

Defining rules for acceptable adware

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SPYWARE

PARASITEWARE

FOISTWARE

SCUMWARE SLEAZWARE
ADWARE

STEALWARE

THIEFWARE

SCUZWARE

What is adware?

- Advertising display software
- Delivers advertising to the desktop
- Subsidise own or third party products and services

Does advertising work?



Adware is failing to deliver

- Lack of consumer trust
 - Questions about security
- Aggressive application behaviour
 - non-consensual installation and functionality
- Aggressive business tactics
 - Exploiting the business model to increase profits
- Poor value propositions
 - Little value return for the consumer

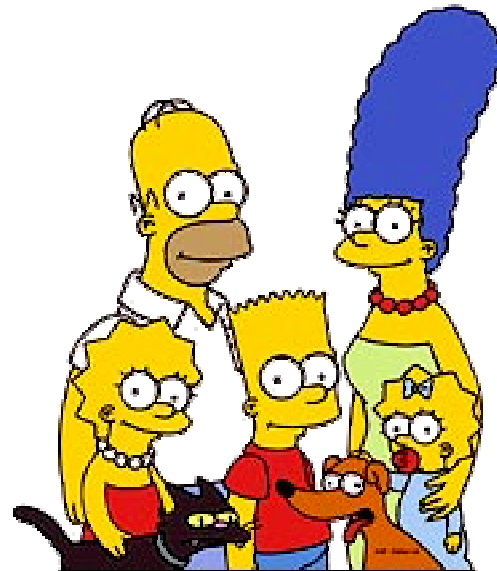
Adware business

How does the adware business work?

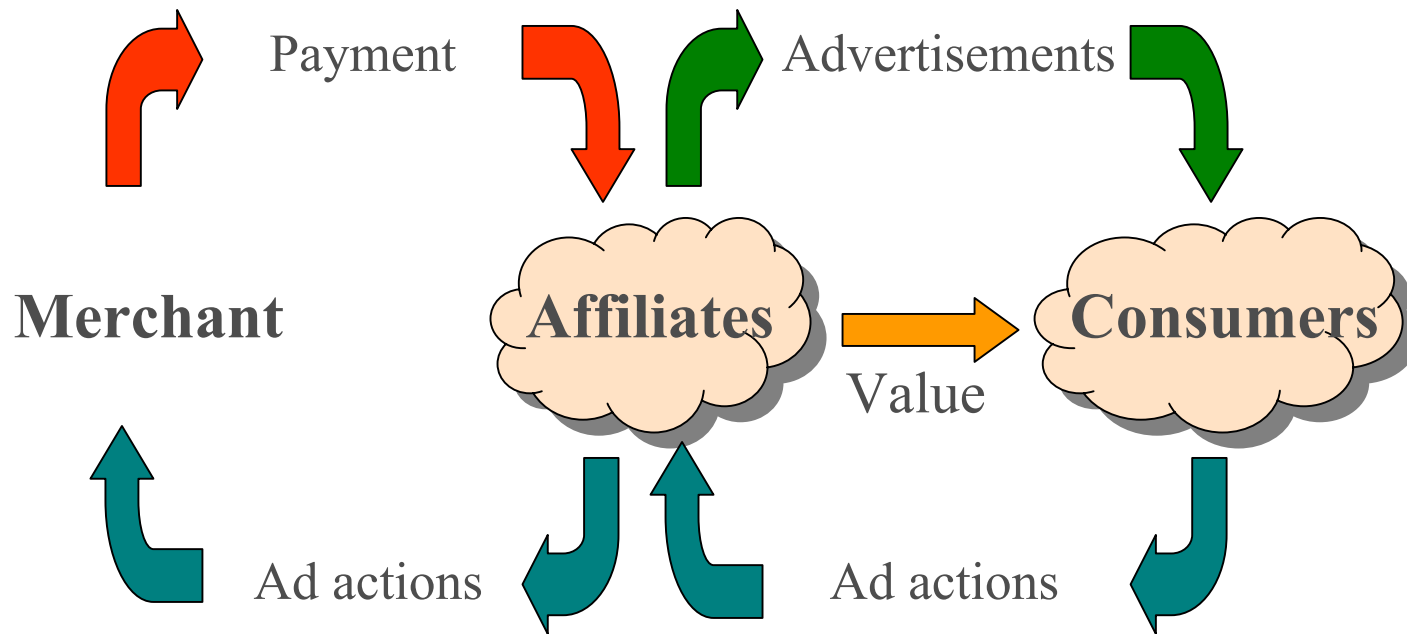
- The players
- The business models
- The pitfalls

