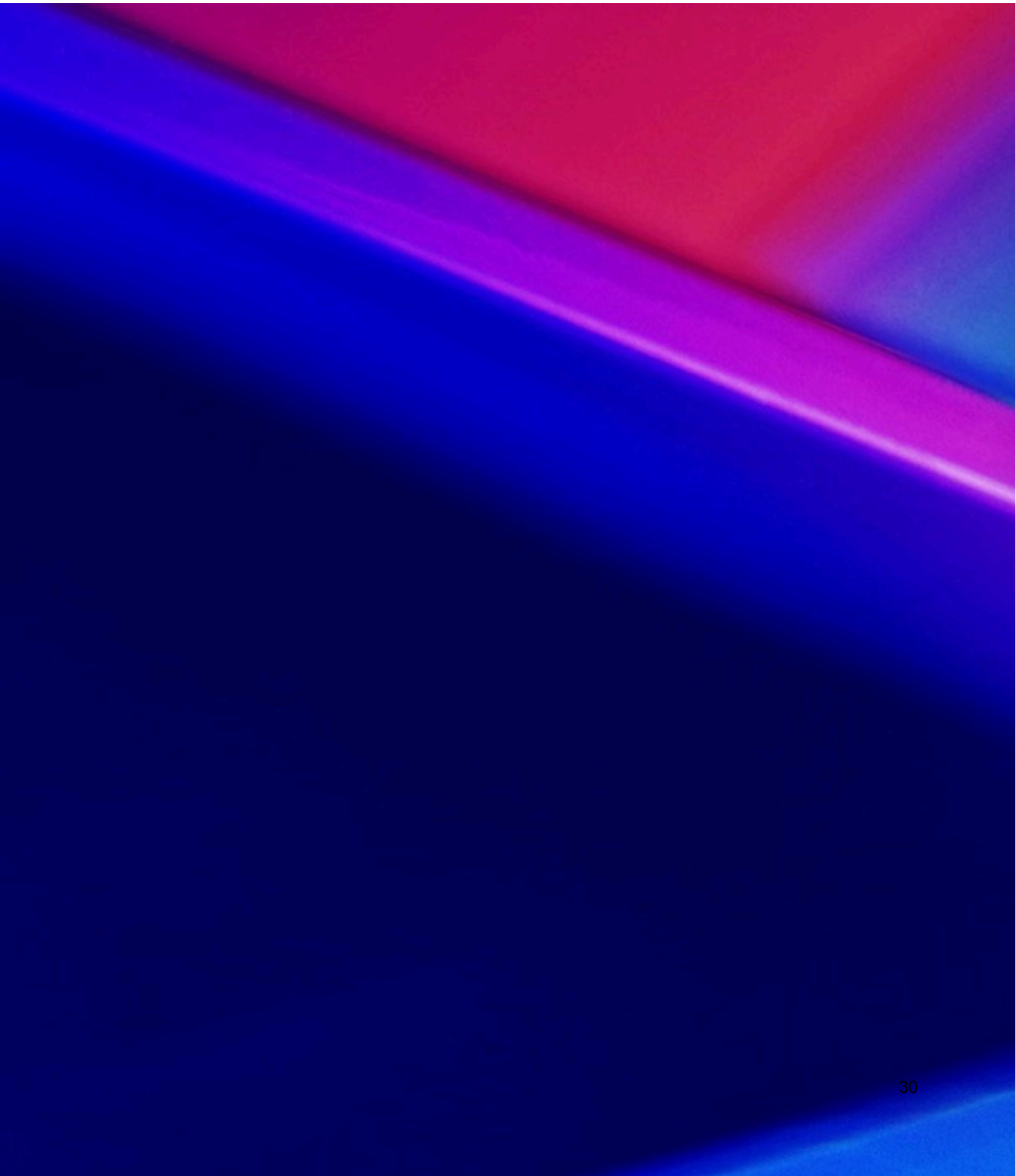
   "I know that by accepting these cookies, I agree that my personal data is collected under GDPR for statistics purposes. But I never really delve into what that means."
   Group Ad Sceptical, Poland, Female, 35-54

   "If I could see exactly what data they're taking and have a quick way to change my settings later, I might actually pay attention."
   Group Ad Sceptical, France. Female, 35-54

3. **Consistency** – different sites appear to have different banner designs, some making it easy to accept, tailor or reject, while others appearing harder to navigate. They want the options/buttons to be clearly available, but perhaps more importantly they want the banners to be more consistent to help them more efficiently navigate each time they appear.

