

Battle brewing over control of personal data online

June 29 2011, By Mike Swift

Google Inc., Yahoo Inc., Facebook Inc. and other Internet companies have made billions of dollars tracking people's online movements and using that data to target advertising based on their prediction of what a person might want to buy.

But as [privacy concerns](#) grow in Washington and Europe over the voluminous personal data being collected online and through smartphones, a wave of startups hopes to create a new business model for the use of that data. Rather than an Internet where invisible software "cookies" track consumers' movements online - allowing somebody else to cash in on that data - their alternative model would allow individuals to control their own data, and perhaps even profit by selling access to it.

Some advocates predict the rise of "a privacy and reputation economy," where a constellation of Internet companies would provide services that allow people to discover what information exists about them online, to counter [false information](#), and even allow people to share personal information with advertisers when it benefits them.

"There will be a very large privacy company, or maybe a few, to help manage these choices for people, because we are creating a ton of data, and that data is not going away, and consumers want to manage it," said Owen Tripp, co-founder of Redwood City, Calif.-based Reputation.com, which provides customers with a report on their online reputation, and offers both free and paid services to shape that digital portrait.

The Internet's threat to [anonymity](#) was highlighted in recent days with the furor about Facebook's use of [facial-recognition technology](#) for its photo-sharing, and the buzz about the anonymous couple photographed kissing amid Vancouver's riots after the Stanley Cup finals. The couple's identities were rapidly flashed across the Web by people who found their social network profiles.

Michael Fertik, Reputation's CEO, says rising concerns about privacy online have created a demand among people to be given control of their data. "We think there is a coming privacy economy," he said.

That premise is about to be tested. A host of startups from [Silicon Valley](#) to Washington, D.C., are rushing to market with an array of online products that let individual users control or manipulate their personal data. Meanwhile, the Personal Data Ecosystem Consortium, a Silicon Valley trade group founded in October, is working to nurture a food chain of Internet businesses that would embrace the premise that individuals should control their own data.

Consider Personal, a [startup](#) slated to go live this summer that will offer a service to help people make money from their personal data. Rather than allow an online ad company to track people as they search for digital cameras online, and then serve up camera ads as they visit other websites, Personal would act as a data agent, allowing users, in effect, to hoist a flag saying, "I'm in Peoria; I want a camera that does this, and I'd pay that for it. Show me some ads!"

Personal CEO Shane Green said a person choosing to make specific data, such as favorite brands or their interests, available to advertisers could someday get 5 to 15 percent of a purchase price back in an ensuing transaction. Personal would earn revenue by taking a cut of that rebate.

"We felt like there was a huge opportunity to turn the consumer model

upside-down - to help people manage, create and grant access to the best data about themselves," Green said.

San Francisco-based Singly, meanwhile, wants to allow people to aggregate and own the personal data they generate online, hosting digital "lockers" that would safeguard people's data. Users would be able to select any pieces of their own data from their locker to power a new generation of highly personalized smartphone apps.

"Imagine," said Jason Cavnar, co-founder of Singly, "being able to combine all of your check-in data from [Facebook](#) and Foursquare with restaurants you have used a credit card at, and combining that with a list of reviews from Yelp to see what highly rated restaurants near you that you have not yet tried. We aim to make that incredibly easy."

Even Google, which according to some analyst reports has become the Internet's top display advertising company, based in part on the prowess of its anonymous online tracking, is taking steps to allow users to control their personal data online. Last week, Google launched a feature called "Me on the Web" that allows users to monitor content about them posted online.

Anyone who wanted to know if their Social Security number or home address has appeared anywhere online, for example, could set an alert for that data. Me on the Web "is one in a series of tools that Google has released and plans to continue to release to help monitor, control and provide transparency into your identity on the Web," said Google spokesman Eitan Bencuya.

An underlying premise is that while people might not own all rights to the record of what they do on Facebook, [Google](#) or other sites, they at least have rights to a copy of their data. Allowing users to control their digital breadcrumbs would actually benefit advertisers and ad exchanges,

advocates say, because users could point out mistakes and choose to share much more detailed and accurate information about themselves.

"We are all generating lots of data as we move around the Web, but the value of that is going to those entities that are providing these services," said Kaliya Hamlin, executive director of the personal data consortium. "It's not that they shouldn't get value for providing those services, but the question is: How does the individual also have a copy of their own data?"

Some [personal data](#) entrepreneurs worry that Silicon Valley and its venture capital community is so wedded to a business model of exploiting data without users' knowledge or participation that there is a blind spot about the potential for an alternative.

"The closer I got to Silicon Valley, the less people understood what I was talking about," said Green, whose Personal.com is based in the Washington, D.C., area and is financed by venture capitalists far from Sand Hill Road. "Things that might take 60 seconds to explain to someone in Michigan or Florida or D.C., after an hour people were looking at me and saying, 'I just don't understand your business.' "

Green said of Silicon Valley: "I had so many people out there tell me that privacy is dead."

(c) 2011, San Jose Mercury News (San Jose, Calif.).
Distributed by McClatchy-Tribune Information Services.

Citation: Battle brewing over control of personal data online (2011, June 29) retrieved 19 April 2024 from <https://phys.org/news/2011-06-brewing-personal-online.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.