

# Fostering a Culture of Data Ethics

A guide to help marketing professionals encourage  
their organisation to do the right thing with data

July 2023





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# Introduction

## Nine out of ten global CMOs say that data ethics is a top priority for their organisation.

This backing comes in response to widespread unease with the ways in which data is used in advertising. And while many organisations recognise the need to integrate data ethics into their marketing activities, many tend to overlook one crucial step in the process: the need to foster an internal culture which is rooted in the ethical and responsible use of data.

According to WFA research, only 41% of CMOs say data ethics has become an integral part of their organisation's culture. To help close this intention action gap, the WFA has developed a Data Ethics Playbook which outlines six practical steps each organisation can take to foster a culture of ethics internally and drive the right data-related practices among their marketing teams.

By promoting a culture based on ethical data use, companies can ensure that they consistently act in the best interests of consumers and maintain transparency, accountability and integrity in their marketing operations.

In the ever-evolving landscape of data ethics, there is no one-size-fits-all approach, and each organisations' journey will be unique.

However, this Playbook serves as a compass, providing guidance and support to brands as they embark on their own path towards building a culture rooted in the ethical use of data.

In September 2022, WFA published [The CMO Guide to Data Ethics in Practice](#), which puts forward 20 key recommendations Chief Marketing Officers (CMOs) can take to drive a more responsible and sustainable future for data-driven marketing.

The guide, drafted in collaboration with WFA members AB InBev, Ferrero and Unilever, helps CMOs address four key data ethics challenges:

- 1 How can marketers hold third-party partners and suppliers to account for the ethical collection and use of data?
- 2 How can marketers transition to more ethical models of digital advertising which focus less on third-party data and tracking?
- 3 How can marketers embrace AI and machine-learning technologies without compromising trust, safety or inclusivity?
- 4 How can marketers foster a culture of ethics internally which inspires the organisation to do the right thing with data?

The launch of the guide also marked the beginning of a new WFA working group, aimed at helping policy, legal, marketing and media professionals operationalise its recommendations and understand their responsibilities when it comes to data ethics.

This Playbook was drafted in collaboration with WFA member companies:

















## Recommendation 1: Build the business case for data ethics

Creating a harmonised narrative internally on the importance of responsible and ethical data use is key to building a culture based on data ethics.

To help brands build a business case which is fit for their organisation, data ethics could be promoted as a way of reducing regulatory and financial risk, attracting investors, building brand loyalty, gaining a competitive advantage, and retaining and recruiting top talent.

### ▶ Reducing regulatory and financial risk:

Although compliance with data protection law is a fundamental prerequisite to any ethics agenda, going above and beyond compliance will reduce the chances of privacy complaints and regulatory fines, thereby minimising financial and reputational risk.

The financial tail risk associated with a breach can run to hundreds of millions of dollars and some findings claim that company **share prices fall on average 3.5% following a breach.**

### ▶ Attracting investors and demonstrating social corporate responsibility:

Regulators, civil society organisations, individuals and even investors are calling into question data-driven marketing over concerns that it undermines privacy, fundamental human rights and democracy. However, brands today are increasingly expected to demonstrate how they are making a positive contribution to individuals and society. Incorporating data ethics within a company's environmental, social and governance strategy can help advance these efforts and ultimately attract and retain investors.

Multinational investment company BlackRock states that **“many companies are collecting extensive amounts of personal, and often sensitive, data [...] which comes with material business risks that can impact a company's reputation and their ability to operate.”**

**▶ Building brand loyalty:**

Research finds that consumers consider ethical business practices a more important factor when making purchasing decisions than whether it's a brand they love or that has a good reputation. Taking an ethical approach to data will help to build stronger, more authentic connections with consumers, thereby increasing brand loyalty and helping to maintain a competitive advantage.