   "I actually wanted to reject the cookies, but it was so strangely presented that I almost automatically agreed instead of rejecting it."
   Group Ad Positive, Germany, Female, 16-34

   "Maybe these banners should be more standardised"
   Group Ad Sceptical, Poland, N/A ,55+



We have summarised the key insights relevant for those working in the digital advertising and marketing industry. These insights demonstrate that the industry has an opportunity to take action by improving consumer understanding and the consent experience.

Consumers want a good and relevant experience with ads: Consumers value helpful and well-targeted ads, with 80% finding online adverts at least occasionally useful. Consumers generally prefer fewer, more relevant ads over numerous random ads. Moving away from personalisation could result in a less enjoyable experience for most consumers. However, when advertising misses this mark, it can quickly start to feel invasive or annoying.

Impact of poor ad targeting: Poor ad targeting and execution are primary drivers of negative consumer views, more so than personalisation itself. Consumers are frustrated by ads for products they have already purchased.

Enhance information clarity: Providing clear and easily understandable information can boost consumer confidence in data privacy laws and their personal control.

More consistent consent banners: Key issues consumers face include lack of clear language, unclear purposes for data collection, and inconsistent banner designs. The focus should be on clear communication, transparency, and potentially more standardised designs.

Consumers value control of their data: The most frequent reasons for rejecting data collection are related to retaining control of their data, followed by trust and security concerns.

POLICY RECOMMENDATIONS FROM IAB EUROPE

Understanding what consumers value is key to being able to create the right regulatory environment for consumers in the ad-funded internet. IAB Europe shares the goal that consumers need to have agency over their choices and data, be able to trust that their data is being protected, while retaining the ability to enjoy the services, news and entertainment that the open ad-funded internet provides. That's why this study is key to inform how we evolve digital advertising practices[4].

Below, we outline a set of policy recommendations that aim to optimise the consumer experience online while addressing the barriers that undermine the quality, diversity, and affordability of services available to consumers.

1. Safeguard free access to a wide range of high-quality services for consumers

European consumers value free or affordable services funded by advertising. A large majority of European consumers are using a broad range of services—such as email or online maps—at no cost (see Table 1) and would miss these services if they were no longer available (see Table 1). Generally, more than one-third of free service users state they would switch or stop using such services if they were required to pay (see Table 1), with this number increasing among those finding it difficult on their present income (see section 1.1, page 10).

Meanwhile, European consumers continue to grapple with persistent inflation, and the rising cost of living remains a primary concern. Many consumers are facing severely constrained budgets, leaving little to no room for unexpected expenses[5]. In stark contrast, our research estimates that the average European consumer gains approximately €212 worth of access to online services each month, at no direct cost to them, largely thanks to online advertising. Even when excluding shopping websites, this figure remains significant, at €179 (see Table 2).

At the same time, European publishers and platforms are facing a perfect storm of stagnating revenues, growing investment needs, and regulatory pressure to move away from personalised advertising. This is leading to an environment where publishers and platforms are increasingly forced to adopt subscription models or introduce paywalls, which would significantly increase the risk of leaving the most vulnerable consumers behind.

European policymakers must take decisive action to mitigate the impact of these trends while also preserving the services consumers value. Any policy or regulatory guidance should be evaluated against its potential negative impact on the accessibility, affordability and diversity of online services and the effects on the business models of providers.

0. Encourage collaboration to better inform consumers about digital advertising and empower their online choices

Some consumers do not fully understand the critical role digital advertising, particularly personalized advertising, plays in funding a wide range of online services. After learning more about the funding role of personalised advertising and how it works, research shows that consumers' attitudes toward it can shift. For instance, a majority of consumers - particularly those facing financial challenges or who are concerned about ad targeting (see section 1.4, page 13) - become more favourable toward 'pay or consent' models when they understand the value exchange involved.

This important nuance in consumer attitudes shows that consumers want more relevant information than current cookie banners provide and this presents an opportunity for enhanced collaboration involving, for example, providers of ad-funded services, European governments, and civil society organisations. With support from regulators, this collaboration would better empower and inform consumers about the role of digital advertising in funding online services, the use of personal data to target ads, and their rights and choices.

