# Data, Advertising and The Erosion of Trust in the Age of Al

**Jason Jercinovic** 

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Santiago

May 2018

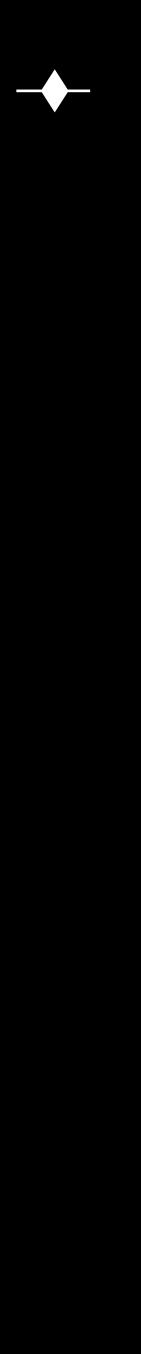




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HAVAS

# The Reckoning









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## **VIRTUOUS CYCLE**

### generates

Personalization at scale Streamlined end-to-end CX Authentic brand expression Content & media efficiencies Speed to value

Cognitive content

## **Cognitive data**

### personalizes

## Cognitive experience

surfaces

havas

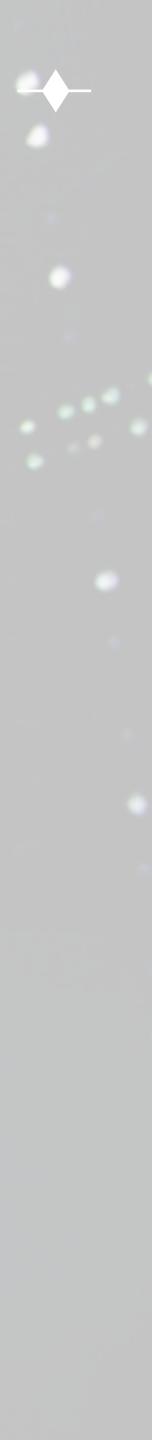
## **MINE AND CORRELATE DATA**

## 1. Understand people's beha

2. Target custom-crafted offers and experiences to people at an individual level

3. Develop and deliver platforms & campaigns with laser-precision and efficiency.

# victata deep and personal level







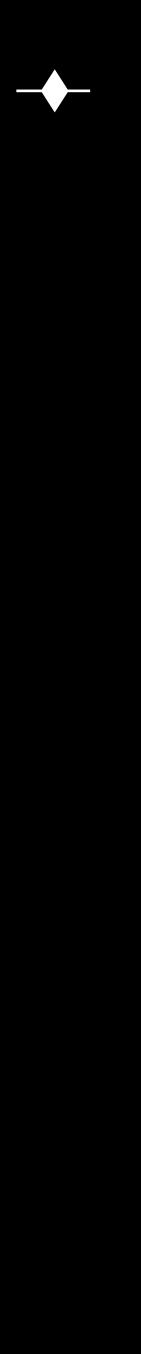




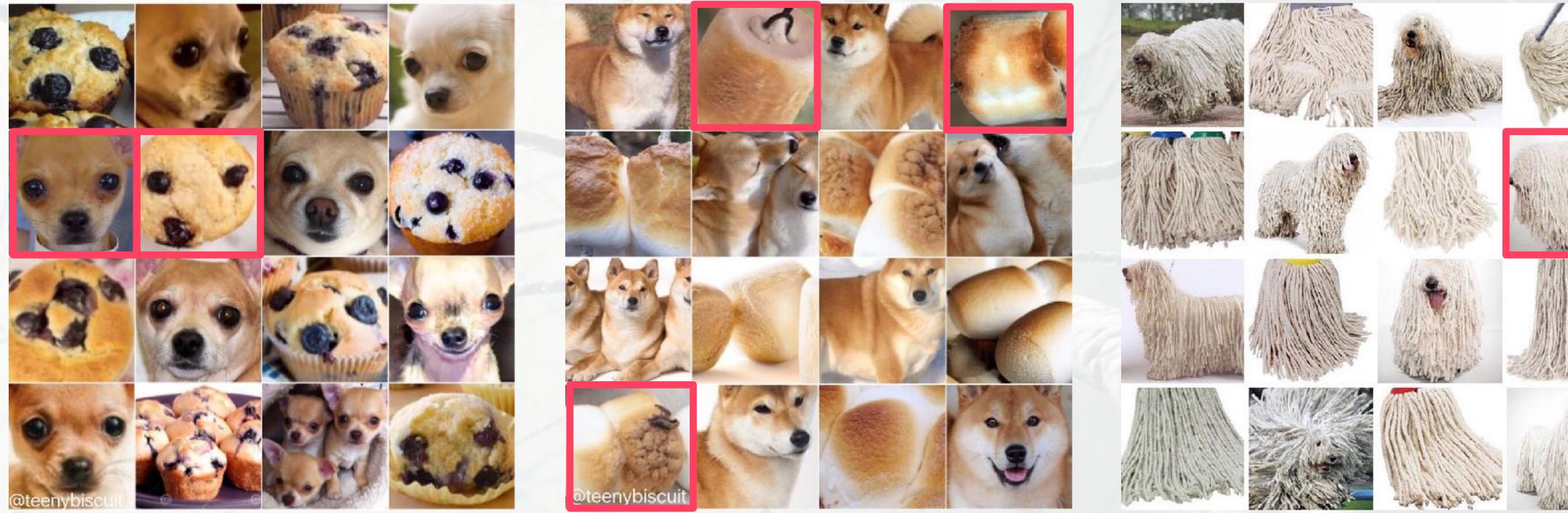
HAVAS







## We are getting very good at Automated Image analysis.



chihuahua vs muffin

shiba vs marshmallow

puli vs mop



HAVAS

**Machine Automated Image Analysis** Al can see your "tell"

Al's power to pick out patterns is now turning more intimate matters

With the right data sets AI systems might be trained to spot other intimate traits, such as emotional intent, IQ or mental impairment.

