

A photograph of a person standing on a sandy beach, facing the ocean with their arms raised in a gesture of triumph or joy. A large, powerful ocean wave is breaking in the distance, creating a massive wall of water. The sky is blue with some white clouds. The image is split diagonally by a grey triangle that points towards the bottom left corner.

Privacy – The New Luxury Good

Michael Becker
Identity Praxis, Inc.
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[@mobiledirect](#)



Image source: <http://www.tsunamiblu.com/>

The Tsunami Trigger

Digital,
Connectivity,
Personal Data




By 2025
50B~500B connected devices,
trillions of sensors,
and related services
worldwide

**Connected devices, services, and the associated data will generate \$19 trillion in net economic value to the world's economies over the next 10 years.
(Cisco, 2014)**


Creating a successful Internet of Things data marketplace

By Johannes Deichmann, Kersten Heineke, Thomas Reinbacher, and Dominik Wee

84 percent of the market value of S&P 500 companies comes from intangible assets, such as data, and the potential value of intangible assets in the United States is \$8 trillion (Lo, 2016),



Knowledge is the
engine of society
and personal
information is
the fuel.



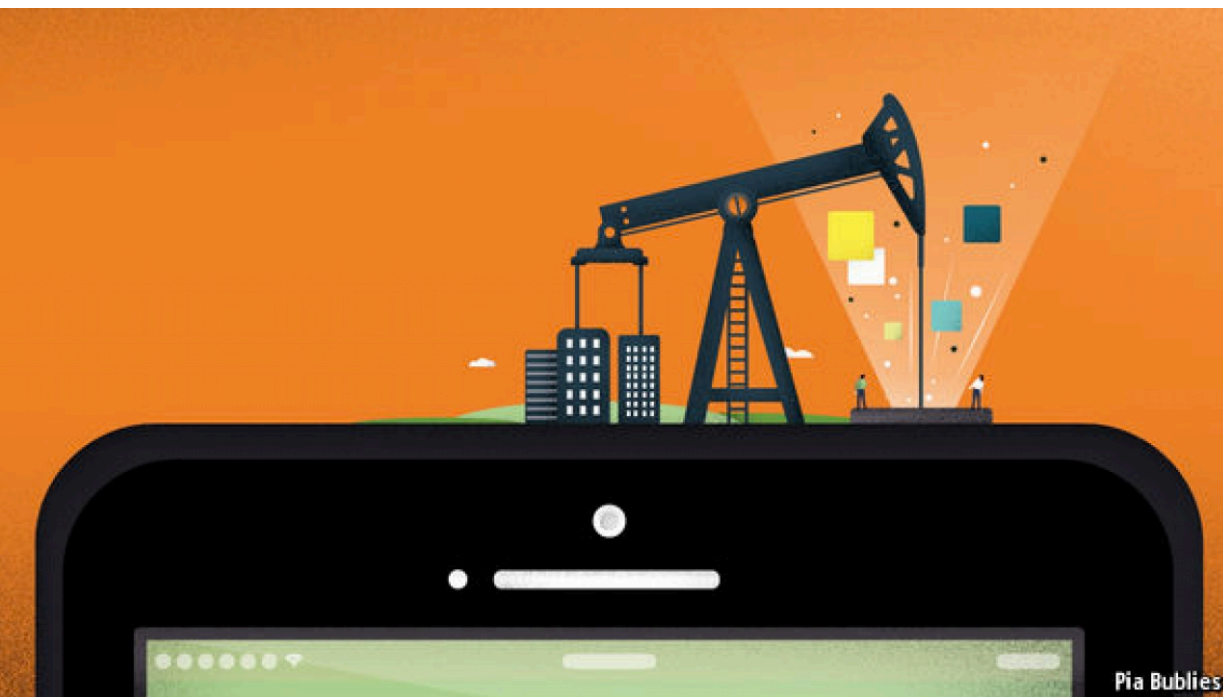
Identity & personal data
are considered new
asset classes; they're
fueling society and
economies, globally.

(World Economic Forum, 2011)



\$25bn in net profit in the first quarter of 2017

Extracting value



Extracting information

Data-driven deals, selected

	Target company (Date)	Value of deal, \$bn	Business
facebook	Instagram (2012)	1.0	Photo sharing
	WhatsApp (2014)	22.0	Text/photo messaging
Alphabet	Waze (2013)	1.2	Mapping and navigation
IBM	The Weather Company (2015)	2.0	Meteorology
	Truven Health Analytics (2016)	2.6	Health care
intel	Mobileye (2017)	15.3	Self-driving cars
Microsoft	SwiftKey (2016)	0.25	Keyboard/artificial intelligence
	LinkedIn (2016)	26.2	Business networking
ORACLE	BlueKai (2014)	0.4	Cloud data platform
	Datalogix (2014)	1.0	Marketing

Source: Company reports, estimates

Economist.com

“Caesars Entertainment, a gambling group, that filed for bankruptcy in 2015. Its most valuable asset, at \$1bn, was determined to be the data it is said to hold on the 45m customers who had joined the company’s customer-loyalty programme over the previous 17 years.”

In the U.S., there are approximately 4,000 personal data brokers, generating \$202B annually, and employing 1,000,000 people.

(The DMA, 2015)

By 2024 every Internet user (5 billion) worth \$100 each to industry.

As impressive as this figure sounds, it really is just the first step for the data economy. By the end of the decade, the global internet population will reach 5 billion, and the amount of data will grow exponentially with the addition of 10 billion machine-to-machine connections and a 11-fold rise in mobile data traffic. With an increase in applications across industries, it's reasonable to project that **individual data will soon be worth over \$100 per internet user**. Within just 10 years, this industry will be generating more than half a trillion dollars per year.