According to [research](#) by BlackRock and Morningstar, **Ethical companies outperform Large Cap Index companies by 14.4%.**

**▶ Future-proofing the organisation:**

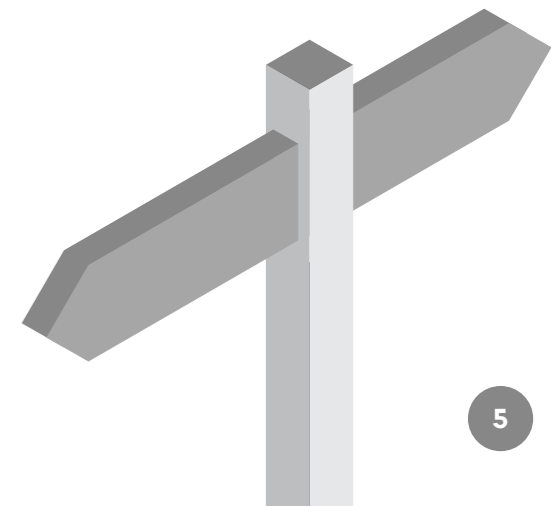
As the regulatory and technology landscape becomes increasingly complex, embedding robust data ethics policies, processes and governance enables organisations to proactively anticipate change. This can help drive tangible benefits such as decreasing operational costs of compliance, improving agility and securing more sustainable innovation.

The State California department of Finance [estimated](#) that **California's CCPA would cost companies a total of up to \$55 billion in initial compliance costs.**

**▶ Retaining and recruiting top talent:**

People today are looking to work for socially responsible employers and organisations that have a positive impact on society. By taking data ethics seriously, companies can showcase their commitment to values and ethics as an integral part of their business model, beyond mere profit. This will not only help to retain and recruit top talent, but also enhance motivation, productivity and efficiency.

[Research](#) finds that **82% of senior executives from across WFA's corporate members say they would consider leaving their company if they felt the approach to data was not ethical.**





## Recommendation 2: Establish company-wide data ethics principles

In order to guide the company's broader data ethics mission, organisations should establish a set of company-wide data ethics principles which are aligned with industry best-practice and their company values. Developing such principles will require cross-functional collaboration and involve revisiting existing company policies and guidelines. Once principles have been adopted, relevant teams should look to bring them to life and define how they apply in their day-to-day activities.

### 1 Identify common data ethics principles:

As a basis for inspiration, legal, privacy and ethics teams across jurisdictions should collaborate to identify common privacy principles found in comprehensive data protection and privacy regulations. This will help establish a set of guiding principles that can be built on and universally applied across the organisation. Some examples include respect, fairness, transparency, accountability, and control.

### 2 Collaborate across functions to define principles:

Once the initial principles have been identified, the privacy and legal teams should collaborate with other relevant teams (marketing, IT, media, data, etc) to agree and define the principles in ways which are tailored to the organisation's needs. The principles should be co-owned by the different team to emphasise the significance of integrating ethical considerations across the organisation.

### 3 Revisit existing policies and guidelines:

Brands should review any existing policies and guidelines related to data usage, privacy and security and compare these with the identified ethics principles. This will help spot potential gaps and ensure any new principles are comprehensive and consistent with existing policies.

### 4 Align the principles with company values:

The agreed set of data ethics principles should then be aligned with the company's overall business values. This alignment is crucial to ensure that the principles resonate with the broader business community and are effectively incorporated into existing codes of conduct, policies and frameworks.



**5 Get the principles approved by the C-suite:**

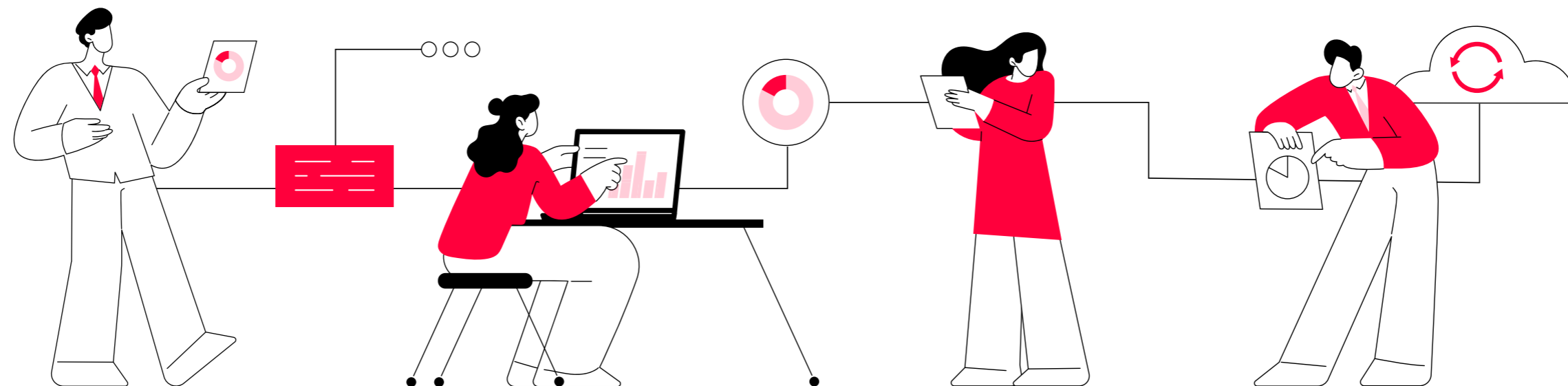
Relevant teams involved in developing the principles should then seek approval from the C-suite before adoption. To secure approval, the teams should prepare a comprehensive proposal which outlines the process undertaken to develop the principles, highlights the alignment with company values, emphasises potential impacts and demonstrates the benefits of adoption. The Chief Marketing Officer, Chief Data Officer and/or Chief Privacy Officer (or equivalents) should champion and support the adoption of these to the broader corporate board and emphasise their strategic importance.