Just because humans are unable to see the signs in faces does not mean that machines can't.

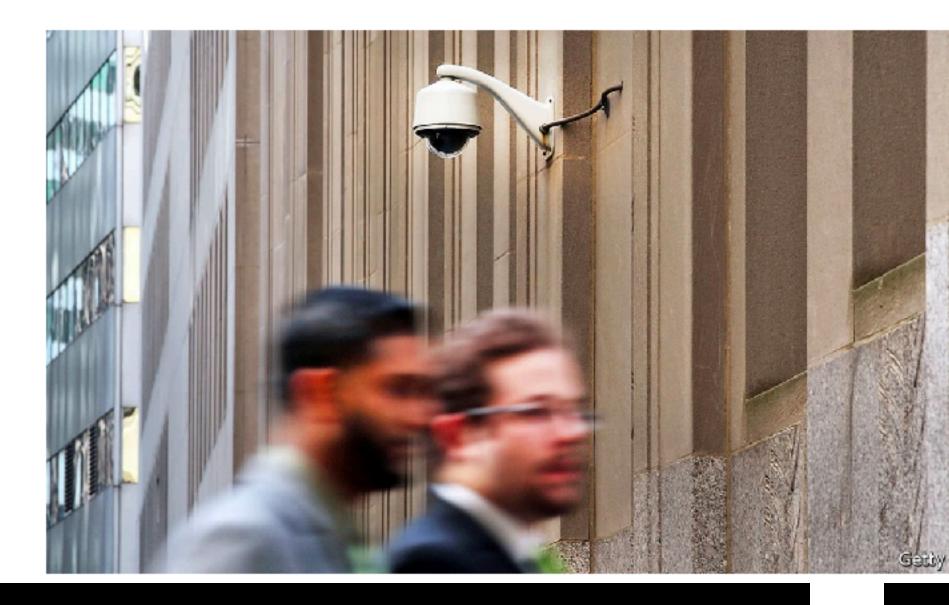
The Topics 🗸 Economist

Print edition More 🗸

### Facial technology

## Advances in AI are used to spot signs of sexuality

Machines that read faces are coming







# It's ALIVE!!!!

## We can't assume we can control what we have brought to life?

Facebook's automated targeting systems recently enabled target offensive terms like "Jew Hater".

In Myanmar, there are accusations of Facebook censoring Muslims who are under attack by the military.

India Whats App has been inundated with rumors, hoaxes, and fraud creating panic and angry mob lynchings.

