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data protection law, practice, problems

Iain Henderson

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The Promise of Volunteered Personal Information

When the UK market research company CCB FastMap asked consumers which method they most wanted companies to use when communicating with them - e-mail, phone, letter and so on - 63 per cent ticked the box that said "Not at all".

This should not surprise those of us in consumer-facing organisations who are well aware of the difficulty in identifying and delivering relevant communications - right message, right time, right delivery channel.

Our ability to identify an opportunity for relevant communication is a function of the data we have available; our ability to analyse and interpret that data in order to predict why something happened; and more importantly, what that means for what the customer will need/ wish to do next. Many organisations have developed very sophisticated tools and processes in this area - but, if truth be told, this remains a sophisticated form of guesswork.

The problem does not end there. In order to improve our guesswork, we gather more data to analyse - integrating it from across the organisation, buying it externally, or gathering it from the customer, incentivised or otherwise. Ever increasing data gathering leads to privacy concerns for the customer, and also increases the liability and risk associated with storing personal data.

A new line of thought is emerging that seeks to resolve this impasse - and many others in the customer management space. A research project in vendor relationship management (VRM) at Harvard University Law School's Berkman Center for Internet and Society has suggested that tools and processes built on the side of the customer are the best route to better meet the supply needs of the individual. In doing so, these same tools offer organisations the ability to better tap into and access the demand side.

One early strand of work from Project VRM is on the concept of Volunteered Personal Information. In essence, this is the forward-looking information (e.g. I intend to buy a new car in February or, I am going to move home next Spring) that is known only to the individual, and which is not currently released to the supply side - other than in dribs and drabs as the buying process engages with the selling process. The aim of this project is to enable this information to flow in order to improve the relationship between demand and supply - and eliminate as much of the guesswork as possible. In practice this means smaller, 'pull' based marketing rather than 'push' - and increased response rates with less

waste.

BUT, the defining characteristic of Volunteered Personal Information is that it will not be released by the individual in 'business as usual' mode via questionnaires or similar. In order to access this rich information source, organisations will be asked to comply with the terms and conditions for access set by the individual, and deployed by their agents (VRM intermediaries), or even their Internet browsers. One obvious route through this unfolding scenario is that the individual may wish to earn a return on this information - either through direct payment, discounting, or enhanced service.

Far-fetched as this may seem, the team working on the project believe that this Volunteered Personal Information will begin to flow within the next 12 months. The technologies that enable it already exist, the standard set of data sharing contracts are being designed, and case studies for the deployment of Volunteered Personal Information are being built across all of the main market categories.

One UK based social enterprise has been established to build proofs of concept, run pilot activities and ultimately deploy such personal information management services. Mydex Community Interest Company (www.mydex.org) believe that only a social enterprise can generate the necessary trust amongst individuals to enable this new value to emerge.