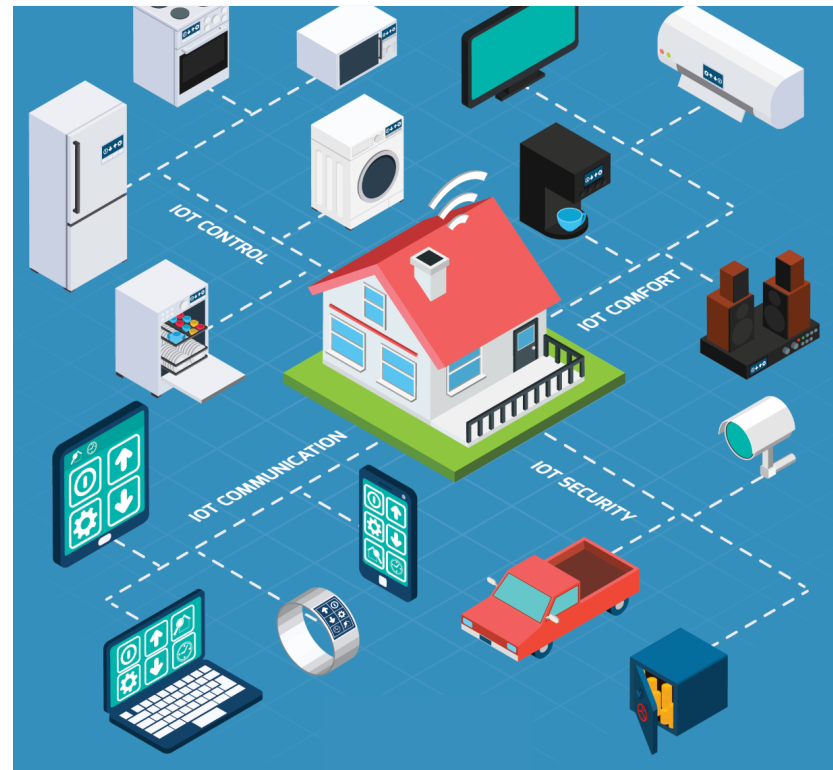
<https://www.weforum.org/agenda/2014/09/whats-value-personal-data/>

"By 2020 digital identity, in Europe alone, may generate over \$1.1 Trillion USD in quantifiable benefits to industry..."

– *Boston Consulting Group, The Value of our Digital Identity (2013)*

The Connected Individual

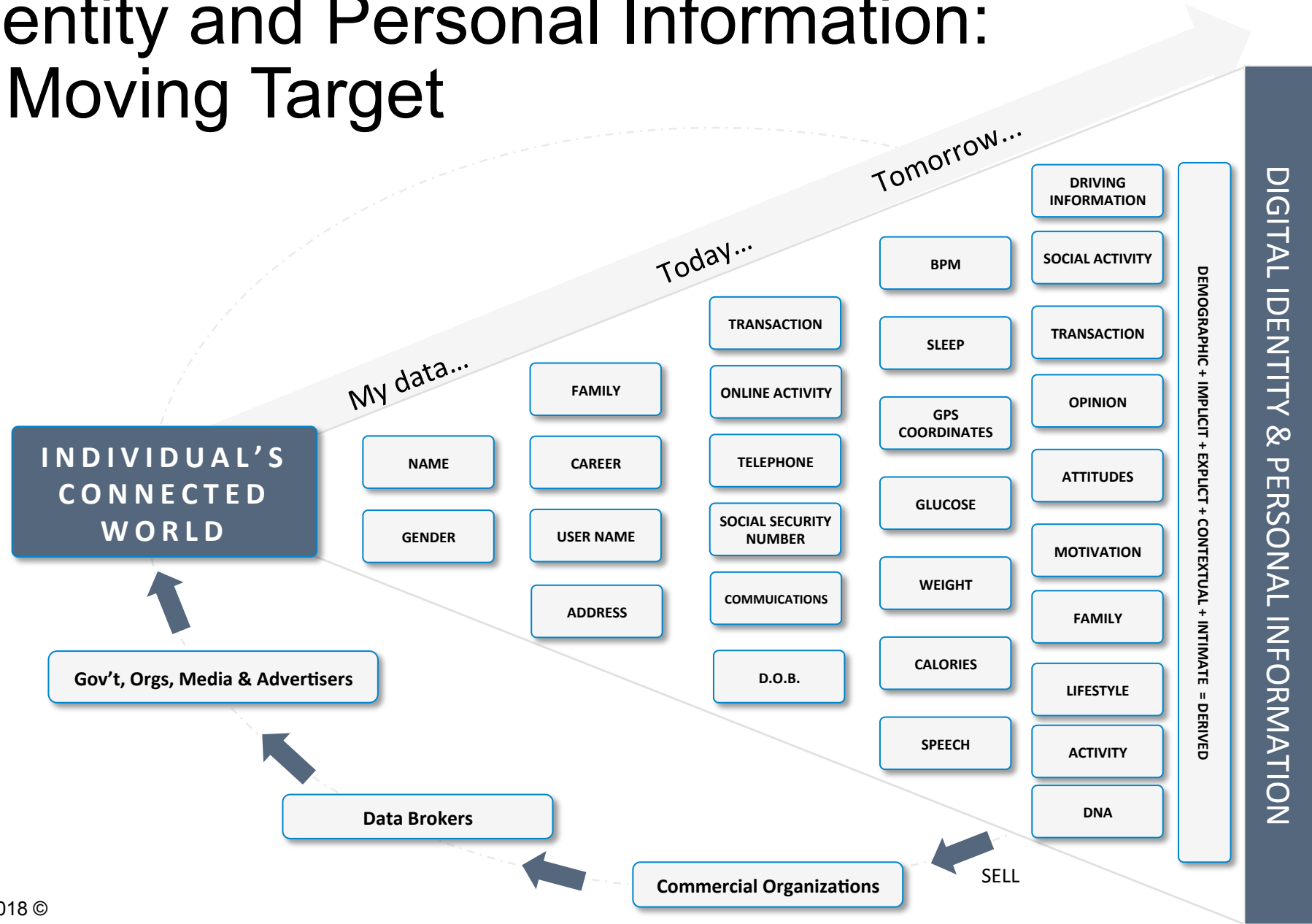
3~6
Connected
devices per
Individual
Today