## The New Hork Times

### Facebook's Frankenstein Moment

The Shift By KEVIN ROOSE SEPT. 21, 2017





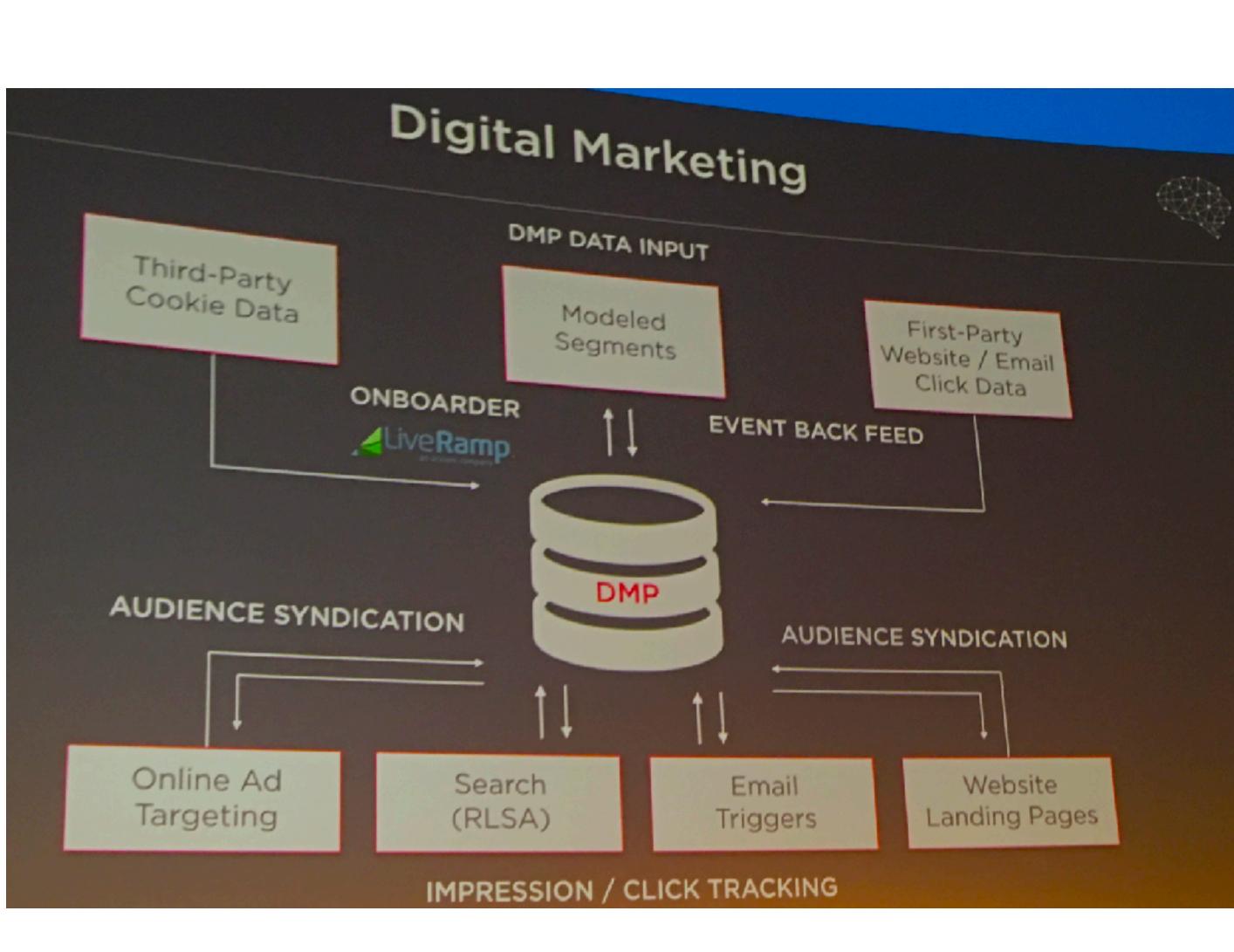


## How Cambridge Analytica works:

## Combine social psychology with data analytics to tug on emotional biases

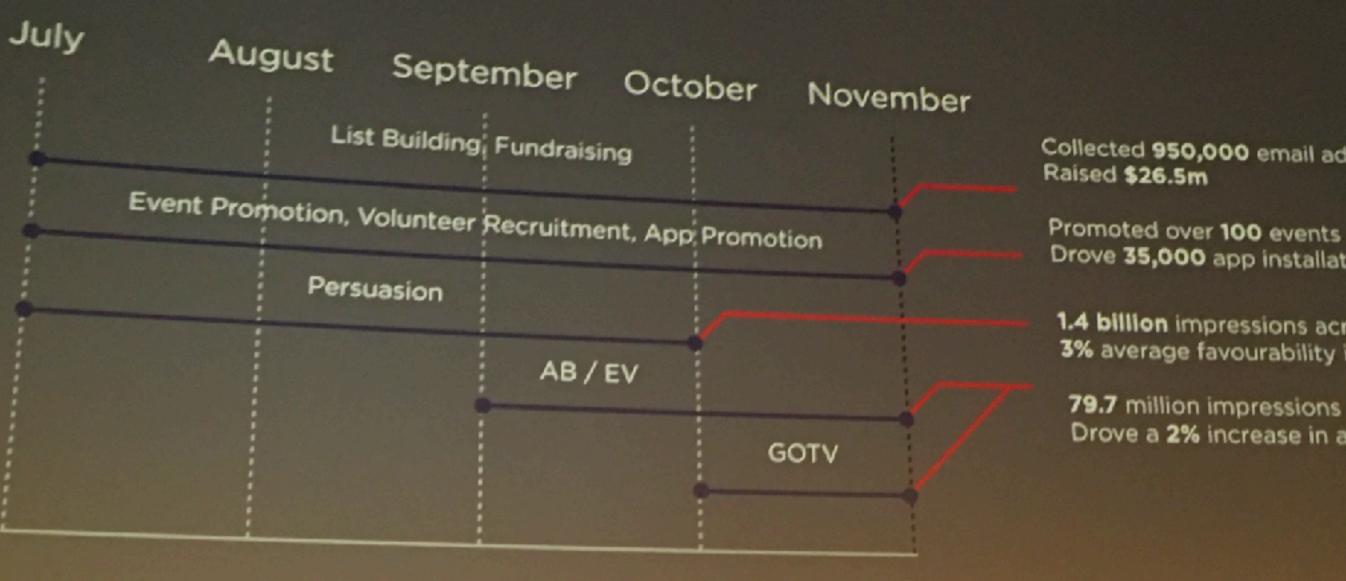
- 1) Collect social data from Facebook and Twitter (which was / is perfectly legal)
- 2) Buy / Acquire \$\$ other personal data: about television prefs, location data, travel, shopping habits, church attendance, search history, what books you buy, what magazines you subscribe, what schools and clubs you belong to.
- 3) Then crunch all this information and use it for what Asshat Nix calls "**behavioral microtargeting**" basically **individualized advertising**.
- 4) in other words:

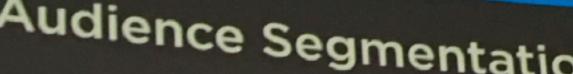
make ads designed to tug on emotional biases



### **Introduction to election manipulation**





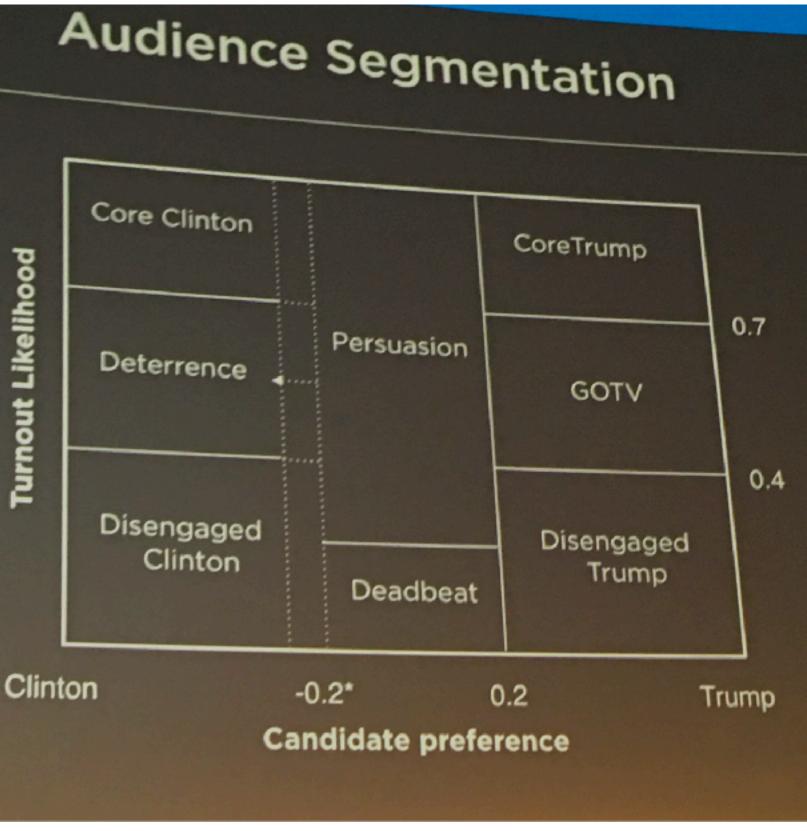


Collected 950,000 email addresses

Drove 35,000 app installations

1.4 billion impressions across 4,000 ad campaign 3% average favourability increase

Drove a 2% increase in absentee ballot submissi



## an the wrong haads can drive (risky) outcome

### Billionaire founder Cambridge Analytica Robert Mercer

### "I've called it an emotional leash,"

Technology

MyFitnessPal breach affects millions of Under Armour users

## The Guardian

Revealed: how US billionaire helped to back Brexit

Robert Mercer, who bankrolled Donald Trump, played key role with inister' advice on using Facebook data



This article is the subject of a legal complaint on behalf of Cambridge Analytica LC and SCI. Elections Limited.