---

[4] See section 5 "Insights"

[5] See Euroconsumers Consumer Affordability Barometer 2024

0. **Preserve the existing legislative framework for personalised advertising**

European consumers demonstrate a nuanced perspective on personalised advertising. While a significant majority prefer ads tailored to their interests over generic content, and perceive getting fewer ads, but personalised ones, as less intrusive, consumers express greater apprehension about the use of data types, such as precise locations, in ad personalisation. Conversely, they are more accepting of data related to past online purchases (see Chart 7). Notably, younger adults generally exhibit a more positive attitude towards data utilisation for personalised ads (see section 2.4, page 19).

These findings show that consumers value relevance and efficiency in online advertising, but also prioritise data privacy and control. The existing legislative framework, comprising the Digital Services Act (DSA) and the General Data Protection Regulation (GDPR) already provide a mechanism to balance these competing interests. For example, the GDPR establishes clear principles for data processing, requiring transparency, lawfulness, and purpose limitation while the DSA complements this by mandating platform accountability and transparency in algorithmic systems, including those used for ad targeting. By ensuring proper implementation of these regulations, including guidance on special categories of data and user control, consumers' apprehension about data misuse can be effectively mitigated while preserving the benefits of personalised advertising, such as enhanced user experience and reduced ad clutter.

0. **Develop regulatory incentives and address barriers to consumer-friendly consent banners**

Our qualitative research indicates that the design and content of consent banners, which could vary, contributes to "consent fatigue" among consumers. During online workshops, consumers emphasised the need for simpler language, less intrusion, clearer and more relevant information on data collection purposes.

To address this issue, IAB Europe urges policymakers and regulators to support businesses that are committed to improving the consumer experience, particularly by building on existing industry standards like the Transparency and Consent Framework (TCF)[6].

IAB Europe, therefore, recommends reviewing the guidance on the application of the GDPR and the ePrivacy Directive. This should ensure that the implementation of the rules is flexible enough to enable businesses to meet consumer demands for clearer, more succinct, information.

European policymakers and regulators should also consider the creation of GDPR codes of conduct, which are underutilised. The latter should leverage established industry standards, such as the TCF, to promote a more consistent and user-friendly experience across consent banners.

0. **Revisit barriers to business continuity and the consumer experience**

A large majority of European consumers prefer fewer, more relevant ads, over numerous untargeted ads (see Chart 6). In response, the digital advertising industry has developed solutions to tailor and cap the number of ads shown to the same user. However, the interpretation of the ePrivacy Directive by the majority of regulators requires consumer consent for the storage and access techniques necessary to limit the frequency of ads. While the goal of EU policymakers and regulators should be to enhance the consumer experience, the current implementation of the ePrivacy Directive and its associated guidance can have the opposite effect. For example, revised EDPB guidelines on the ePrivacy Directive apply to more storage and access techniques, which will require more consent notices to consumers and inevitably exacerbate consent fatigue[7], as highlighted in this study. The instances where storage and access is deemed "necessary" and does not require consent remain small in number and were not reviewed alongside new guidance.

The European Commission should acknowledge the effect regulatory guidance has on both the user experience and the continuity of business for providers of ad-funded services in the EU. The Commission should use the upcoming fitness check and digital simplification package to identify and address barriers in the design and implementation of the ePrivacy Directive that hinder the improvement of the consumer experience online and the ability of providers to continue offering ad-funded services that consumers value.

