In This Issue…

Theme: Media Literacy and Personal Data Management
There’s a distinct imbalance of power between consumers and online advertisers when advertisers are able to scoop up consumers’ personal data without their permission or even their knowledge. We envision what a commercial Internet centered around user ownership of data might be like, and why media literacy education is essential.

Research Highlights
We report on the emergence of services to help consumers regain control of their data and discuss the theory behind the development of a user-centric web. We also ask big questions to help users appraise the worth of their data.

CML News
CML has added a new resource to its website: Teaching Democracy: A Media Literacy Approach is now available.

Media Literacy Resources
A review of The Daily You, Joseph Turow’s densely documented and closely reasoned critique of the online advertising industry. Also find recommended resources in this section as well.

Med!aLit Moments
In this MediaLit Moment, your upper elementary and middle school students will have fun wearing imaginary gumshoes as they learn the narrative strategies of detective fiction in any medium.
Theme: Media Literacy and Personal Data Management

In a speech before the National Press Club last November, FTC Chairman Jon Leibowitz compared Internet users and online advertising networks to celebrities and the paparazzi who track them down. Leibowitz’s speech opens with a tinge of irony: “Thank goodness for the paparazzi.” By this, he meant that public figures choose to make a living monetizing their identities, and photographers and gossip magazines contribute to the living they make. It’s a reminder that media really are systemic in nature. “It would be a different story, of course, if the paparazzi turned their lenses on those of us who don’t have jobs treading the red carpet – if they snapped photos of us in what we thought were our private moments and then sold them without our permission. . .”

Leibowitz asserts that this is too often the case: “Once you enter cyberspace, software placed on your computer – usually without your consent or even knowledge – turns your private information into a commodity out of your control.” And the information garnered from tracking doesn’t always stop there. Data collected can also become data compiled and analyzed. “. . .it could be traded through an invisible lattice of companies, snowballing into an exhaustive profile of you available to those making critical decisions about your career, finances, health and reputation” (“Online and Overexposed: Consumer Privacy, the FTC, and the Rise of the Cyberazzi”).

It’s instructive to take a systemic view of the relationships mentioned above. In the case of the paparazzi, it’s easy enough to designate them and their agencies as media producers, and the celebrity images they produce as media texts. But what about the celebrities? In the entertainment industry, they’re designated as “talent.” In this context, celebrities might be designated as “assets” or “sources” which media producers draw on to create their texts. In the case of online advertising, agencies produce web display ads as media texts. And consumers? They play a double role, as data assets which advertisers use to target their ads, and as audiences for the texts they produce.

The crucial difference between these two sets of relationships has to do with power. Celebrities have the resources and power to tightly control access to their image. Consumers, on the other hand, have little control over their personal information. Online advertisers are able to collect it without their permission, and often without their knowledge. Celebrities are able to command a high price for the asset they represent. By contrast, the personal data of individual consumers may be traded in online data exchanges for a fraction of a penny.

A movement is afoot, however, to place online consumers in roles which are more reflective of the power which celebrities enjoy with regard to their image and identity. At its most basic, it’s a move to assert ownership over one’s own personal data. In a business column for the Los Angeles Times, David Lazarus frames the issue this way: Facebook, Amazon and Twitter and other companies which make a profit from personal data see it as their primary financial asset.
In this light, their privacy policies are designed to induce users into conceding that the company owns the information and can do what it wants with it. Lazarus proposes a law explicitly stating that a person’s personal information belongs to that person. “. . .they had their chance, and they’ve repeatedly let us down. Now they have to win back our trust” (“It’s Time to Take Back Ownership of Our Personal Data”).

A January 2011 report by the World Economic Forum problematizes the idea of simple ownership over personal data. “Individuals do not ‘own’ their criminal records or credit history. Medical providers are required to keep certain records about patients, even as those patients are allowed to access and share that information with others. Do companies such as Google and Amazon, which aggregate search and purchase histories across millions of users, own the proprietary algorithms they’ve built upon those click streams?” (“Personal Data: The Emergence of a New Asset Class,” p. 16-17).