The US billionaire who helped bankroll Donald Trump's campaign for the presidency played a key role in the campaign for Britain to leave the EU, the Observer has learned.

It has emerged that Robert Mercer, a hedge-fund billionaire, who helped to finance the Trump campaign and who was revealed this weekend as one of the owners of the rightwing Breitbart News Network, is a long-time friend of Nigel Farage. He directed his data analytics firm to provide expert advice to the Leave impaign on how to target swing voters via Facebook - a donation of services that vas not declared to the electoral commiss

### FANTASIES \* Antrey Machine 1 The Without And Street Antrey Frank

### EveningStandard.

Cambridge Analytica bragged: We have vast data for Brexit vote

LEAT E.EU WWW.LEAVE.EU LF LEATE.EL

The company at the heart of the Facebook scandal boasted of having "vast amounts of data" that could sway the 2016 referendum on membership of the European Union.

A 10-page document written by Cambridge Analytica, headed "Big Data Solutions for the EU Referendum", claimed it could single out Brexiteers among voters, donors, politicians and even journalists.

MPs today called for a wider investigation into the firm, which has

in order to not impede an ongoing investigation, authorities had requested Barnes & Noble not clisclose the breach, she said. The retailer notified the FBI and U.S. Attorney for the Southern District of New York of the breach.

It was not immediately clear how many customers are affected, or whether the data was being used to make unauthorized purchases. The company said it had disconnected all PIN pads from

### Uber's massive hack: What we know

by Selena Larson (it)selenatarson

THE shist TIMES

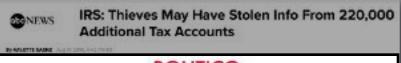
### Data scientists target 20 million new voters for Trump



Donald Trump plans to use a British company that was part of the Brexit ampaign to pinpoint 20 million "persuadable" voters in key battleground states nd bombard them with psychologically targeted messages.

The tycoon has presented himself as a presidential candidate who goes on his pat, with little time for expensive experts. However, it has emerged that his ampaign paid \$250,000 to Cambridge Analytica as the race for the White House ightened last month.

Alexander Nix, 40, who runs it, is an Old Etonian who has promised to "revolutionise the political landscape".



### POLITICO

### Cruz partners with donor's 'psychographic' firm



Ted Cruz's presidential effort is working closely with a little-known company owned by one of his biggest donors that uses nontraditional "psychographic" inalyses of voters to try to win them over with narrowly targeted micro-messages, POLITICO has learned.

The company, Cambridge Analytica, has sent staff to Cruz's campaign eadquarters in Houston to help set up an intensive data analysis operation.

Cambridge Analytica is connected to a British firm called SCL Group, which provides governments, political groups and companies around the world with ervices ranging from military disinformation campaigns to social media branding and voter targeting.



### w John Zosabeckan

Stack is the tatest start-up to make a big media splash in one of the worst possible ways - by

### Experian data breach affects 15 million people including T-Mobile customers

### A& NEWS

### Bannon turned Cambridge into 'propaganda machine,' whistleblower says



die told Decemptate on Capitol IIII dag former Trappo campaire neght Sieve Bannon asked the emborited data from to study water ration strategies as the group also conducted to a messaging

losed door meeting Tuesday, Wylle tald Democratic Member

### Analytica, including its CEO Alexander

### The New York Times

Facebook and Cambridge Analytica: What You Need to Know as Fallout Widens



Our report that a political firm hired by the Trump campaign acquired access to private data on millions of Facebook users has sparked new questions about how the social media giant protects user information.

### Who collected all that data?

Cambridge Analytica, a political data firm hired by President Trump's 2016 election campaign, gained access o private information on more than 50 million Facebook users. The firm offered tools that could identify the personalities of American voters and influence their behavior.

Cambridge has been largely funded by Robert Mercer, the wealthy Republican donor, and Stephen K. Bannon, a former adviser to the president who became an early board member and gave the firm its name. It has pitched

its services to potential clients ranging from Mastercard and the New York. Yankees to the Joint Chiefs of Staf.

On Monday, a British TV news report cast it in a harsher light, showing video of Cambridge Analytica executives offering to entrap politicians. A day later, as a furar grew, the company suspended its chief executive. Alexander Niz

## which allows third-party apps to collect user data



) rs Eins Facebook usory at a ey to identify the pomone "Ansertern voters and ire of behavior

### WikiLeaks releases thousands of documents

Guardian

Analytica over Trump



The Washington Post

### Cambridge Analytica helped 'cheat' Brexit vote and US election, claims whistleblower

Siving evidence to MPs, Chris Wylie claimed the company's actions during the Brexit campaign were 'a breach of the law.' MARK SCOTT | 3/27/18, 5.46 PM CET | Updated 3/29/18, 9.18 PM CET

LONDON - Misuse of data and "cheating" by Cambridge Analytica and other companies associated with the firm may have altered the outcome of both the U.S presidential election and the U.K.'s Brexit referendum, a company whistleblower old British lawmakers.