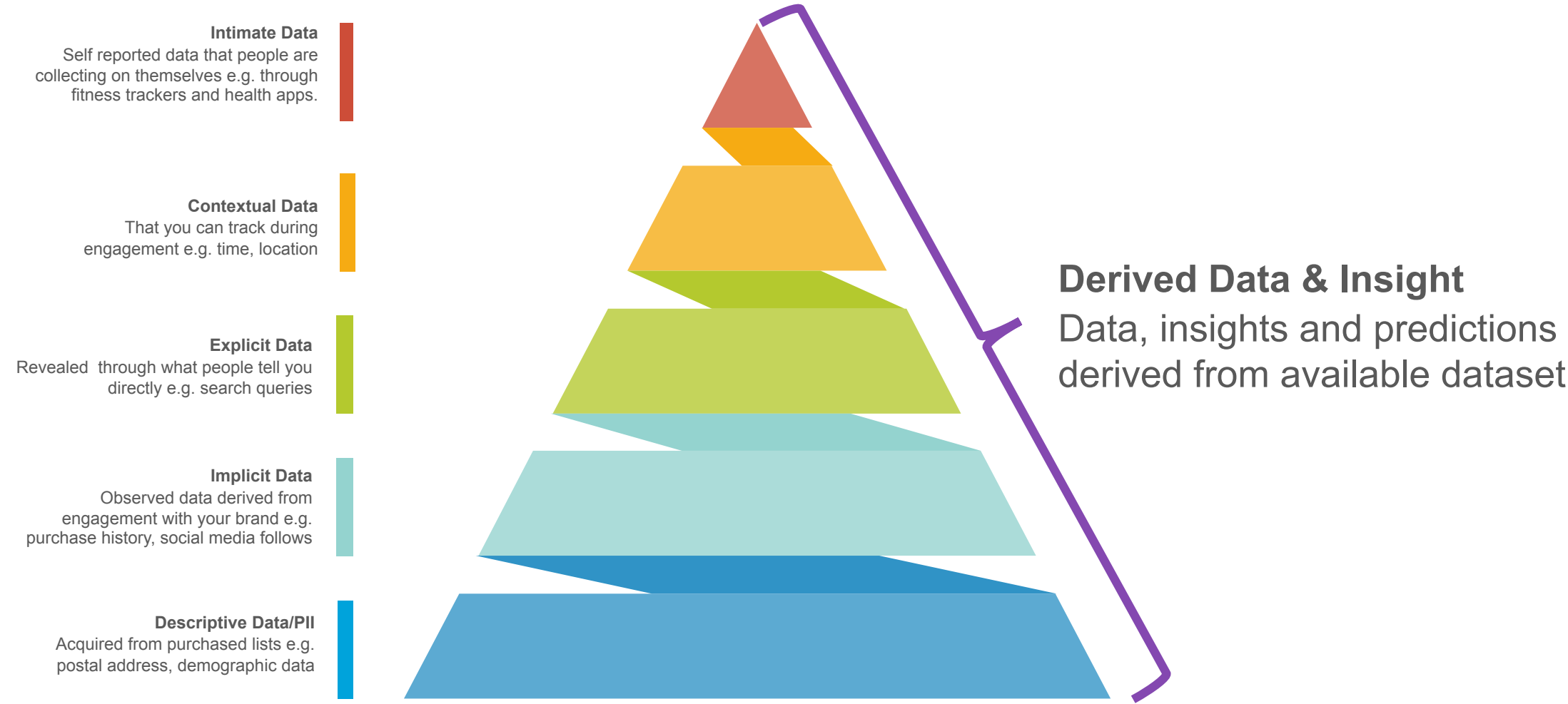
10
Connected devices
per Individual
2020

50
Connected devices
per household
2022

Identity and Personal Information: A Moving Target



Creation of Insights



Illuminating the the individual

TRANSACTIONS

Loyalty data
E-Receipts
Vouchering

SOCIAL MEDIA

Likes/follows
Brand reference
Sentiment analysis

CUSTOMER DATA

Online shopping
Promotions
Loyalty schemes

RE-TARGETING

Products viewed
Categories visited
Tags/cookies

WEB USAGE

Sites visited on wi-fi
Products viewed

QUESTIONNAIRE

Customer surveys
Gamification

Needs
Wants
Desires
Interests
Preferences
Influencers
...



DATA ENRICHMENT

Acorn/CACI
Mosaic/Experian

STORE VISIT

Frequency
Dwell time
Time of day
Journey mapping

Innovations in Retail

Retailers can utilize such innovations to gather new valuable data and improve the customer journey. Oak Labs' smart mirrors collect information on how customers shop in dressing rooms, while B8ta outfitted the store with cameras that can see which products consumers look at, and how long they spend with them. Information like this can provide new insights about the ways consumers shop on a very granular level, allowing proactive retailers to vastly improve their shopping experience and conversion rates.