Yet the same report acknowledges that personal data is becoming increasingly valuable. It opens with the words of the Consumer Commissioner for the European Union: “Personal data is the new oil of the Internet, and the new currency of the digital world” (p.5). In light of these developments, the authors forecast that individuals will hold accounts in which their data would be controlled, managed, exchanged and accounted for just like personal banking services operate today. Such a system might enable consumers to receive financial and in-kind compensation for the information they choose to release.

In this issue of Connections, we discuss the ways in which personal data management is implicated in the creation of this new digital currency. In the first research article, we report on the beginnings of a personal data service industry, outline the theory by which individuals realize tangible gains by negotiating access to their data, and the social and technical changes needed to support the development of a “user-centric” web. Illustrating how this new system might work still sidesteps the question of value, however. What is personal data really worth, and how is it to be valued? In our second article, we demonstrate how media literacy education is essential to the determination of value in any future personal data marketplace. In our resources section, we review Joseph Turow’s The Daily You, which details how the online advertising industry not only takes control of personal data, but takes over the power of consumers to represent themselves in the online world. In this section we also list recommended sources for study and discussion. And in our Media Lit Moment, your upper elementary and middle school students will get to play the role of private eye even as they learn how the classic detective narrative works in any medium.
The Emergence of a User-Centered World

In the spring of 2009, a guest speaker inspired four NYU computer science students to break free of the data trolling of big commercial social networks like Facebook and to create a network which could allow users to keep their own data. A year later, Diaspora was launched. The founders recorded a three-minute video on Kickstarter, a crowdfounding site, and their new venture received $10,000 in funding offers within 12 days. Offers kept streaming in, and by the end of the month, the group was featured on the New York Times home page (Weise, Our Data, Ourselves,” p.1). The promise of personal data ownership seemed to be gaining traction. Yet two years later, they still struggled with a painfully small user base.

So, why the initial burst of excitement followed by a relatively anemic response to the product itself? Commenting on the appearance of companies which allow users to control their own data, Mike Baker, CEO of digital marketing management platform DataXu argues, “These types of business models. . .have never really worked because my theory is consumers are apathetic.” According to Baker and other digital advertising leaders, consumers find the industry complicated, and feel they have better things to do with their time (Heussner, “Whose Life Is It Anyways?”). While it’s advantageous to the industry professionals to portray consumers as apathetic, it may be that privacy concerns are outweighed by the perceived time and effort involved in managing one’s own data.

Other start-ups, such as Personal, Inc., and Singly, have taken advantage of consumer discomfort with leaving a trail of user names, passwords and other pieces of information on multiple servers across the web. These offer customers personal data “lockers” which come with a variety of tools for organizing and accessing their data, from health information on down to notes on favorite pet sitters. They aim to do more than remove sensitive data from the web and warehouse it, however.

Personal, for example, is now offering its customers an opportunity for re-engagement with marketers through a limited pilot. If a Personal account holder is interested in buying a hybrid vehicle, she can indicate her interest on the site, and participating marketers will compete for her business by paying her for her time and engagement. Personal receives a 10% commission on each payment. Compared to Diaspora, Personal is acting as a trusted intermediary while it encourages customers to take on new personal data management challenges in an incremental fashion. According to CEO Shane Green, “We believe that the more people have that ability to aggregate their data and set permissions on who gets it, the more they’ll be willing to share data with companies, advertisers and marketers who can actually deliver real value for them.” (Heussner, “Whose Life Is It, Anyway?”).