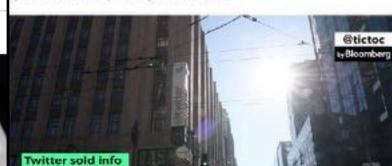
Chris Wylie, the former director of research at Cambridge Analytica, which has been accused of illegally collecting online data of up to 50 million Facebook users said that his work allowed Donald Trump's presidential campaign to garner

messages for political campaigns

Bloomberg Markets Tech Panuts Politics Opinian Depresent

### Twitter Sold Data Access to Cambridge Analytica–Linked Researcher

Selina Wang eril 29, 2014, 2-25 PM RET, Updarad ev April 20, 2016, 247 PM RET



Researcher linked to Cambridge Analytica

Pwitter Inc. sold data access to the Cambridge University academic who also obtained Facebook launches Open Grap Twitter Inc. sold data access to the Cambridge University academic who also obtain mailtions of Facebook Inc. users' information that was later passed to a political cosulting furn without the users' consent.

> leksandr Kogan, who created a personality quiz on Facebook to harvest information ster used by Cambridge Analytica, established his own commercial enterprise, Global cience Research (GSR). That firm was granted access to large-scale public Twitter data. overing months of posts, for one day in 2015, according to Twitter.

> In 2015, GSR did have one-time API access to a random sample of public tweets from a we month period from December 2014 to April 2015." Twitter said in a statement to Stocmberg, "Based on the recent reports, we conducted our own internal review and lid not find any access to private data about prople who use 'Twitter."

company has removed Cambridge Analytica and affiliated entities as advertisers.

## onald Trump's victory



Foreign Office officials met Cambridge

Officials held meetings with data company to 'better understand'

statu/s bless Work office: in 2025

creign Office officials met Cambridge Analytica executives to "better inderstand" the secrets behind Donald Trump's presidential victory, the Observer has learned, raising new questions over the extent of links between the overnment and the controversial data firm

Officials from London, Washington and New York met Cambridge Analytica epresentatives in a series of meetings aimed at acquiring insights into the political environment\* that followed Trump's shock win.

Details of the meetings, revealed in response to a freedom of information request, how the government hoped it would help "build relationships with the Trump ampaign and transition team", and they took place as the Conservative party vas desperately seeking contacts within the incoming US administration.

The FoI response also shows the relationship between the Foreign Office (FCO) ind the data firm extended to government contracts, with the FCO, under a Labour government, paying more than £400,000 to Strategic Communications Laboratories, the former name of SCL Group, the parent company of Cambridge Analytica, for a project to help tackle extremism.

he contract, worth £402,501, was signed in 2008 to provide research and arveys into public opinion as part of an initiative to help Pakistan deal with atremism and radicalisation issues that could affect the UK.

e discussions of Clinton's chief rival for the

### USA TODAY

WhatsApp CEO Jan Koum leaving Facebook after Cambridge Analytica

Published 5:32 p.m. ET April 30, 2018 | Updated 6:03 p.m. ET April 30, 201



Photo: Mark Zuckerberg

Koum is also vacating his seat on Facebook's board of directors, a decision driven by disagreements over Facebook's use of personal data and attempts to weaken encryption, according to the Washington Post, which cited people familiar with internal discussions. He was set to stand for re-election t

SAN FRANCISCO - Jan Koum, the billionaire cofounder and CEO of WhatsApp, says he's leaving Facebook.

"It is time for me to move on," Kourn wrote in a Facebook post of his decision to resign from the Silicon Valley company. "Twe been blessed to work with such an incredibly small team and see how a crazy amount of focus can produce an app used by so many people all over the world."

• • •

WHEN PORTS ADDRESS AND DESCRIPTION OF THE PARTY OF THE PA

out of the water.

work, and the last date of log-in.

into giving away personal information on about 60 customers.

Cambridge Analytica is in the midst of a media firestorm after an

000/W 6/6/2012 1:05 PM

phos. Several Twitter users reported similar findings.







## Data Fallout At Facebook Puts Brands **On Full Alert**

### **By SAPNA MAHESHWARI**

Advertisers are the lifeblood of Facebook, and the vast, personal reach of the social network has been a marketer's dream. But now, some companies are taking a harder look at how they work with it and hunting for skeletons in their own data closets.

Advertisers on the social network rethink how they work amid privacy issues.

### THE MANTIMES

### Advertisers threaten to quit Facebook over Cambridge Analytica scandal

Zuckerberg says sorry for 'major breach of trust'



Advertisers threatened to abandon Facebook last night as Mark Zuckerberg apologised for mistakes it made over the Cambridge Analytica scandal.

Mr Zuckerberg, co-founder and chief executive of the US technology giant, broke his silence to head off a revolt among users and financial backers. He described the incident as a "major breach of trust" and said he was open to further regulation of the website.

ISBA, a British group of advertisers that spend hundreds of millions of pounds a year on Facebook, demanded answers. It is understood that some of its 3,000

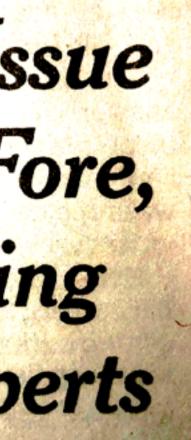
Privacy Issue Rises to Fore, Vindicating Data Experts

## THE WALL STREET JOUR

DOW JONES News Corps \*\*\*\*\*

WEDNESDAY, APRIL 11, 2018 - VOL. CCLXXI NO. 84

\*\*\*\* \$4.00





'What I think we've learned now across a number of issues... is that we need to take a more proactive role and a broader view of our responsibility.

Facebook Chief Executive Mark Zuckerberg, in testimony before Congress on Tuesday

## **Zuckerberg and Senators Face Off**

Facebook CEO concedes missteps as lawmakers weigh new privacy regulation

### BY DEEPA SEETHARAMAN AND JOHN D. MCKINNON

WASHINGTON-Lawmakers grilled Facebook Inc. Chief on Tuesday over the com- on its service. pany's handling of user pri-

sought to manage the discon- acted positively to the way Mr. tent through a combination of Zuckerberg handled himself in contrition for missteps and the packed Senate chamber, cated questions. And yet ending the day up 4.5%. how it sells advertising.