**6 Bring the principles to life:**

Once the overarching principles have been adopted, the marketing, data, IT, legal and privacy teams must then each look to define what the principles mean within their function. These should be based on practical use cases and in the day-to-day activities of the team. Regular communication and collaboration between teams will be crucial to maintaining a strong alignment and consistency in interpretation.

**7 Research industry best practices:**

Brands should proactively research industry best practices and benchmark against other companies in order to ensure their principles remain up to date. This will help to identify leading practices and emerging trends, enabling organisations to foster a ‘race to the top’ mentality. Such research should include staying updated with regulatory and market developments, understanding evolving consumer expectations, and participating in existing industry forums like those provided for by the WFA.





## Recommendation 3: Clarify roles and responsibilities

To promote a unified understanding of the importance of data ethics, roles and responsibilities should be clearly defined. While some organisations may find it appropriate to create dedicated data ethics functions to spearhead the work, implementing data ethics in practice cannot be the sole responsibility of a single team. Responsibilities must be diversified and all employees should contribute to the organisations' data ethics journey.

### The C-Suite

**The C-suite should establish a strong leadership position, guiding the organisation towards ethical data practices. In particular, the C-suite should:**

**▶ Proactively drive the narrative on the importance of data ethics:**

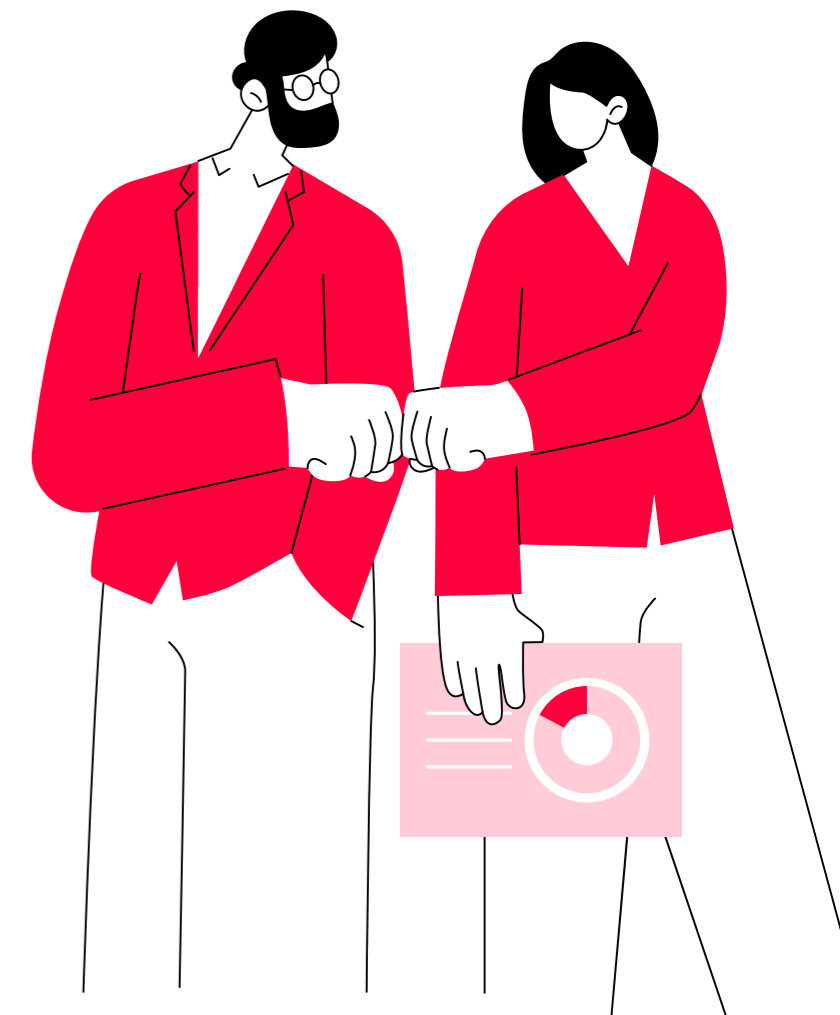
The C-suite should assume a public and vocal role in championing the company's data ethics principles. This can be achieved through regular communications disseminated via existing channels to all parts of the organisation. These should spotlight ongoing initiatives aimed at integrating principles into business activities.