While the companies are new and the programs they offer are small in scale, the theory behind those programs is actually well-developed. In 2006, the Harvard Berkman Center for Internet
and Society launched ProjectVRM. VRM stands for Vendor Relationship Management, indicating a shift from earlier models of CRM, or Customer Relationship Management. Where advertising has produced an economy based on capturing the attention of consumers, the stated intentions of customers would be the engine of Internet commerce based on VRM principles. At a 2010 meeting in Palo Alto, ProjectVRM director Doc Searls twittered something like this: “There are 15 of us at this location. We need coffee. Starbucks, are you listening?” (McKay, “It’s Not Your Relationship to Manage,” p.22). The cry for caffeine fell on deaf ears. In an Internet with the capacity for VRM, even an impromptu proposal like this one might be met with competing offers.

To a certain extent, a “user-centric” web is already starting to take shape. The establishment of trust between parties in online transactions is a crucial element of such a system, and a company like Personal, which acts as a trusted third party between customers and marketers, embodies the architecture of this new web on a small scale. Over the last two years, trust frameworks, such as the Kantara Initiative and the Open Identity Trust Framework, have been drafting standards for identity authentication, and awarding certificates to companies or organizations which meet their standards. With that certification, those entities become identity ‘providers,’ who supply individual consumers with identity ‘credentials,’ which they in turn can present to multiple parties. For example, the Obama Administration is currently testing a system which would enable citizens to access information from all federal agencies at which they hold accounts through a single log-in.

While this brave new world does appear promising, it will not fully take shape without the benefit of media literacy education. Individual users may have trusted third parties to rely on, and may even have experience with the workings of a personal data marketplace, but none of this can take the place of critical thinking about the way that media systems actually work. Joseph Turow, an Annenberg School for Communication professor and author of a new book on targeted advertising, The Daily You, argues that giving people a platform for creating direct relationships with marketers may be a step in the right direction, but only as a part of a larger movement that helps people understand how the data industry has come to define the world we live in. “It’s not just trading your data and knowing your data. Where does it come from? Who is doing it? Why are they doing it? How do they make inferences about me?”

**Putting a Price On Your Data**

In March 2010, the British Information Commissioner’s Office published “The Privacy Dividend: The Business Case for Investing in Proactive Privacy Protection.” The report gives a number of legal, policy and business rationales for investing in data protection, but it makes its case most effectively with the inclusion of calculation sheets and worked examples to help companies and organizations determine the costs of data maintenance and the value of their data. By far the most striking feature of the report is its chart of comparative values for personal information. The reported black market value of an identity: £60. The average UK Central Government expenditure on IT per citizen: £300. The cost to an identity fraud victim to
correct damage and clear their name: up to £8,000. The value of a business consulting contract lost when a USB stick went missing: £1.5 million.

The URL for the PDF of this report is:

For all the ingenuity displayed in the creation of the chart, the report itself largely values data by measuring the impacts of its loss. After all, breaches of privacy remain the most common concern today. What about the value of personal data to companies which make a profit from its use, such as online data exchanges? That’s harder to determine, as data exchanges and advertising networks rarely publish detailed trading information. With the advent of data services companies which offer account holders the option of trading their personal data with marketers for discounts or cash payments, the value of personal data does become a little clearer.

Allow, Ltd. is a London-based personal data services company which enables its customers to sell pieces of their personal data profile to marketers. Before Justin Basini became a co-founder of Allow, he had been in charge of brand marketing for Capital One Europe. Basini recalls that the response to Capital One’s targeted mailings was about 1 in 100—vastly better than untargeted mailings, but still “massively inefficient.” One could say that personal data held relatively little value to the marketing division. Basini says his strategy has been to make individuals’ data scarce, so it can become more valuable when they sell it later. When Giles Sequeira, a London real estate executive and Allow account holder, completed an “intention” to get a new credit card, he received a £10 signing fee and a £5.56 payment for the sale of his data to a credit card marketer (Angwin and Steel, “Web’s Hot New Commodity: Privacy”).