Mr. Zuckerberg acknowledged that Facebook feels re-

"It's not enough to just build

throughout, the 33-year-old bil- Kicking off the first of two over regulating the tech induslionaire was careful not to com- days of extended testimony, try, a topic that has, until now, mit to any major changes in lawmakers criticized Mr. Zuck- failed to gair momentum on how the platform functions or erberg for a lack of transpar- Capitol Hill. ency, repeatedly expressing discontent with Facebook's handling of a series of scandals ley (R., Iowa), the Judiciary Executive Mark Zuckerberg sponsibility for what is posted in which the privacy of millions of users was violated.

ernment action further than it had ever been opened before.

Tuesday's unusual joint calm explanations to compli- with shares in the company hearing likely marked the beginning of a long deliberation

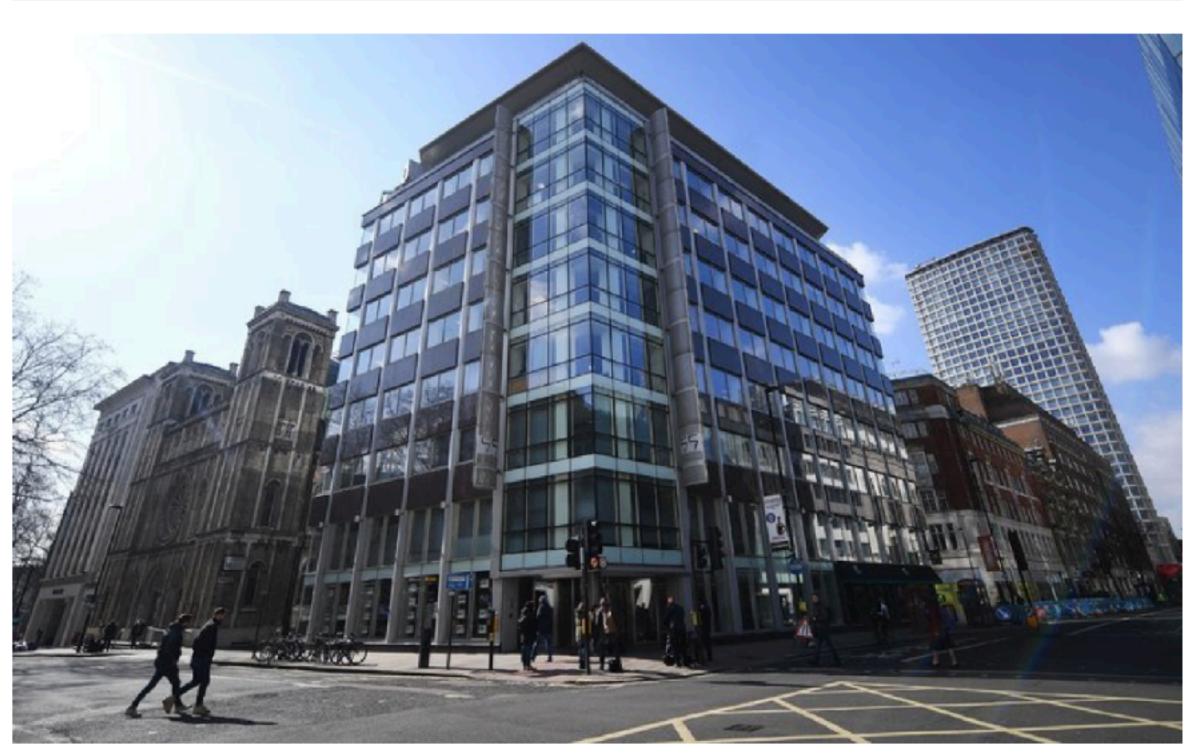
"The status quo no longer works," said Sen. Chuck Grass-Committee chairman. "Congress must determine if and how we Senators showed little con- need to strengthen privacy





## **Cambridge Analytica to File for Bankruptcy** After Misuse of Facebook Data

By NICHOLAS CONFESSORE and MATTHEW ROSENBERG MAY 2, 2018



on Facebook that compromised the personal information of up to 87 million people. Andy Rain/EPA, via Shutterstock

Cambridge Analytica's offices in London in March. The firm became embroiled in a data harvesting scandal

## **BOOM AND BUST**

Industry after industry has experienced this kind of boom and bust cycle.

Most recently it was Wall Street, and the mortgage backed security scandal.

And when the boom cycle is predicated on taking advantage of unwitting consumers, the consequences of the bust cycle are dire.





## SPECTRUM OF CONSEQUENCE





## **ADVERTISERS SIGNAL TO FACEBOOK THEY WANT MORE** DATA, NOT LESS

By Garett Sloane. Published on April 25, 2018.



**Facebook** (FB) stock surged Thursday after posting first-quarter results late Wednesday that blew past expectations and prompted bullish sentiment from Wall Street.

At close: 4:00PM EDT

① Indicators

FB 176.0700 imes

Advertisers are more concerned Facebook will cut off access to data than they are about privacy

humullu 2018

## **INVESTOR'S BUSINESS DAILY**\*







## Facebook is using your Instagram photos to train its image recognition AI



Lucas Matney

TechCrunch May 2, 2018



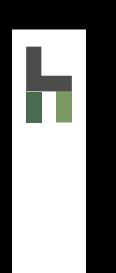
## In India, Facebook's WhatsApp Plays Central Role in Elections



Voters in Bengaluru wait to cast ballots in Karnataka state elections on Saturday. WhatsApp is taking an increasingly central role in elections, especially in developing countries. Abhishek N.Chinnappa/Reuters

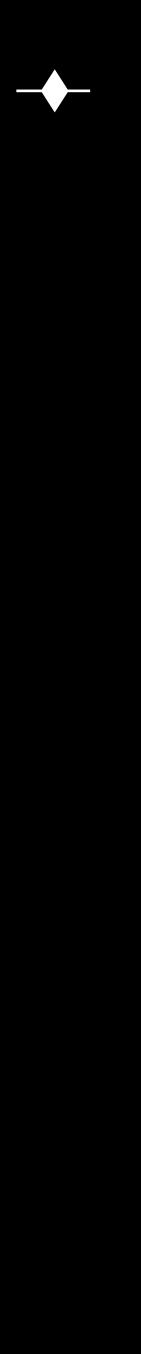






### HAVAS

## A System of Trust



## In the age of Post Truth, trust is at risk.

As consumers become increasingly aware of how their data is being used, and misused, in the pursuit of profit or politics, marketers need to lead our brands to success in this minefield.