**▶ Demonstrate a commitment to continuous learning:**

The C-suite should carry out data ethics trainings to enhance their understanding of the evolving ethical considerations and expectations regarding the use of data. By staying informed and up to date, the C-suite can make informed decisions aligned with the organisation's data ethics vision.

**▶ Become change agents:**

Chief Marketing Officer or Chief Data Officer should become the 'operational partners' of the C-suite, as they are well positioned to become change agents, keeping the rest of the C-suite informed on a regular basis of progress.





## Data Ethics Lead

**A Data Ethics Lead should be the central contact point, streamlining efforts and championing data ethics across the business. In particular, the Lead should:**

### ▶ Provide expert advice

The Lead should possess deep knowledge and expertise on data ethics, industry best-practice standards and relevant regulations. They should be able to provide recommendations on how to address ethics risks and meet evolving expectations on the use of data for marketing.

### ▶ Monitor internal and external developments

The Lead should monitor and raise awareness internally of relevant data ethics trends which could impact the business, both on the technical/operational side and/or on the regulatory side. This will allow them to proactively identify potential ethical risks, flag them to relevant stakeholders and recommend the best course of action.

### ▶ Be a facilitator

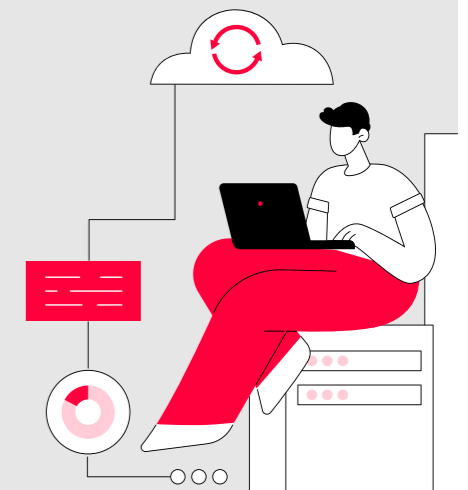
The Lead should act as a facilitator, bringing together stakeholders from different teams to discuss and address data ethics challenges. They should foster a collaborative environment where concerns can be raised and acknowledged. In case of disagreements they should mediate discussions and help find consensus-driven solutions.

### ▶ Challenge existing models

The Lead should encourage critical thinking and challenge existing ways of working. This will help drive the shift to more sustainable models which work for the business and consumers.

## Profile of the Data Ethics Lead

- Advanced knowledge of data protection regulation and standards, notably the EU's General Data Protection Regulation (GDPR) and the California Privacy Rights Act (CPRA).
- Strong understanding of processes and technologies involved in data management.
- Passion for ensuring that data practices align with legal requirements, industry standards and societal expectations.
- Ability to identify emerging ethical considerations associated with data usage and develop practical solutions.
- Ability to develop data governance policies and guidelines and effectively communicate about the importance of these and how these can be implemented in practice.
- Good stakeholder relationship management and ability to collaborate across functions and organisational, technical and political boundaries.
- Ability to mediate disagreements and make effective, informed decisions.
- Willingness to actively participate in professional networks, attend conferences and engage in ongoing learning to remain at the forefront of data ethics.



## Data Ethics Ambassadors

**Data Ethics Ambassadors should lead on data ethics within their teams and act as catalysts for ethical decision-making. Each relevant team (marketing, media, legal, data, IT and beyond) should appoint a Data Ethics Ambassador, who should:**

**▶ Define the organisation’s data ethics principles in practice:**

Ambassadors should drive collaboration within their team to develop a shared understanding of how the company’s data ethics principles should be applied in day-to-day operations.