While the value of information in a personal data marketplace is beginning to take shape, it is still an entirely novel development, and the value of personal data is still largely, if not entirely dependent on situation and context. This excerpt from a round-table dialogue among several information security professionals gives a taste of the many factors to be considered:

Paul Fisher: Maybe we should be asking, has it got worse recently? Has it become more difficult to control? Or is the risk the same as it was ten years ago, and are vendors just exaggerating the threat?

Mark Logsdon: We don’t really know. How much do we know for sure is leaking out? Is it a larger risk than somebody not keying information into a database, a customer record, whatever it might be? Is it a larger risk than that?

Andrew Yeomans: Much of the risk is reputational risk, and trying to quantify how much it is worth is a significant challenge to information security professionals. It could be anything from the whole value of the company to just a few pence, or somewhere in between.
Mark Logsdon: I am unclear as to where the evidence is to say that a brand has been seriously damaged as a consequence of data loss. I am not saying there is none, I am just trying to get a handle on how large a risk it actually is. (“Data: Use It or Lose It?” p.46).

A little further into the dialogue, Logsdon asks whether the group shouldn’t shelve the question of monetary value and focus on the impact of loss. That is, he reaches for the same default method of valuing personal data which the authors of the Information Commission report rely on.

One might have some sympathy for the members of this group. The task of valuing personal data will weigh heavily on the shoulders of professionals who will be called to render their opinions to the heads of major banks and corporations. By the same token, it is precisely these ‘big questions’ about media systems which are at the heart of media literacy education. Moreover, everyday citizens will need to consider questions similar to these. For example, they might need to ask, if the data I own is much more accurate than the data the marketer already has, how much more valuable will my information be? Or, in the past, this company showed some signs that I’m a valued customer to them. What were those signs? How high should I set the premium “wall” between them and my data now?
### New Media Literacy Resource

*Teaching Democracy: A Media Literacy Approach* embodies an educational process developed at the National Center for the Preservation of Democracy for use with middle and high school students throughout the United States. It’s a model for critical media literacy, involving both media analysis and media production that aims to deepen students’ ability to identify, analyze, and act upon issues in their community. Find more information at [www.medialiteracy.org](http://www.medialiteracy.org)

### About Us…

The Consortium for Media Literacy addresses the role of global media through the advocacy, research and design of media literacy education for youth, educators and parents.

The Consortium focuses on K-12 grade youth and their parents and communities. The research efforts include nutrition and health education, body image/sexuality, safety and responsibility in media by consumers and creators of products. The Consortium is building a body of research, interventions and communication that demonstrate scientifically that media literacy is an effective intervention strategy in addressing critical issues for youth.

[www.consortiumformedialiteracy.org](http://www.consortiumformedialiteracy.org)
**Resources for Media Literacy**

**Teaching Tip:** Talk to your students about their online interactions. Do they understand how their personal information might be mined by others without their knowledge? Use the information provided in the review of Turow’s *The Daily You* to get the conversation started.

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**The Daily You: Online Advertising as a Vehicle for Social Discrimination**

In his 1995 bestseller, *Being Digital*, Nicholas Negroponte predicted that the power of digital media would give citizens an unprecedented degree of control over their media environments, and he illustrated his argument with the hypothetical example of *The Daily Me*, an online newspaper whose content could be customized by consumers to suit their own interests and needs. In his 2011 book *The Daily You: How the New Advertising Industry Is Defining Your Identity and Your Worth*, Joseph Turow, a Professor at the Annenberg School for Communications at the University of Pennsylvania, demonstrates how advertisers and marketers have made a bid to represent consumers to themselves through increasingly sophisticated packages of personalized online advertising and content.

In his first chapters, Turow offers a coherent, well-documented overview of the historical developments which led to the online advertising industry now in existence. According to Turow, the constant factor in the maturation of the industry has been the low position of web site operators (called web publishers) on the advertising “food chain.” At the advent of the commercial Internet, web publishers had few sources of revenue, and they attempted to entice advertisers by offering the information stored in the cookies of web site visitors. Maybe advertisers could use the information to target ads to these users, and even measure the impact of their advertising. Advertisers remained skeptical and paid low prices to publishers, but kept the data. Undeterred, web publishers hired analytics firms to make inferences about visitors based on their web surfing habits, and paid data providers to locate additional personal data on- and off-line.