Players

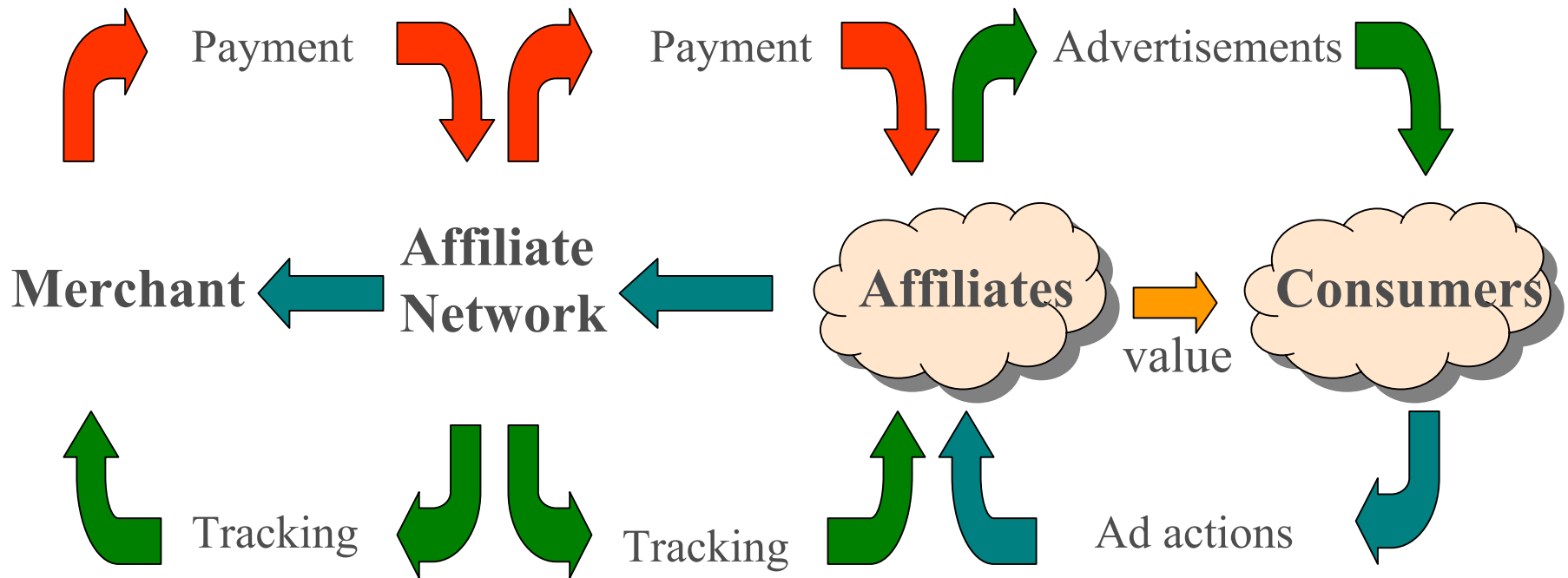
- Merchants
- Affiliate Networks
- Affiliates
 - Web affiliates
 - Adware vendors
 - Publishers
- Consumers