**▶ Develop and keep track of case studies:**

Ambassadors should compile and maintain a library of case studies that illustrate ethical challenges, decisions and best practices within their function. These case studies will serve as valuable resources for team members, providing real examples and lessons learned to guide their decision-making.

**▶ Conduct data ethics impact assessments:**

To ensure that data ethics is considered in all development stages of new data-related marketing projects within their teams, ambassadors should carry out data ethics impact assessments to identify potential risks. This should raise awareness of ethical considerations within their teams and facilitate discussions.

**▶ Develop new policies and processes to mitigate risk:**

Ambassadors should proactively identify areas where new policies or processes are needed to mitigate data ethics risks within their function.

**▶ Coordinate with the data ethics lead and the C-suite:**

To streamline the approach to data ethics across various teams within the organisation, Ambassadors should maintain regular communication and coordination with the Data Ethics Lead and the C-suite.

## Profile of Data Ethics Ambassador(s)

- Well connected within their own function, across functions and among senior stakeholders and sufficiently senior to understand how the organisation works.
- Strong collaborative mindset and eagerness to work closely with and support the data ethics lead.
- Good understanding of the main obligations and principles under existing data protection regulation and standards, notably the EU’s General Data Protection Regulation (GDPR) and the California Privacy Rights Act (CPRA).
- Passion for ensuring that data practices align with legal requirements, industry standards and societal expectations.
- Ability to critically analyse, assess and report ethical considerations related to the data practices carried out by their function.
- Willingness to monitor and assess compliance with company data ethics policies and principles within their function.
- Willingness to stay updated on emerging trends, research and industry practices related to data ethics.



## All Employees

All employees should contribute to the organisations' collective effort and uphold data ethics principles within their function. Each employee should:

**▶ Familiarise themselves with the company's data ethics principles:**

All employees should seek to understand how they can actively apply data ethics principles in their work and consider the ethical implications of the data-related decisions they take.

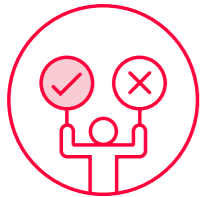
**▶ Seek to understand data protection, privacy and data ethics trends:**

This should involve staying knowledgeable about legal requirements and the evolution of data protection and privacy laws as well as changing consumer sentiments around how data is used for advertising purposes.

**▶ Collaborate with Data Ethics Ambassadors:**

Employees should actively engage with the Data Ethics Ambassadors within their function to share information and seek guidance. They should openly communicate about new data-related decisions, projects or initiatives and flag any concerns that may arise.





## Recommendation 4: Incorporate data ethics into existing governance

To foster a culture change which recognises and values the importance of data ethics, existing governance and decision-making structures, policies and processes must be adapted and reviewed accordingly. This will support efforts to ensure that ethical considerations are being adequately identified, addressed and integrated into all facets of business operations.

### ▶ Expand existing data governance committees:

Existing data governance committees (or equivalent) should be expanded to encompass data ethics. The Data Ethics Lead and/or Data Ethics Ambassadors should actively participate to ensure data ethics considerations are integrated into decision-making processes.

### ▶ Conduct data ethics impact assessments:

Before initiating any new and significant data-related marketing projects, the data governance committee and Data Ethics Ambassadors should carry out a comprehensive 'data ethics impact assessment'. These assessments aim to proactively identify and address potential ethical considerations.

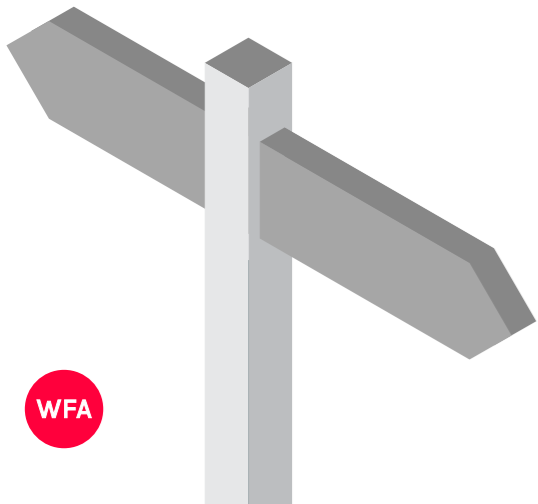
*See the next page for more on impact assessments.*

### ▶ Implement additional safeguards and mitigation measures:

Based on the outcomes of the data ethics impact assessments, the committee should collaborate to determine a set of safeguards or measures to mitigate any potential negative consequences for both consumers and the business. These measures could include enhanced data protection protocols, transparency measures, changes to consent mechanisms, restrictions to the types of data being collected, changes to the third-parties data is being shared with, and alterations to transparency and privacy notices.

