and made it available through a commercial list broker. Would a customer be happy that a store has a record of how many packs of cigarettes, bottles of brandy, or contraceptives he or she buys? A person might not want to be on a list of participants in an online discussion group about computer hacking or neo-Nazism.

Many companies that maintain huge consumer databases have bought (or merged with) others, combining data to build more detailed databases and dossiers. The 1998 purchase of Metromail by Great Universal Stores, a British company, is an example. Metromail maintained a huge database of consumer information (with files on roughly half the people in the United States) and sold targeted marketing lists. A few years earlier, Great Universal bought Experian, formerly the TRW consumer credit bureau, one of the three major U.S. credit reporting companies. In 1998, the Experian database had information on 780 million consumers in 17 countries. When a consumer buys a product from a company owned by Great Universal and consents to company use of his or her customer information, the person probably has no idea how extensive the parent company is and how far the data could travel.

Marketers argue that finely targeted marketing is likely to be useful to the consumer and that it reduces overhead and, ultimately, the cost of products. L.L. Bean, a big mail-order business, says it sends out fewer catalogs as it does a better job of targeting customers. A Web ad company said users clicked on 16% of ads displayed based on the user's activity profile—many more than the 1% typical for untargeted Web ads. Another firm says that 20–50% of people used the personalized coupons it provided on screen or by e-mail, compared with the 1–5% redemption rate for newspaper inserts. The companies say targeting ads based on personal consumer information reduces the number of ads overall that people will see and provides ads that people are more likely to want.41

A statement from the Audubon Society, a nature organization, explains why it exchanges its mailing list with other groups and does mass mailings. Its arguments are similar to the arguments given by commercial direct marketers: These practices help in recruiting new members, reducing costs, and funding Audubon programs. “It's only 'junk mail' if it goes to the wrong person,” the statement says. “Direct mail is one of the most cost effective ways to educate the public, effect social change, and attract new funders.”42 In spite of the clear arguments, the tone of the statement is almost apologetic. They know that some members do not approve of direct mail and the exchange of lists. (The Audubon Society, like many other organizations and businesses, allows members to exclude their names from the distributed list.)

To many consumers, the “intrusion” of advertisements is a welcome intrusion. Ninety-two million Americans respond by purchasing products or sending contributions.43 They purchase enough of the products and services offered, and donate enough money, to make the mailings worthwhile to the businesses and organizations that send them. On the other hand, some people refer to such mailings as “junk mail” and dislike them intensely.4

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* Newspapers invented the term “junk mail” to disparage direct mail because they feared it would reduce their revenue from advertising flyers included in newspapers.44