

## Case study: monitoring in the workspace

Q1: How does information technology affect socioeconomic disparities? Explain your answer.

Information technology has brought huge impact on the socioeconomic disparities in the early days. The technology analysts and sociologists stated there is a term called “digital divide”, where the wealthier and more educated people were be most likely be able to take the advantage of the newer technologies than the people from less-developed or less-fortunate socioeconomic groups. The digital divide phenomenon has been decreased along the years as the internet access, personal computers and the smart phones have become cheaper compared to the early days.

People nowadays has adapted to the information technology and has become more rely on the electrical devices no matter they are from developed countries or less-developed countries, for instances, smart phones. As well, by using internet and the electrical devices, people can get the same information online and able to access to all kind of information online no matter which background and which countries you are from.

Q2: Why is access to technology insufficient to eliminate the digital divide?

In the early days, people who had money were able to access to the technology sooner compared to those not able to afford it. But now, for those unable to afford in the past has grabbed the chance to learn the latest technology when they have the ability.

Besides, it might be due to parental control is not equal because not everyone is concerned on the issue of controlling the amount of time spend on the electronic devices for their children.

Moreover, it might be also due to not all schools are having the funds to buy and adapt the newest technology and so there is some digital divide in the education field.

Q3: How serious a problem is the “new” digital divide? Explain your answer

The “new” digital divide has brought serious problem to the users, for instances, health issue. Parents should limit the amount of time for their children to use the technology devices. Nowadays, children has become very dependent on the technology devices and spent most of their time staying in front of the TV and playing video games rather than joining the outdoor activities. Technology advancement has indirectly made the children to have lesser chance to have real life experiences and has lesser chance to do exercises and it might caused obesity.

Q4: Why is the digital divide problem an ethical dilemma?

The ease of internet access has its good and bad. The digital divide is an ethical dilemma because of children will get to access to all kinds of information if the parental control is loose. Children can search for anything online and they can get whatever they are searching online easily. it makes the people becoming more tech savvy and less social to people other than

using the social media to communicate with each other. People nowadays spend more time looking at the computer screen rather than talking to their family and care about their parents.

## ***Case Study 8:***

### ***Big Data gets Personal: Behavioral Targeting***

***Q1: Why is behavioral tracking such an important ethical dilemma today? Identify the stakeholders and interest groups in favor of and opposed to behavioral tracking.***

*The technology advancement can be double-edged sword. It brings benefits and opportunities to some of the users but it also bringing troubles to some of the users. The web has created new opportunities and challenges regarding privacy issues.*

***Stakeholders in favor of behavioral tracking include:***

- Advertisers and marketers*
- Individual Web Sites and companies whose business is identifying and tracking the internet users and preferences in order to provide higher quality service, e.g. Google, Facebook and so on.*
- Law enforcement agencies*

***Stakeholders opposed to behavioral tracking include:***

- Privacy groups who is trying to enforce expectations of not having unwarranted intrusions into personal lives*
- Users who valued privacy*

***Q2: How do businesses benefit from behavioral tracking? Do people benefit? Explain your answer.***

***Benefits to businesses:***

*Behavioral tracking have a huge impact on the businesses nowadays. Before the behavioral tracking comes into play, the advertising fee was costly and it was not delivered to the right audiences sometimes because it was shown to everyone but not the targeted audiences, the advertisement was not effective, so the profit was not boosted effectively. After the existence of the behavioral tracking, the companies are able to predict what the customers want and what are they looking for and so they could advertise on the web page that the customer always visit. This helps the advertisement to be more effective and it helps to boost the company's profit.*

***Benefits to people:***

*Behavioral tracking is not only benefiting the business but also to people. For instances, imagine if we are looking for a phone, and we will keep surfing the web to get information about the phone and its features. Therefore, when the web captured our surfing history and track our preference, it will have many pop-up advertisement which is related to the phone we are looking. Hence, it helps to save our time to search on our own but we could just click on the pop-up advertisement.*

***Q3: What would happen if there were no behavioral tracking on the Internet?***

*Firstly, if there is no behavioral tracking on the Internet, the online advertising job will be done in a less efficient way, it might operate much like the advertisement in newspaper, magazines and television as it will be more broad-based instead of spreading to the right and targeted audiences. So it might be less efficient and not able to boost up the company's profit in short time.*

*Secondly, if there is no behavioral, the Internet would provide more privacy for the users. There will be lesser chances for the Internet to dig the data of the users by looking at their web surfing history.*

Case study: facebook privacy: there is no provacy

QUESTIONS 1:

**4-13 Perform an ethical analysis of Facebook. What is the ethical dilemma presented by this case?**

Facebook uses highly specific details such as relationship status, location, employment status and other demographic information, as well as users online activity to develop an incredibly accurate picture of your life. The purpose of Facebook doing so is to serve more relevant advertisements to the users than anywhere else on the Web. However, the personal information gathered by Facebook can also be used against the users in other ways both with and without the consent of the users.

The stakeholders involved in an ethical analysis of Facebook include Facebook (obviously), advertisers, data collecting agencies, Electronic Privacy Information Center (EPIC), and individual users. Facebook collects an incredible amount of personal data on its users. It is using its ability to

track online activity of its members to develop a frighteningly accurate picture of their lives. It gathers personal information about users, both with and without their consent, which can be used against them in other ways. Facebook's goal is to get its users to share as much data as possible because the more Facebook knows, the more accurately it can serve relevant advertisements and thus, charge higher fees to advertisers and Facebook servers would keep user information permanently whenever the user has deleted their account.