---

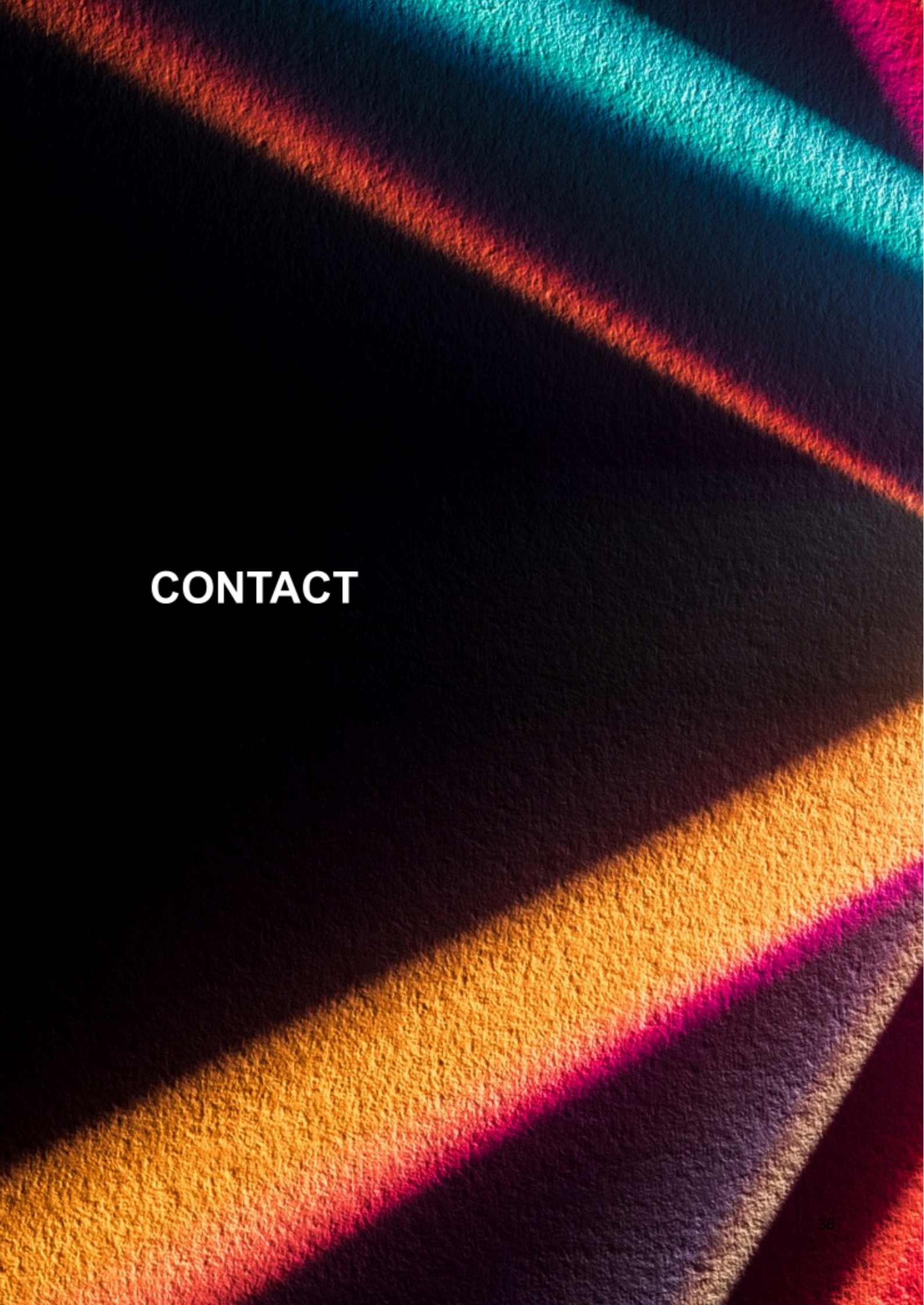
[6] The TCF is a cross-industry, minimal and voluntary standard that provides users with a standardised experience when they make privacy choices. TCF banners use user-friendly text and standardised purpose names to improve users' understanding and transparency of data processing.

[7] See IAB Europe's response to the EDPB public consultation on Guidelines 2/2023 on Technical Scope of Art. 5(3) of ePrivacy Directive

0. Prioritise effective implementation over new legislation

The GDPR and DSA have established robust safeguards for EU consumers, granting greater transparency, choice, and control. However, a significant portion of European consumers are apprehensive about the correct implementation and enforcement of these regulations (see Chart 8). To bridge this trust gap, prioritising effective implementation over further reform is essential as well as a renewed focus on risk-based regulation.

The forthcoming digital simplification package should focus on practical solutions for the digital advertising industry, streamlining compliance and examining the effect the fragmented legal interpretations and fluctuating data protection guidelines has on business confidence and investment in digital services in the EU. Concurrently, enforcement should focus on a strong, risk-based approach and on severe breaches of fundamental rights under the GDPR and DSA. Demonstrating consistent and effective implementation of existing rules is paramount to building consumer confidence in the online advertising ecosystem.


CONTACT

If you would like any further information on the content of this report please contact:

Franck Thomas
Policy Director
IAB Europe
thomas@iabeurope.eu

z

Appendix A: Methodology

Quantitative Research

A sample of 16+ year old internet users was interviewed, in November 2024, across 12 markets to give a broad representation of the **EU Consumer**.

To ensure the survey was representative, quotas were set within each market on age, gender and region. We also closely monitored time spent on the internet to avoid a bias towards heavier users and ensure the study fairly and accurately represented a full range of EU consumers who use the internet.