Business model

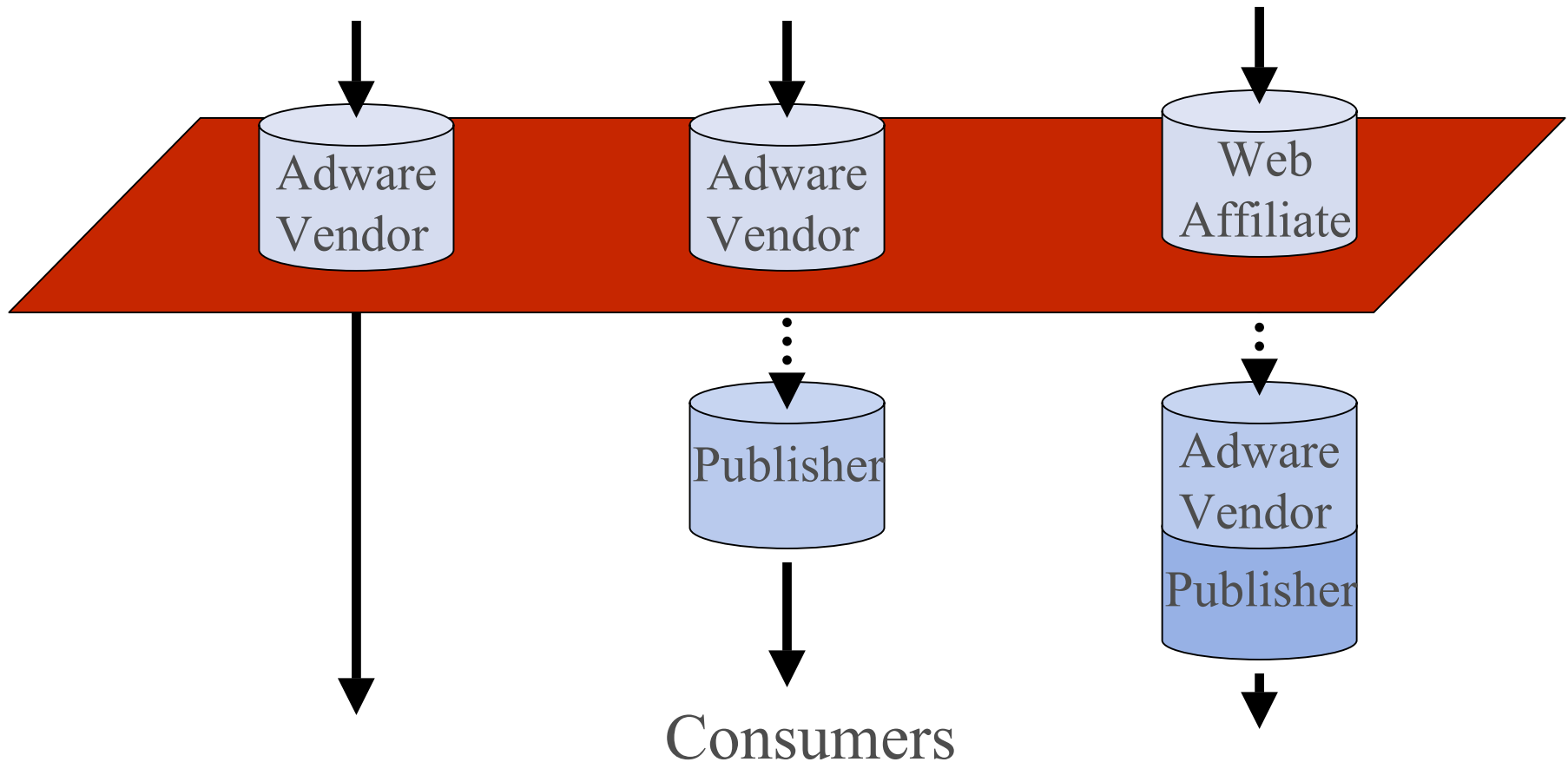


Business model



Affiliate arrangements

Affiliate Network/Merchant



Revenue models

-  Pay-per-install
 - Adware Vendor -> Publisher
- Criticised for encouraging deceptive downloads

Revenue models

-  Impression models
 - CPM - Cost per thousand ad impressions
- Criticised for encouraging frequent pop-ups

Revenue models

-  Action models
 - CPC - Cost for every click-through
 - CPA - Cost for every click-through conversion
- Open to fraudulent practices
 - link replacement
 - forced click-throughs

Adware Products

Adware products

- Deliver advertisements to consumers desktops
- Installed on consumers desktop computers
- Packaged with other software
- Disputed functional and behavioural characteristics

Product issues - installation

- Poor disclosure and consent
 - functionality
 - behaviour
- EULA - End User Licence Agreement
 - long and complex pseudo legal ramble
 - used to deceive rather than inform



Product issues - profiling

- Data collection for targeted advertising
- Data disputes
 - Confidential
 - Personal Identifiable Information (PII)
 - Anonymous

Product issues - system impact

- System changes
 - Changes to browser settings and TCP stack
- System impact
 - Impaired stability and performance
- Removal
 - Incomplete