Dan Schiffman of TVision, demonstrating the software. “The big thing for TV advertisers and the networks is,

Identity Praxis, Inc. 2018 are you actually looking at the screen or not?” he said. Dolly Faibyshev for The New York Times

amazon go

amazon go

**NO LINES. NO CHECKOUT.
(NO, SERIOUSLY.)**



Personal data & work

Microchip Implants for Employees? One Company Says Yes

[查看简体中文版](#)

By MAGGIE ASTOR JULY 25, 2017



Jowan Osterlund of Biohax with one of the company's implantable microchips. Three Square Market, a company in Wisconsin, is partnering with Biohax to offer the chips to employees.
James Brooks/Associated Press

RELATED COVERAGE



ILLUSTRATION: RICHARD A. CHANCE FOR BLOOMBERG BUSINESSWEEK

The Brutal Fight to Mine Your Data and Sell It to Your Boss

Silicon Valley makes billions of dollars peddling personal information, supported by an ecosystem of bit players. One of them, an upstart called HIQ, is going up against LinkedIn in a battle for your lucrative professional identity.

By Drake Bennett

On May 23, an email landed in the sales inbox of a San Francisco startup called [HIQ Labs](#), politely asking the company to go out of business. HIQ is a “people analytics” firm that creates [software tools](#) for corporate human resources departments. Its Skill Mapper graphically represents the

Your boss could demand you get genetic testing and hand over the results, if this congressional bill becomes law

Dan Mangan | [@_DanMangan](#)

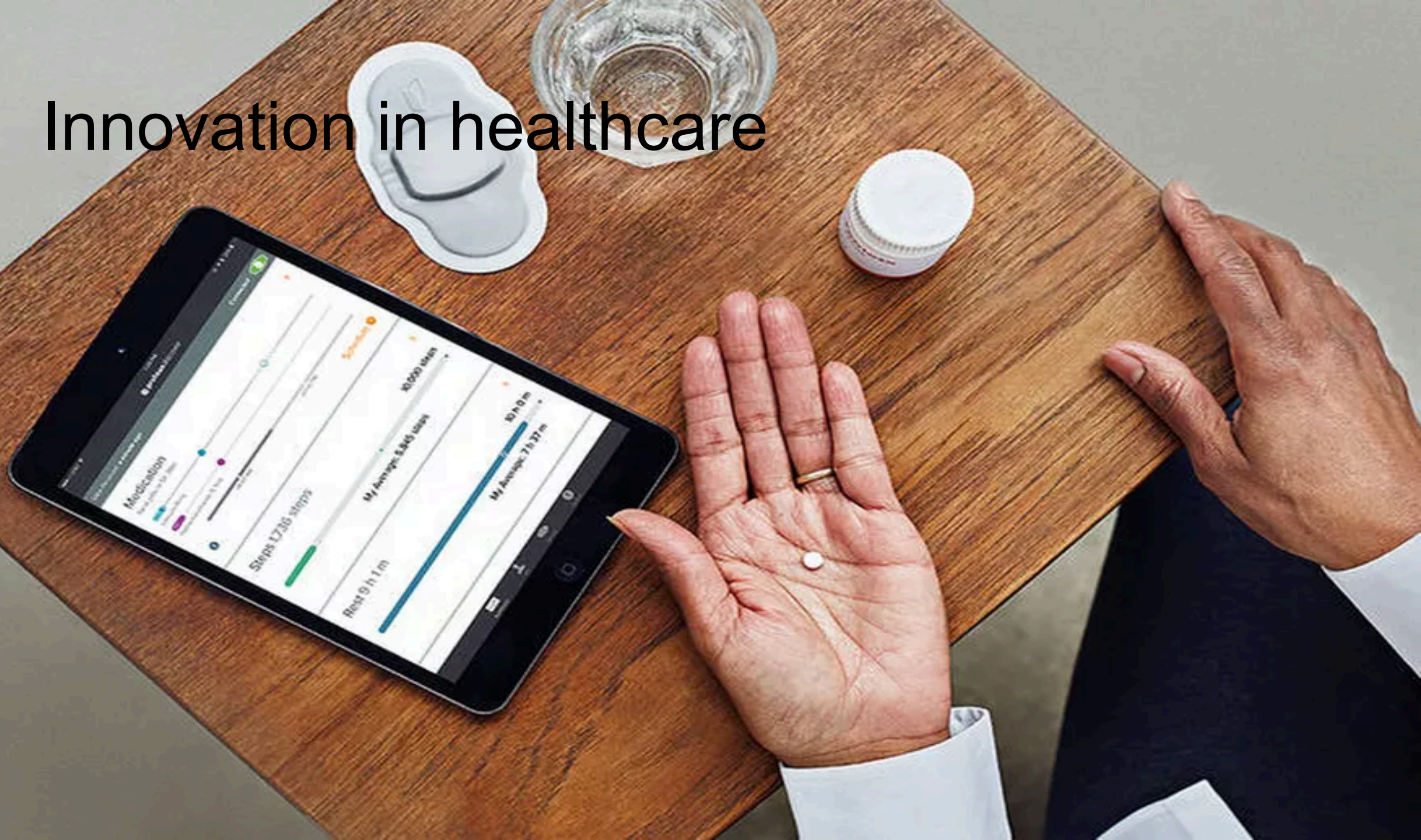
Published 1:13 PM ET Fri, 10 March 2017 | Updated 6:52 PM ET Fri, 10 March 2017



Rafe Swan | Getty Images

DNA Sequencing film strip.