In the same time frame, advertisers realized that they could expand their access to user cookies if they partnered with many of the sites that users were visiting. They could, in fact, track the actions of users all across the web. But not only did advertisers keep paying just a few dollars to web publishers for every thousand advertising ‘impressions’ served, they formed their own online advertising networks. Using the data offered up by participating websites, advertising networks gave marketers the ability to target users who fit particular profiles with specific ads. With advertisers firmly in control of most of these networks, web publishers today earn as little as 50¢ to $1 for every thousand ads served.

According to Turow, the goals of advertisers have evolved to the point that they are most interested in reaching people with particular characteristics wherever they show up on the web, and care far less about the content which attracts visitors to a particular site. Turow documents some key consequences of this trend. Capitalizing on their ascendant status in the
commercial Internet, advertising agencies have been pressuring web publishers to blur the distinction between editorial and advertising content. Online news or magazine publishers may mention a specific product in a story without revealing that a publicist contributed to the piece or drafted it in its entirety. All across the web, “content farms” such as Demand Media employ thousands of freelance writers to churn out lifestyle or soft news content. These stories are packaged with advertisements and delivered to web publishers, who distribute them to individual users who fit the advertiser’s target profile.

In addition, Turow details the process by which online advertisers and data providers use personal data to define the worth of consumers. When an advertiser or manufacturer is able to identify customers, whether through website registration, sweepstakes sign-up, or similar activities, it can take that information to a company which specializes in “customer data integration” services and receive several dozen pages of data codes on customers, including name, address, age, gender, marital status, race, ethnicity, and income. The purpose of a consultation with one of these companies is not only to target the lifestyles and buying intentions of customers, but also to identify customers who are decidedly not worth targeting. At a shareholder meeting for Acxiom, one of the largest CDI purveyors, an executive asked, “Should I continue to target people who are in fact going to default on their loans? Or, take, for example, a telecom industry where they’re constantly flipping cell phones. . . . is that the customer I really want to target?” (quoted p. 96). When named customers are caged in different reputation “silos,” some are singled out as targets, while others may be labeled “waste.”

In his concluding chapter, Turow deftly summarizes the stakes for consumers: “Whether one approves or disapproves, social discrimination via reputation silos may well mean having sectors of your life labeled by companies you don’t know, for reasons you don’t understand, and with data that you did not grant permission to use” (p.192). He also takes advertisers to task for self-regulation initiatives which are disingenuous at best, pointing to web site privacy policies which consistently employ dense, legalistic language to intentionally obscure the relationships between publishers and their advertising partners. How can consumers make informed choices when such policies are the industry norm?

And Turow’s recommendations? Among them is, “Teach our children well—early and often.” In addition to his explicit call for media literacy education, he makes a recommendation which may appear idiosyncratic at first glance: consumers should have the option of being served ads tailored to other categories of people, along with descriptions of the target categories. With this option, however, they gain the opportunity to engage in critical reflection and discussion on the social implications of targeting schemes.

*The Daily You* is available from Yale University Press, [www.yalebooks.com](http://www.yalebooks.com)
References Cited in This Issue


Recommended Sources:


Article focuses on issues of privacy and ownership with regard to energy consumption data from household “smart meters.”


While Facebook is usually portrayed as a ruthless data collector, portions of this article argue that Facebook can act as a trusted identity provider for smaller online businesses such as Etsy.


Article focuses on the non-profit Society for Worldwide Interbank Financial Telecommunication (SWIFT) and their plan to create a digital asset program which can be controlled by individuals. SWIFT also aims to give Internet users the option of sharing personal data.