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SIMPLE RULES

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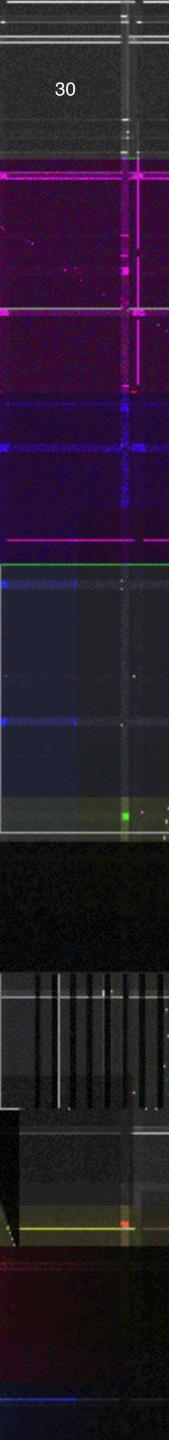


## **SYSTEM OF TRUST: #1**

- Share how and why
- Ensure bias check

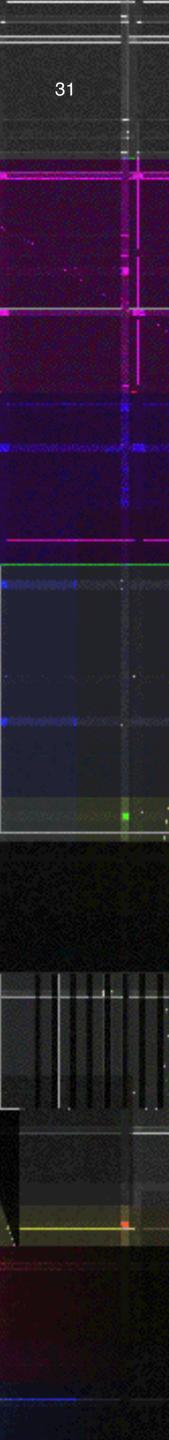
# Radical Transparency

## Value exchange clear and easy to understand



## **SYSTEM OF TRUST: #2**

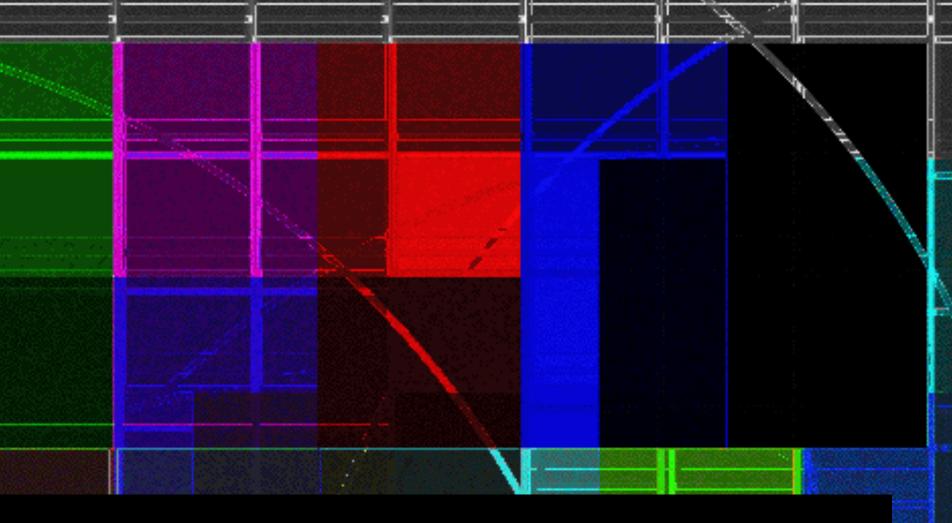
## Provide user the option



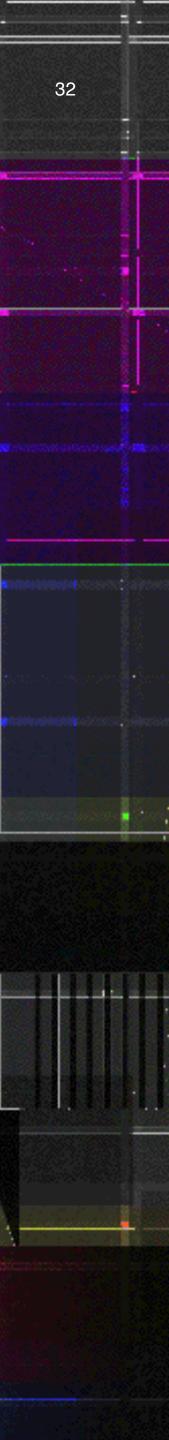
## **SYSTEM OF TRUST: #3**

# 

- This is not fixed



## · We must be willing to change and evolve

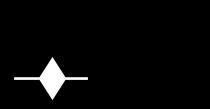






## MAKING BRANDS MEANINGFUL





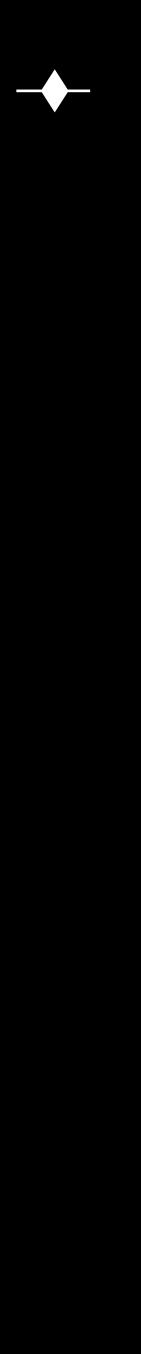
## **COULD DISAPPEAR AND CONSUMERS WOULDN'T CARE**