Innovation in healthcare





30.1K Views

Like

Comment

Share



If you bought something from this ad, how satisfied are you?



Your answer won't be shared on your timeline.



Drug-Free Serenol Safely Relieves PMS Symptoms

Serenol

Viewed Dec 21

Dissatisfied

Neutral

Satisfied

I didn't buy anything

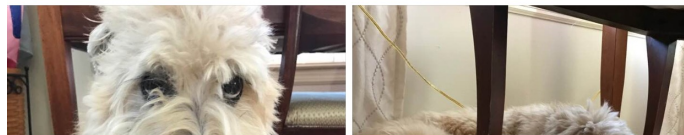


Carrie Kobb Mastropaolo added 2 new photos.



13 mins •

When you are a delicate flower of a canine and your pads don't fare well in the deep freeze- monkey socks it is! He hates me for this!






YOUR PHONE TOLD YOUR FITBIT THAT
TOLD YOUR NEST THAT TOLD YOUR
SONOS THAT TOLD ME THAT YOU
OWE YOUR WIFE AN APOLOGY.

TWO DOZEN RED ROSES ARE ONLY
\$29.99 FOR A LIMITED TIME.



TOM
FISH
BURNE



Houston, we have a problem



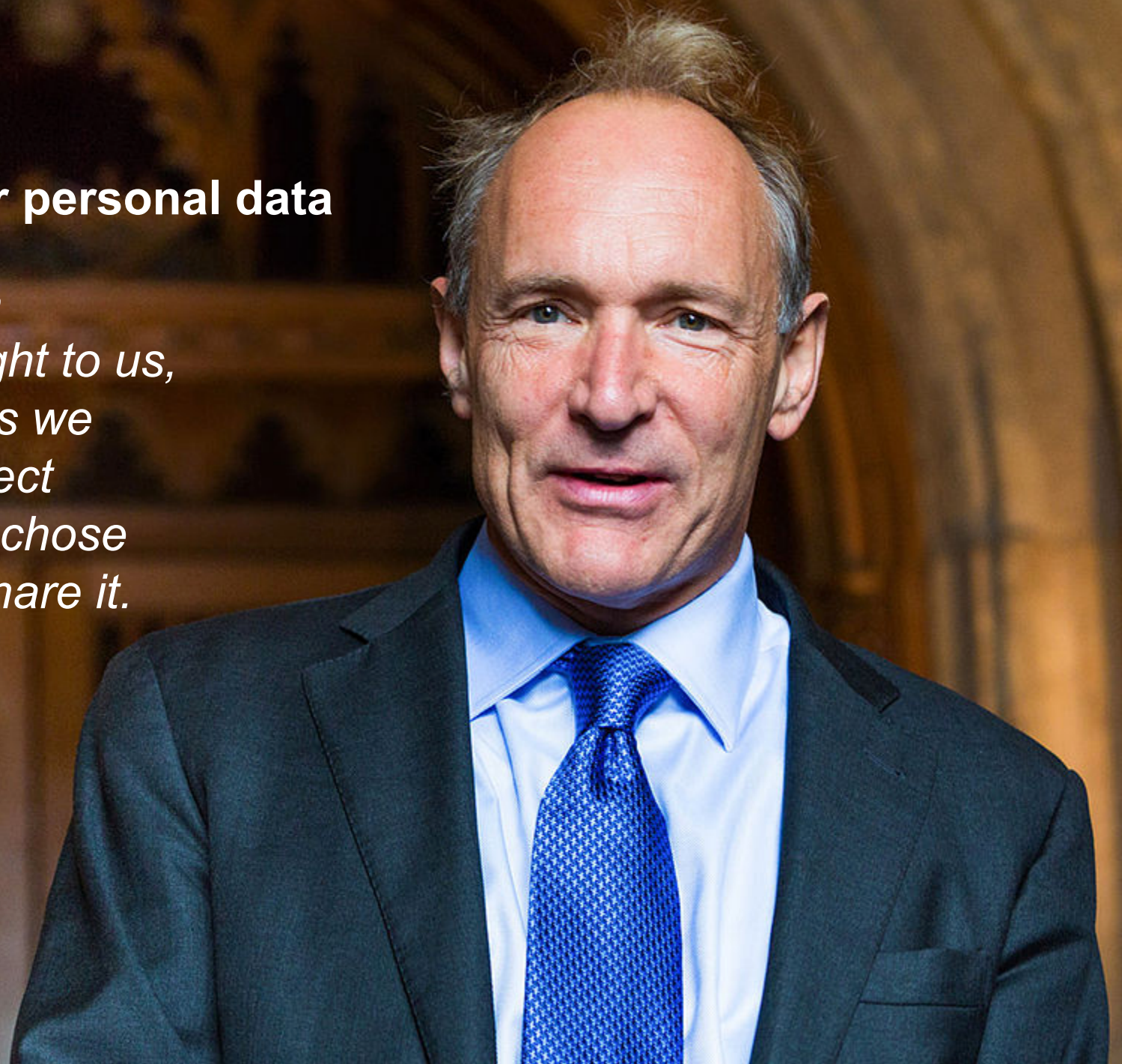
George Orwell, 1984

*Orwell was an
Optimist!*

We've lost control of our personal data

As our data is then held in proprietary silos, out of sight to us, we lose out on the benefits we could realise if we had direct control over this data and chose when and with whom to share it.