The survey took up to 15 minutes to complete and was device agnostic, allowing respondents to complete on mobile, tablet or PC screens.

1,000 interviews were completed in each of Germany, France, Italy, Spain, Poland, Sweden, Netherlands, Czechia and Belgium, with 500 interviews completed in each of Denmark, Republic of Ireland and Norway, giving a total sample size of 10,500.

Enhancing accuracy through questionnaire design

When designing the questionnaire, we used several techniques to ensure results were a fair representation of consumer attitudes. One innovative approach was the use of gamification techniques to improve both engagement and accuracy when testing knowledge.

After assessing consumers' initial perceptions and attitudes, including questions on data privacy laws and their comfort with them, we introduced a quiz-style game. Participants were shown several statements about online data privacy and personalised ads, some of which were true and others false. Players were shown the statements and asked to respond whether the statement was 'True', 'False' or whether they were 'Unsure'. To prevent random guessing and avoid overestimating consumer knowledge, we implemented a points system. Players received one point for a correct answer, lost one point for an incorrect answer and received no points if they selected "Unsure." This approach helps to discourage guessing, giving greater confidence that our findings reflect genuine knowledge over chance or educated guesses.

Once the game was completed, participants were shown the correct and incorrect answers and provided some additional information, as detailed below.

Below are the statements which are true.

1. Advertisers pay more money for personalised advertising, and this helps online services to remain viable and free for me to use
2. Some cookies are an essential part of making websites work, for example they ensure I don't have to fill in passwords every time I visit a site
3. If I agree, companies can use data such as location or device type to create personalised ads
4. If I agree, companies can use device location to show geographically personalised ads
5. If I agree, companies can use my past browsing of websites to show personalised ads
6. If I agree, companies may use my demographics (e.g. age, gender) to show personalised ads
7. If I agree, companies may use my past shopping to recommend further products
8. If I agree, companies may use my search history to show personalised ads
9. Companies could face severe fines if they do not collect the relevant consent from me when collecting my data for marketing purposes e.g. via cookies

Data protection and privacy laws are in place so that companies may only use your personal data for the purpose of providing personalised advertising if you have given them permission to do so; otherwise they face severe fines. Without personalised advertising many online services would not have the funding they need to be provided free of charge.

Below are the statements which are false.

1. Smartphones and smart devices actively listen to our conversations to show us personalised ads
2. Companies are allowed to install marketing cookies on my device without obtaining clear consent from me in advance
3. The consent banner will always be shown each time I visit a website even if I have agreed to accept collection of my personal data recently
4. Companies may use private texts, emails and social media correspondence to show personalised ads
5. It is not possible to withdraw my consent for the collection of my data for marketing purposes after I have clicked to accept it

Data protection and privacy laws ensure you have the right to manage your privacy online and they require companies to ask your consent for tracking.

The quiz was followed by questions asking whether respondents felt more or less confident in their online privacy and with the regulations in place. This follow-up allowed us to test the impact of education and knowledge on consumer confidence in online data privacy.

As well as gamification elements, we also used scenario testing to elicit more accurate and realistic responses, particularly when looking at how people interact with consent banners. While consumers often have general ideas of how they behave, once we look at specific instances, we see that their behaviour is often more nuanced than they or we might first think.

Estimating the monetary value EU Consumers receive through freely available online services

To provide an estimated financial quantification of the services consumers receive without payment we included the following analysis.

We asked consumers about 12 different categories of online services, identifying which they had used in the last month, how many services they had used for free and how many they or someone in their household paid for. This gave us a mean score within each of the categories for the number of free and paid for services used.

We then asked consumers who said they were paying for a service in a category to provide an estimate of their monthly spend on these services. Dividing the total spend by the number of services used produced an average spend per service amongst users within each category.

Finally, we applied this mean price per service paid for to the mean number of services used for free, accounting for non-service users in our estimates. These estimates were also combined to provide a total value across all 12 categories.

We are not suggesting that this calculation equates to what a consumer would be willing to spend for these freely accessible services. This approach gives us a method to estimate the financial value consumers receive from free online services, with a large proportion of funding for these services coming through advertising.

One further note is that our calculations did include the shopping sector which is also funded via commerce so in our analysis we provided estimates both with and without this sector included.