Murphy, David. “This Time It’s Personal.” *Marketing.* 13 April 2011: 29-31. Print. A portion of the article reports on Mydex, a UK non-profit which is developing a personal data locker service. Experian, one of the largest data providers in the world, is an investor in the project.


Sternstein, Aliya. “Trust But Verify.” *Government Executive.* 43.14 (Dec.2011): 32-37. Print. This article conducts a thought-provoking analysis of the Obama Administration’s “National Trusted Identities in Cyberspace” initiative, in particular the Administration’s attempts to link commercial data providers with federal agencies in hopes of offering individuals a single log-in for all agencies in which they hold accounts.

United States. Congress. House. Committee on Energy and Commerce. “Consumer Attitudes On Privacy.” Statement of Alessandro Acquisti, Associate Professor, Information Systems and Public Policy, Carnegie Mellon University. 13 Oct. 2011: no pag. Web. Accessed 4 Aug. 2012. Though a little dry at times, Acquisti’s testimony authoritatively contradicts the advertising industry’s general argument that consumers are impulsively trading their personal data for token rewards, or are making informed, rational trade-offs between their desire for privacy and the benefits of revealing personal data. Privacy policies and the time and opportunity costs associated with reading and attempting to comprehend them are often the most important issues to consider.

Lights, Story, Action!

The classic opening for a detective story features the voice of the detective in charge of the case. Why? It’s one tried-and-true method for grabbing the attention of the audience. As the detective explains why the details of the case were so mysterious, the audience takes his point of view, and in one sense, begins to unravel the case alongside the detective himself. Now imagine the potential for engagement when audience members are participating as players in a video game. In this MediaLit Moment, your students will have the chance to enjoy taking the role of ‘private eye’ while they explore the dynamics of video game narration.

Have students explain why a game trailer would use a first-person narrative to introduce the game.

AHA!: I feel like I’m the private eye!

Key Question #2: What creative techniques are used to attract my attention?
Core Concept #2: Media messages are constructed using a creative language with its own rules.

Key Question #1: Who created this message?
Core Concept #1: All media messages are constructed.

Grade Level: 5-8

Materials: Computer with high speed internet connection, data projector, and screen; game trailer for Puzzle Agent 2, accessible at: https://www.telltalegames.com/puzzleagent2; additional trailer or clip in a similar genre which is not narrated from a first-person point of view.

Activity: Play the game trailer for students at least twice. Ask them what they thought was interesting about the trailer. Draw their attention to Key Question #2. Also ask students if any of them are familiar with the game. What’s the story line? What’s involved in game play?

{This is a mystery story with some fantasy elements. The foreman of the local eraser factory in Scoggins, Minnesota has disappeared. Nelson Tethers, FBI Puzzle Research Agent, had been assigned to this case until the bureau closed the investigation. He’s come back to Scoggins on his own time. The whole town seems to be obsessed with puzzles, and game players follow in Tethers’ footsteps while they solve a variety of math and logic puzzles. When Tethers takes his investigation to the woods, he encounters a mysterious band of gnomes. As it turns out, they’ve been whispering puzzles to the townspeople for some time.}

We suggest that you also screen a clip or trailer from a television show in a similar genre, perhaps Once Upon a Time. Find a clip that is not narrated from a first-person point of view,
and ask students to explain what's different about the clips.

Begin a discussion with your students about the reasons why a game maker would have them follow Agent Tethers' view of things so closely. How would this draw them to playing the game? Draw students' attention to Core Concept #1.

**Extended Activity:** Using the second clip as a point of departure, ask students to compare and contrast the stories and storytelling typical of video games and television shows in the mystery/fantasy genre.

The Five Core Concepts and Five Key Questions of media literacy were developed as part of the Center for Media Literacy's MediaLit Kit™ and Questions/TIPS (Q/TIPS)™ framework. Used with permission, © 2002-2011, Center for Media Literacy, [http://www.medialit.com](http://www.medialit.com)