

Trading privacy for content

Submitted by: XL Communications

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- Report on the future of digital content identifies intelligent application of metadata as future revenue opportunity

26th July 2010: A project, which brought together senior executives from the creative and technology industries, has identified that privacy could be traded in the future for content, to generate new revenue streams for creative industries.

John Cass, Director of the Creative Industries Knowledge Transfer Network (CIKTN), the organisation behind the project, said: "Even when we access content for free, we leave a digital trail of metadata behind us. By aggregating this information, organisations can generate a picture of a person's behaviours and deliver relevant content to them."

The biggest issue with using metadata more effectively in this way are public fears over privacy. However, Cass believes that, in the future, people will increasingly be prepared to trade privacy for content or even financial reward. At present some companies such as Google and Facebook collect this sort of data without the users fully understanding its value.

"The big challenge will be to make the whole process more transparent so people understand the value of the data they have, how it will be used and what they are getting in return for that data," said Cass.

"This model already exists with store loyalty cards where we share information about our shopping habits in return for personalised offers and benefits, or cash back. The same model could be developed in the online world with companies delivering highly personalised content or offers to people.

"The traditional view is that content is free or paid for. The recent introduction of the Times paywall shows how content creators are looking for ways to monetise what was a free commodity. The other option is supporting the generation of content by intelligently monetising metadata to deliver relevant and personalised information to users. Effectively people choose to trade some of their privacy for either free content or financial reward. More than 40% of the creatives we surveyed felt this could have a groundbreaking effect in their business.

"Content companies that recognise the need to make this process transparent and give consumers the power to make meaningful choices are the ones that will be able to drive new revenue streams and delight customers," added Cass.

Privacy as a tradable commodity was one of several key findings in the CIKTN Beacon report on The Future of Digital Content, part of a programme of 14 projects being carried out by the CI KTN to tackle the big technology related challenges faced by the UK's creative industries. Each Beacon Project identifies key innovation and business needs to enable organisations to turn creative ideas into business successes for the UK.

Within the UK, the Creative Industries sector contributes over 6.4% of UK Gross Value Added and is growing at a faster rate than the economy as a whole. In 2007, total Creative Industries revenues

amounted to some £67.5bn. The Publishing sub-sector is the largest, with Radio & TV and Advertising among the top performers.

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Notes:

To receive a copy of the Creative Industries KTN Final Beacon Report on the Beacon projects: The Future of Digital Content, please contact Tony Henderson at:
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To find out more about the CIKTN Beacons for Innovation programme, contact:

<http://creativeindustriestkn.org/>

Note to Editors: The Creative Industries KTN is part of the Technology Strategy Board's family of KTNs. Our mission is to accelerate the evolution of the Creative Industries in the UK. We do this by building communities of interest and creating opportunities for innovators to meet, share ideas and find access to funding as support. We welcome innovators from all sectors of the Creative Industries. Membership of the network is free, join at creativeindustriestkn.org. Follow us on twitter @creativektn.