### ▶ Develop specific governance structures:

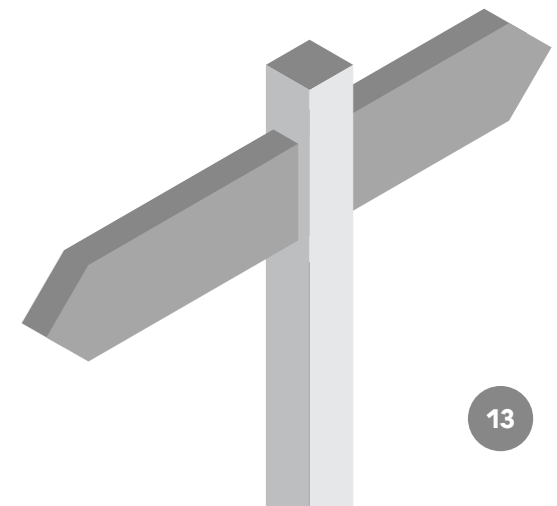
As the data ethics culture within the organisation matures and clarity on ethical considerations arise, the organisation should consider whether new governance structures, processes and policies specific to data ethics are necessary.



## Data Ethics Impact Assessments

**Data ethics impact assessments should deliberate on the following questions across each area of the data life cycle (acquisition/generation, enrichment, management, aggregation, analysis, use, sharing, archiving and disposal):**

- What is the business benefit of the project?
- What is the benefit or impact to the consumer?
- Does it comply with the law? Have you consulted with relevant experts?
- Are you selling the data to third parties, if so for what purposes?
- What safeguards have you put in place to protect the data?
- Are you enriching the data with data from external sources? If so, which ones?
- Are you using the data to train an algorithm? If yes, how have you ensured the data does not perpetuate bias or discrimination?
- Is the project aligned with the company's data ethics principles/values? If yes, how? If not, why not?
- What are the qualities and the benefits of the data being captured, shared, used and stored?
- What are the limits of the data being captured, shared, used and stored?
- Are there broader ethical and societal considerations that need to be taken into account or risks addressed?





## Recommendation 5: Develop clear data ethics KPIs

To align the organisation's actions with its broader ethical aspirations, data ethics requires tangible metrics and key performance indicators (KPIs). These not only provide invaluable insights into the company's current performance on data ethics but also serve as a litmus test for evaluating the effectiveness of its overarching data ethics agenda. These could be used to further make the business case for data ethics to senior management.

### ▶ **Mandatory awareness trainings:**

These should be aimed at all employees within the organisation and should have as objective ensuring a minimum awareness of the organisation's data ethics vision and principles. These should take place at least yearly, combined with existing trainings (i.e. around business integrity, privacy trainings) and include active participation from the C-suite. Trainings should be regularly reviewed to ensure they are up-to-date and aligned with current business and industry best-practice.

### ▶ **Topic and team-specific trainings:**

These should be trainings specific for teams dealing with data or who make data-related business decisions and should be tailored according to the function. They could take place at regular intervals for new employees, and half-yearly for others. These trainings could be followed by exams, which lead to certifications.

### ▶ **A decrease in complaints and enforcement fines:**

Companies could set as an objective a decrease year-on-year of privacy complaints from consumers and privacy activists and no enforcement fines from regulators.

### ▶ **Increase in opt-in rates, decrease in 'unsubscribe' rates:**

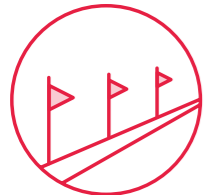
KPIs could focus on increasing the number of users which opt in to receiving marketing communications or which consent to sharing their data for advertising purposes.

### ▶ **Brand uplift/customer trust:**

Brands could include KPIs related to brand uplift and customer trust, carried out through brand awareness surveys and customer feedback related to data collection practices.