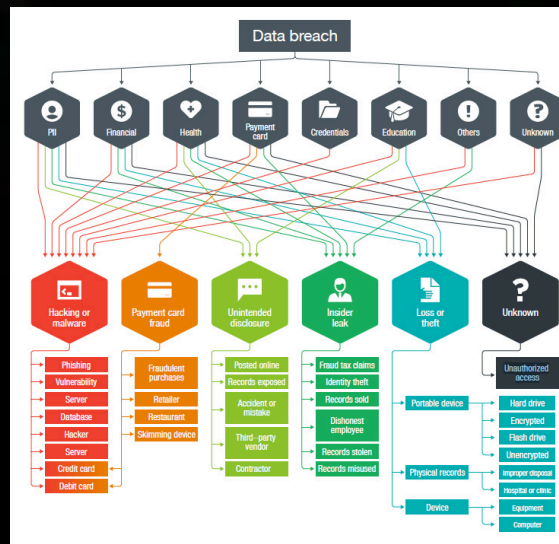
SIR TIM BURNERS LEE
March 11, 2017





'--have i been pwned?			
233	4,729,225,727	55,476	52,785,872
pwned websites	pwned accounts	pastes	paste accounts
711,477,622	Onliner Spambot accounts	819,478	Warframe accounts
593,427,119	Exploit.In accounts	800,157	Onverse accounts
457,962,538	Anti Public Combo List accounts	790,724	Brazzers accounts
393,430,309	River City Media Spam List accounts	777,387	Black Hat World accounts
359,420,698	MySpace accounts	776,125	Abandonia accounts
234,842,089	NetEase accounts	745,355	Android Forums accounts
164,611,595	LinkedIn accounts	738,556	WildStar accounts
152,445,165	Adobe accounts	735,405	MALL.cz accounts
112,005,531	Badoo accounts	707,432	Programming Forums accounts
105,059,554	B2B USA Businesses accounts	699,793	mSpy accounts
93,338,602	VK accounts	657,001	Pokébip accounts
91,890,110	Youku accounts	648,231	Domino's accounts
91,436,280	Rambler accounts	637,340	DaFont accounts
85,176,234	Dailymotion accounts	620,677	Final Fantasy Shrine accounts
68,648,009	Dropbox accounts	616,882	Comcast accounts
		612,414	ThisHabbo Forum accounts

Rise of Blackhats



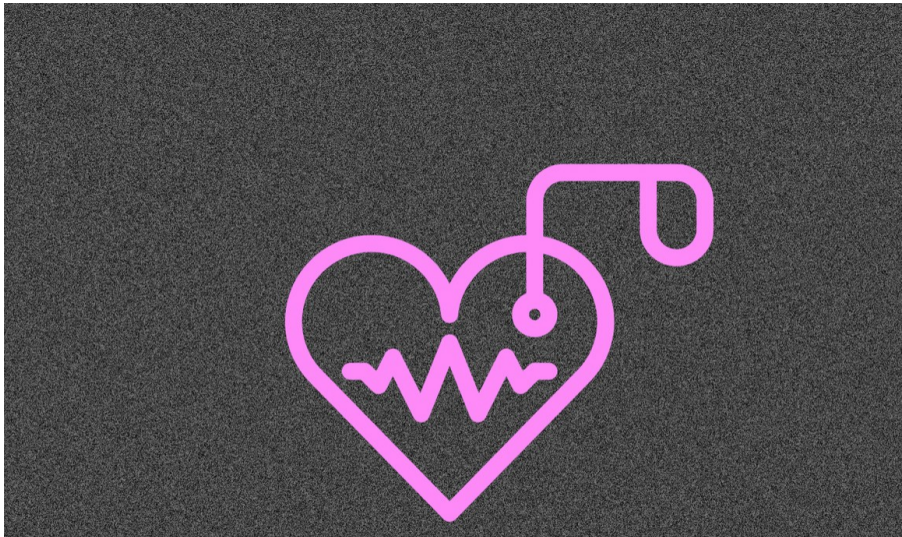
Facebook influences free will

"Emotions expressed by friends, via online social networks, influence our own moods, constituting, to our knowledge, the first experimental evidence for massive-scale emotional contagion via social networks."

Source: Guardian, 2014; Facebook Study

DEANNA PAUL SECURITY 07.29.17 07:00 AM

YOUR OWN PACEMAKER CAN NOW TESTIFY AGAINST YOU IN COURT



Cops use murdered woman's Fitbit to charge her husband



By [Amanda Watts](#), CNN

Updated 2:58 PM ET, Wed April 26, 2017



More from CNN



No checkout lines and smart everything: 8 futuristic store...