HAVAS

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## **OF BRANDS**

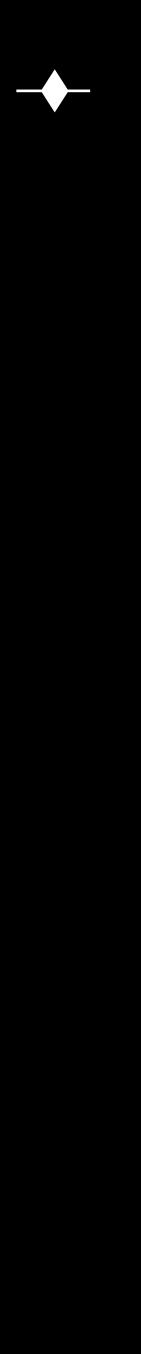




### HAVAS

## Case Study







## THE YOUNG POPE" | Sky HBO CANAL+





### ANALYZED POSTS 4 451 538 PUELISHED AN SWERS 884 894 YOUTUBE

CEBOOK	

Pain au chocolat ou Chocolatine ? D

Les mets sont des voleurs et jamais condamnés, justice à deux vitesse

### TWITTER

@ZiyedNasri la ferune c comme un diamant machin true mes couilles, ca croit que ca a decouvert lamer...

### DAILYNDTION

pas le temps pour vous suivre là vous êtes trop loin les gars XD



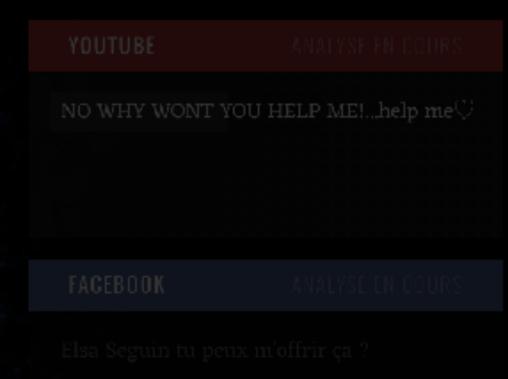
### FACEBOOK

C'est n'importe quoi ces histoires de réchauffement climatique c'est pas prouvé que nous soyons responsables.

Emma Campi

Un coeur intelligent cherche la science, mais la bouche des insensés se plaît à la folie. Proverbes 15:14

POSTS ANALYSÉS 1761086 Réponses publiées 373210



**RÉPONSE DE AIMEN** 

Puis cette chaîne de merde La Canal plus de Fdp, faut nous remettre sur Bein ptn		

unicino itun ante in cabico.

je pourrai quitté femme et enfants pour ses petits seins de rêve ;-)

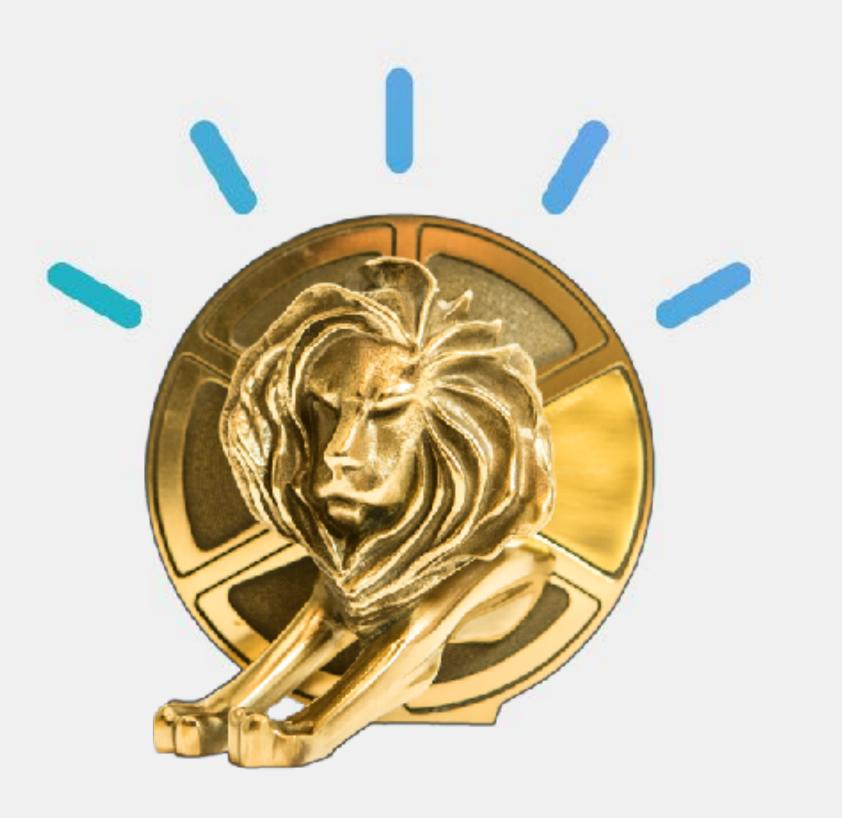




# Comment ça marche ?

**First Cannes Cognitive Lions:** 

4 Lions for AiMen: Including Gold Data / Creativity



## TAKE AWAYS

As a consumer, wo information in this w

2

As a brand, would I be okay if this practice were made public? (because you know it will be, eventually)

## uld I be okay with brands using ay?