General annoyance

Rules and regulations

Legislation



- Plethora of bills to clarify US legislation including
- I-Spy & Spy Acts



- CMA & DPA stand the test of time

Self regulation

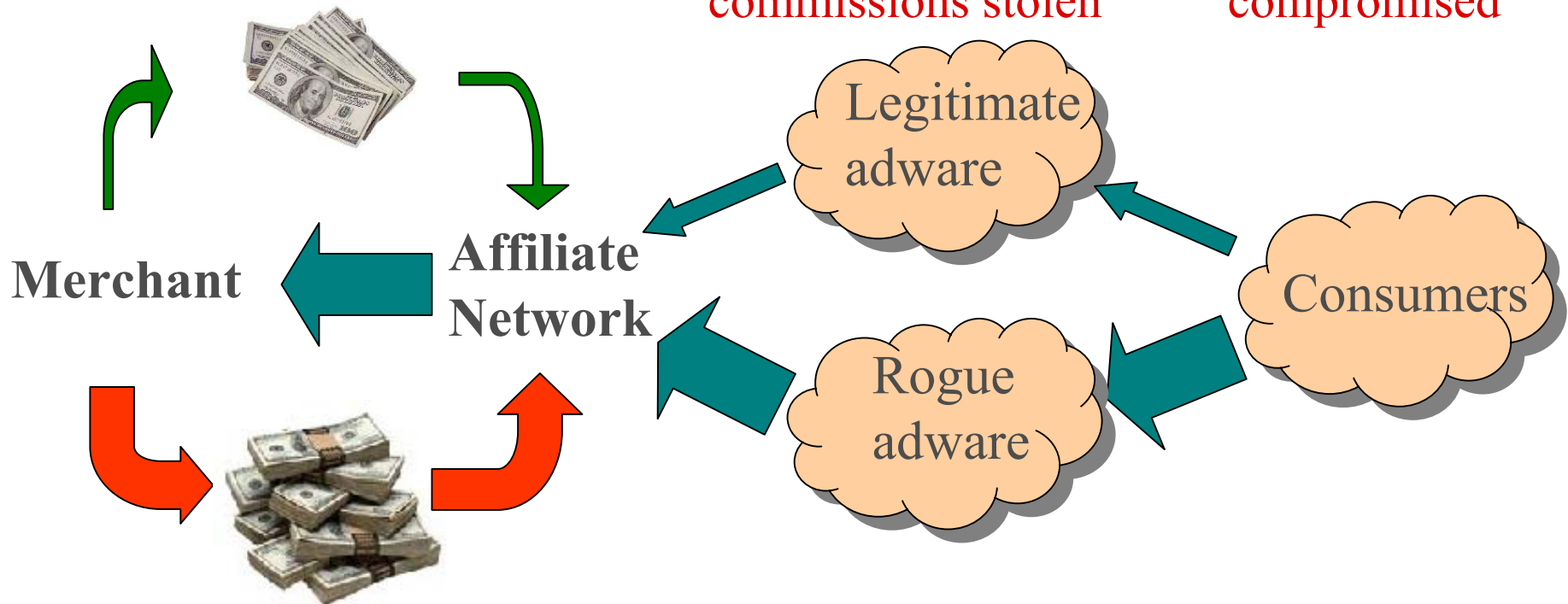
- Affiliate networks already set out detailed rules of conduct
- How well are those rules adhered to?
- How active are the networks at holding those who break the rules to account?
- The network arguably has the least to loose from turning a blind eye

Winners and losers

Merchants pay unearned commissions

Legitimate adware vendors have commissions stolen

Consumers systems are compromised



Rules and regulations

- No official standards body to
 - Protect consumers
 - Protect merchants
 - Protect legitimate adware vendors and other affiliates

Changing the rules

Changes

- Tighter controls on affiliate networks and programs
- Application standards
- Co-operation from AV/AS vendors
- Bring value back to the consumer

Affiliate program regulation

- The large networks already have detailed rules of conduct
- Independent regulations issued by standards agency
- Independent monitoring ensuring regulations are adhered to
- Define areas of accountability
- Stop the profits on successfully contested adware

Application standards

- Clear disclosure and consent
 - function summary to complement the EULA
 - double opt-in to install and activate service
 - requested updates
- Profiling
 - clear description of profiled data
 - industry standard definition for PII and anonymous data

Application standards

- Pop-ups
 - Clear branding
 - Frequency in compliance with recognised standards
- Coverage
 - Practical for the consumer
 - Fair competition

The role of AS/AV

- Detect adware run by rogue affiliates
 - Protect the advertising business model
 - Protect the consumer
- Allow legitimate adware to operate
 - Allow the advertising business model to prosper
 - Allow the consumer to make unbiased choices

Value for the consumer

- Use the business model to support quality products and services
- Better integration of adware with supported products
- Clear consumer choices

Summary

- Address the problems in affiliate networks
 - Independently defined and monitored rules of conduct
- Application standards
 - Focus on disclosure and consent
- Co-operation from security vendors
 - Sort the good from the bad
- Add value for the consumer
 - Use the business model to support quality products and services

A new label for adware

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Questions?