The ethical dilemma in this case study is Facebook monitors its subscribers and then sells the information to advertisers and app developers hence the Facebook's critics are concerned that the repository of personal data of the size that Facebook has amassed requires protections and privacy controls that extend far beyond those that Facebook currently offers.

#### **4-14 What is the relationship of privacy to Facebook's business model?**

The relation between users' privacy and Facebook business model is very important because advertising is the main revenue of Facebook. Facebook

wants the world to be more open and connected because it stands to make more money in that world stated by the Facebook's CEO Mark Zuckerberg. 70% of its five million users log in every day and it is between 18 and 24 that advertisers want to collaborate with Facebook to make profits for both. The less privacy Facebook offers to its users, the more valuable and useful its business model becomes. By providing more privacy to its users, the less data it collects, stores, and provides to advertisers. That makes its business model less valuable because advertisements cannot be as fully developed for individual users hence talking about privacy to Facebook is a bit ironic so for Facebook wanting to make more money is not a bad thing, In 2013, Facebook approximately made \$55 billion in advertising thus Facebook's entire business model is based on aggregation and sharing user information. They give people a free social media platform to use and in turn sell advertising and insights based on what they learn about the user. This allows Facebook to sell much-targeted advertising. Therefore, privacy is the Facebook business model.

**4-15 Describe the weaknesses of Facebook's privacy policies and features. What management, organization, and technology factors have contributed to those weaknesses?**

**Weaknesses of privacy policies and features:**

- Poor protection and privacy control
- User's activities are trespassed by other parties
- Allows third parties to collect users private information without permission
- Exposure of user's biometric database without users acceptance
- Unequal privacy protection standards in different countries

**Management:**

- Facebook assumed it had the consent of users to share information about them that is collected through the Beacon advertising service if they did not use the opt-out feature. Facebook changed Beacon to be an "opt-in" service and gave users the ability to disable it completely.
- The company utterly failed to grasp the extent to which the service violated its users' privacy as well as the uproar such a



service was likely to cause. The same thing occurred when Facebook introduced its News Feed feature.

- Generally, it is a strategic management of FB's to get its user to share as much data as possible so that FB can serve a relevant advertisement to users. This is because FB revenue comes almost entirely from advertising.

### **Organization:**

- The personal information collected on the site represents a mother load to advertisers, but one that will remain largely untapped if Facebook users do not feel comfortable enough or have sufficient incentive to share it.
- Users that attempted to delete their accounts were met with resistance and often required outside assistance from watchdog groups.
- FB wants the world to be more open and connected because it stands to make more money. However, the privacy controls over the personal data are far from what FB currently offers. Moreover, most of the users are not really aware of the privacy setting in their FB's account.

## Technology:

- Privacy and user controls over the information granted to Facebook are the biggest concerns most users have with the site. Facebook grossly miscalculated user privacy demands when it launched the company's Beacon advertising service because it shared information about users that they had not explicitly intended or agreed to share.
- The service originally began as an "opt-out" feature. Even after users opted-out, the service continued to send information to Facebook regardless of whether or not the user was logged into Facebook at the time. The company's servers maintain copies of information indefinitely in accounts that have been deactivated.
- An FB user's friends are not notified if information about them is collected by that user's application. Many of FB's features and services are enabled by default when they are launched without notifying users.

**4-16 Will Facebook be able to have a successful business model without invading privacy? Explain your answer. Are there any measures Facebook could take to make this possible?**

Opinions will vary on this question based on these elements:

**Positive indicators:**

It's one of the largest social networking sites in the world and is growing

Facebook's interface is simplistic and clean and tends to attract those looking for a crisp, more structured social networking environment

It represents a unique opportunity for advertisers to reach highly targeted audiences based on their demographic information and narrowly specified criteria

It represents a gold mine of opportunity because of the information the site has gathered and because of the richness of the social networking environment.

Part of its status as a first-mover in the social networking marketplace helps attract more users

**Negative indicators:**

It has created large numbers of hostile users because of its privacy violations

Facebook's own popularity will injure its chances to attract advertisers to its site, claiming that the engaging and immersive environment that draws visitors to the site makes users less likely to click on ads

Skeptics also believe that the current application system, where applications tend to support one another via advertising through other applications without the aid of extensive outside advertising, is an unsustainable model over the long term. So far, only 200 Facebook

applications have attracted more than 10,000 users per day and 60 percent failed to attract even 100 daily users.

It remains to be seen whether or not the company can turn its heavy site traffic and trove of personal information into new revenue streams

Therefore, in my opinion, I don't think Facebook will be able to have a successful model without invading privacy because Facebook is currently serving as much to advertise and reach people as it earns from those advertisements. There are no fees that are to be paid to join FB or for its use, it all seems like they threw in a few advertisements and hoped that its exposure would bring in consumers. Obviously, the backbone of FB's business model is advertisement. As a result, FB needs more users' data to customize its ads and indirectly invading individual privacy. It is a critical challenge for FB to avoid offends user's privacy but yes measures can be taken by making active changes to improve users' privacy such as:

- To alert all the members of FB with an electronic detailed letter stating that for advertising purpose information that is submitted to your information pages will be used by Fb company.

- To give the users the options to either accept or reject this offer in order to install a legal standing that with the users of the site as well as protect the integrity of the company.
- To offer applications that could be put on their pages in terms of interactive games and trivia, in return for allowing FB to access users account for advertising purposes.

Once the Facebook management can do this then a broader, more organized and more successful advertising campaigns can be launched.