### ▶ **Increase in employee retention/increase in positive employee perceptions around data use:**

KPIs could focus on employee retention or be based around improving employees' perceptions around how the organisation handles data. This could be added in to existing annual employee surveys.



## Recommendation 6: Measure the progress of your data ethics culture

Monitoring and mapping corporate culture is critical to evaluate the effectiveness of organisations' data ethics policies and processes. While understanding where the organisation is in meeting recommendations 1-5 in this Playbook could be a starting point for assessing where gaps are, a deeper analysis quantifying the attitudes, behaviours and knowledge of data ethics across the organisation will serve as a helpful benchmark.

### ▶ Conduct regular employee surveys or assessments:

Companies should look to quantify the attitudes, behaviours and knowledge around data ethics across all brands globally to assess the maturity of their corporate data ethics culture. This should cover subjective values and objective business conduct. This can be integrated within existing company surveys, focus groups, interviews as a first step and/or done with the support of privacy measurement vendors or solutions.

### ▶ Understand where the gaps are and develop evidence-based solutions:

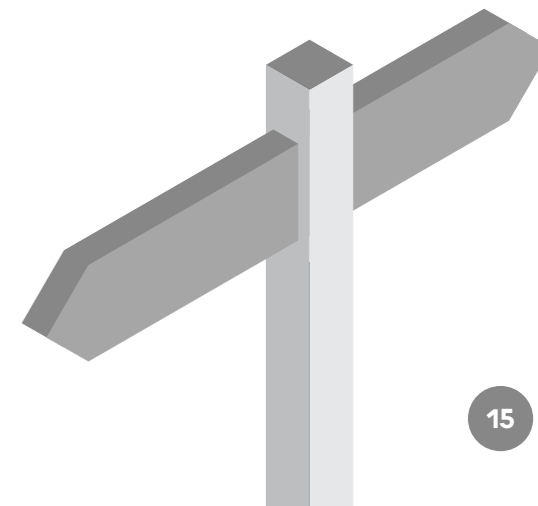
The initial assessment will provide insights into the areas, markets and individual teams where improvements are needed. A plan should then be developed in order to introduce evidence-based changes. These could include tailored trainings aimed at raising awareness of the importance of data ethics, to actual process changes.

### ▶ Review ethical incident reporting and response mechanisms:

The organisation should regularly review and enhance the mechanisms for reporting and responding to ethical incidents. This includes establishing clear channels for employees to report concerns or violations related to data ethics and processes to investigate and respond promptly.

### ▶ Regularly measure progress:

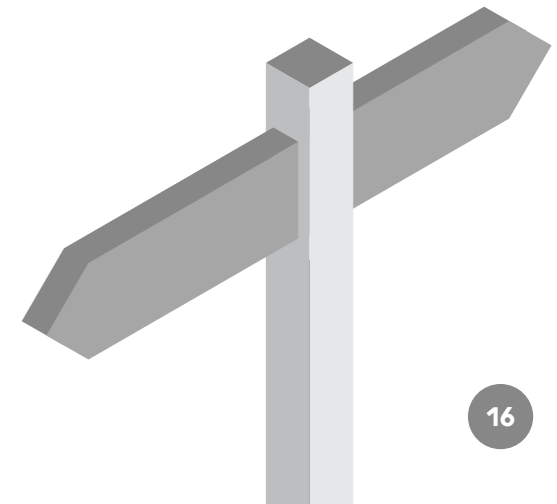
Assessments should be run on a regular basis in order to keep track of progress and identify new and emerging gaps or challenges.



## Data Ethics Culture Assessments

**Data ethics culture assessments should look to seek employee feedback on the following:**

- Do they understand the value, importance and meaning of data ethics?
- To what extent does data ethics factor into the decisions they take at work?
- Do they believe data ethics is important to the company's senior leaders?
- Do they believe data ethics is sufficiently embedded into the company's values?
- Are they aware of the company's data ethics principles, policies, processes, etc?
- How effective do they consider the company's data ethics work?
- Do they believe that employees are held sufficiently accountable for unethical behaviour when it comes to the use of data?
- Do they believe that ethical behaviour is sufficiently rewarded?
- Do they feel comfortable raising any data ethics concerns?
- Do they understand their roles and responsibilities when it comes to data ethics?







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