Qualitative Follow-Up

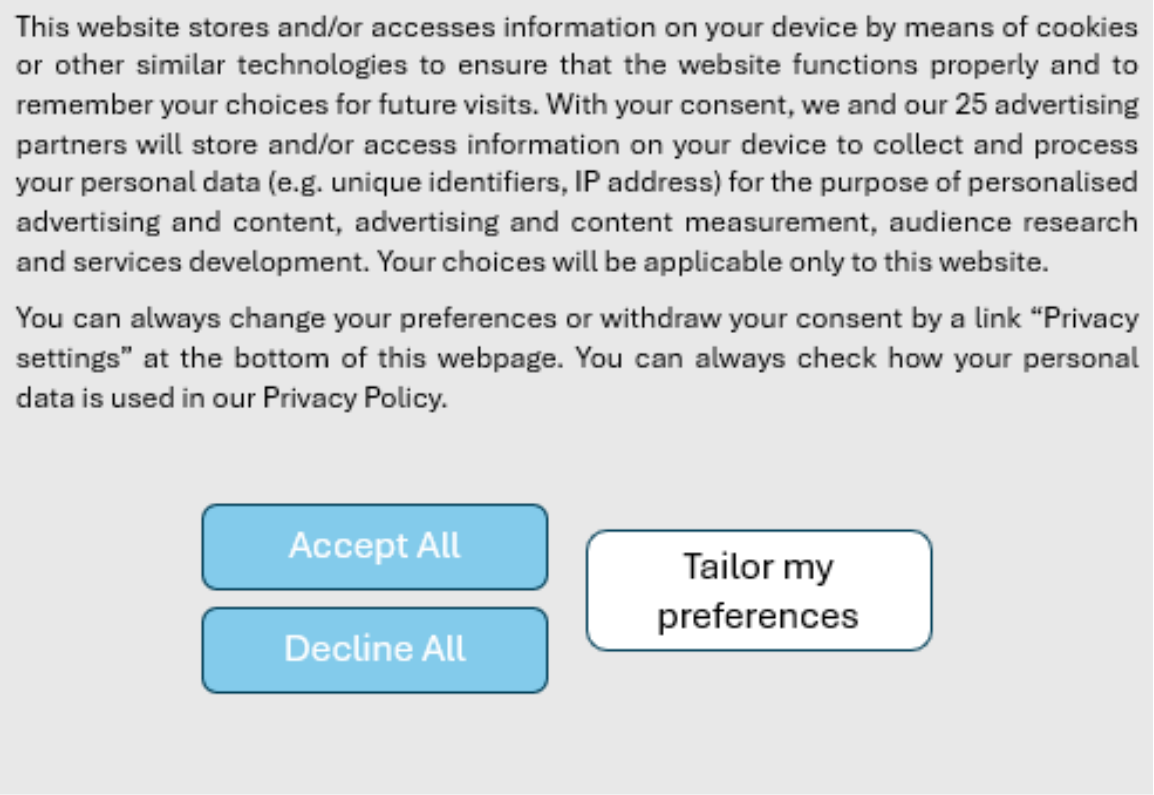
To build upon the quantitative findings, we then conducted a qualitative study, which allowed us to explore key themes in greater depth.

This stage consisted of online group discussions with participants from Germany, France, and Poland. The details of this phase were as follows:

- Two online focus groups per country, each consisting of 5-6 participants conducted in January/February 2025

- One group per country was with a “top third” of those positively inclined to advertising and one group with a “bottom third” on this scale. Question used to assess this was…*“How often, if at all, would you say you find the adverts you see online useful? Useful could mean that they help you find out about new products or brands, let you know about sales or pricing, or provide you extra information on a product or category you were already interested in.”*
- Each session lasted approximately 1.5 hours and was conducted via an online video platform
- To improve participants’ recall and awareness they were asked to complete a three-day pre-task to familiarise themselves with personalised ads and consent banners, as well as reflect on their attitudes toward online ads

Insights from the initial quantitative stage helped us to define the criteria we would use to select participants for the qualitative discussions. Specifically, we recruited participants from both ends of the spectrum, which consisted of the third of people most open to online advertising as well as the third with the most negative attitudes toward it. By including these contrasting viewpoints, we ensured a diverse and engaged discussion that captured the full range of EU consumer opinions. We also considered age, gender and comfortability on income to ensure a range of views were fairly represented.

Appendix B: Consent banner example

The consent banner mock-up used to help prompt respondents when answering related questions is shown below.