17 cool gadgets that tease the future

CNN SPECIAL REPORT
**TRUMP'S
FIRST YEAR**
REIGN OF CHAOS



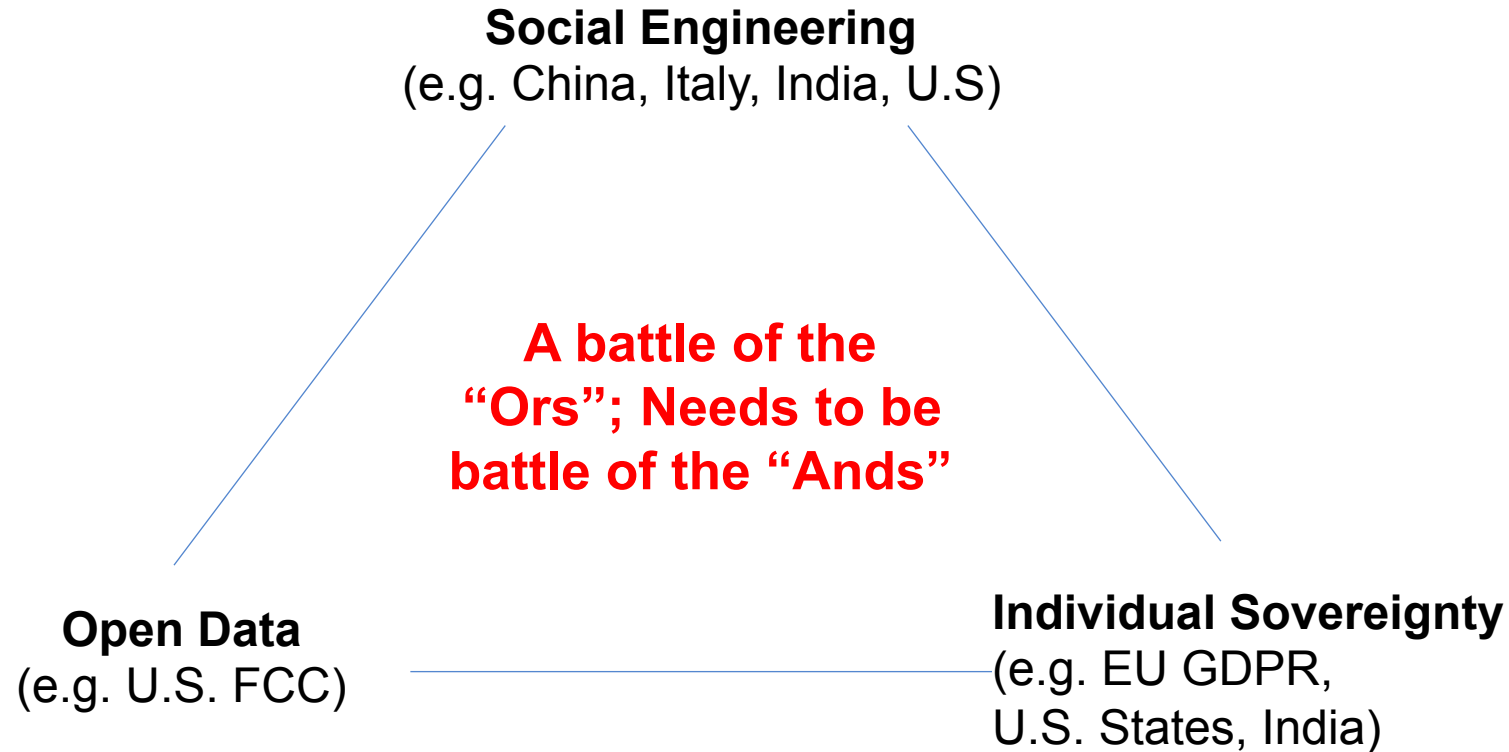


Tug of War: Society vs. Individual



Image source: hermentorcenter.com

“Three Body Problem”



36% of use people:
Cite privacy concerns as a barrier to adopting connected home devices.

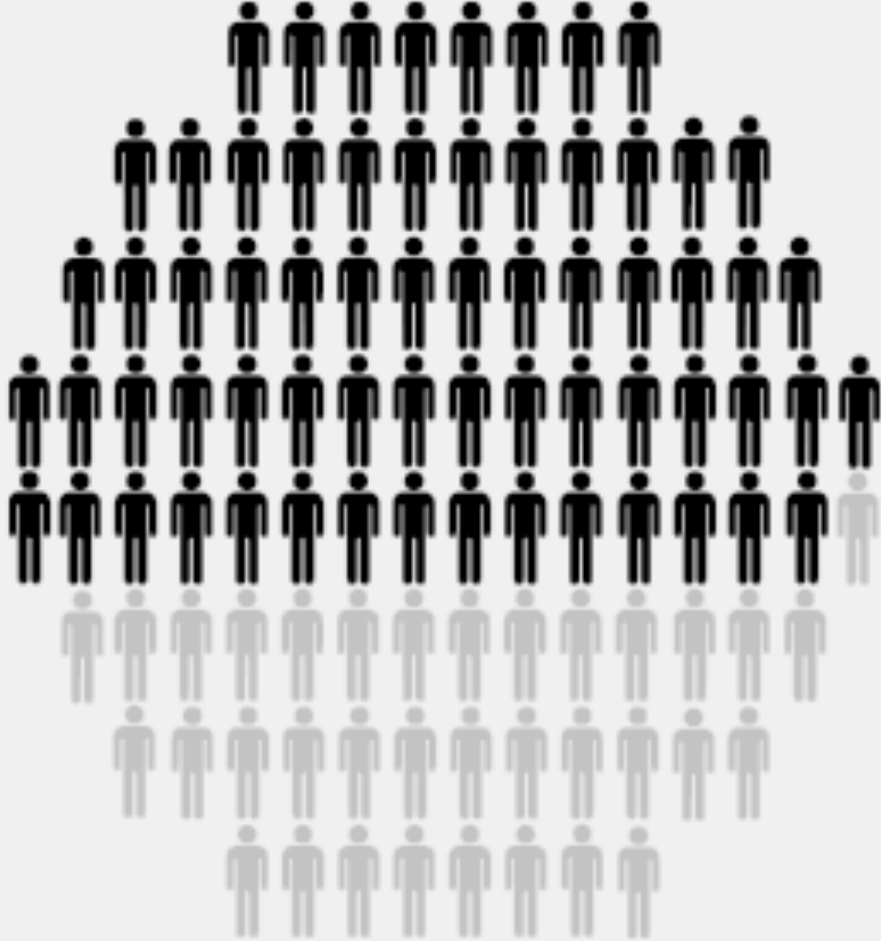
Source: Forrester

44% of use adults:
Worry that apps are collecting data without their consent.

Source: Forrester

52% of use people:
Worry that their data is being shared with companies they don't know or trust.

Source: Forrester



65%

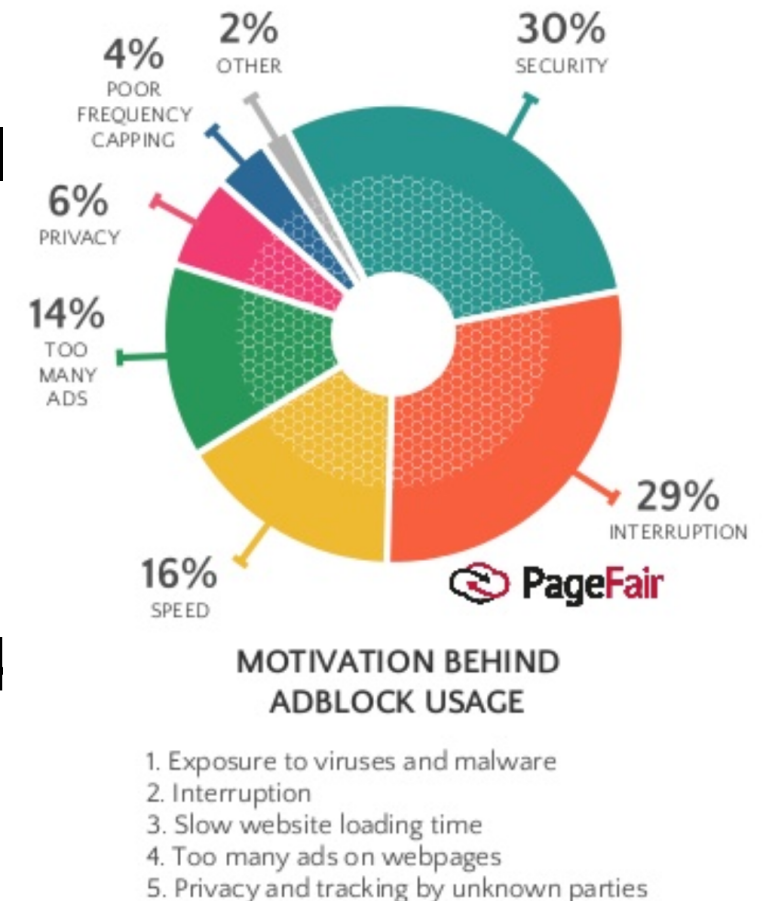
of Americans **lack confidence**
that their personal information
is private and secure.

Source: Consumer Reports, January 2017

People are taking
action

- **86% of internet users** have taken steps to mask their digital footprints*
- **615 million** devices now use adblockers**
- **11% of the global internet population** is blocked web**

Sources: *PEW, 2013; PageFair 2017**



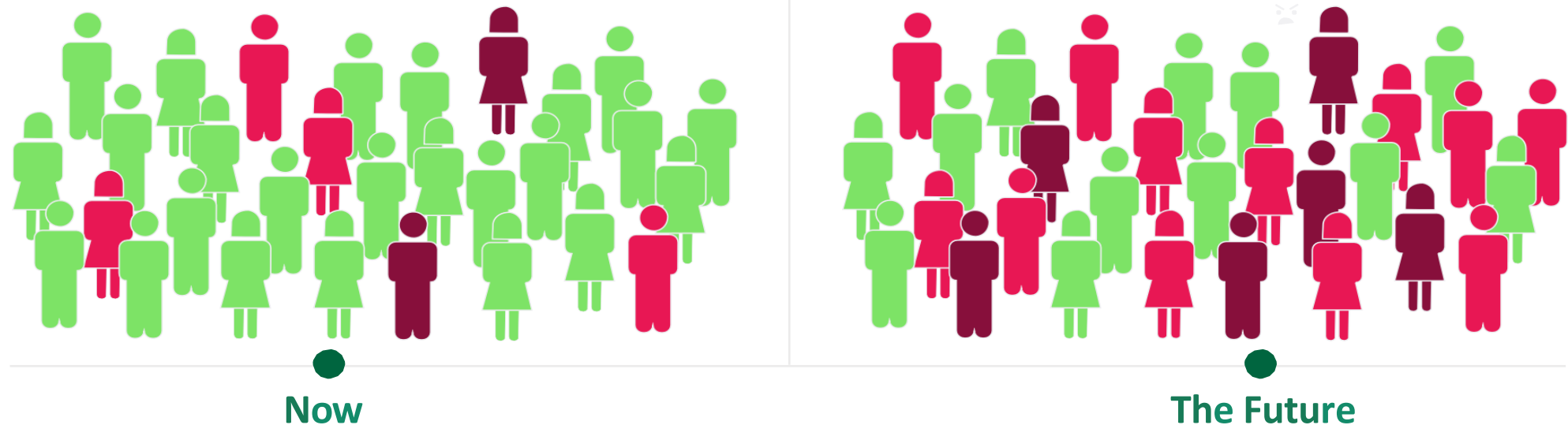
33% of people:
*Have cancelled a
transaction
because of a
privacy concern.*

Source: MEF Trust Survey.

20% of US consumers have perceived a data misuse

Over the next five years, the number of affected consumers could more than double

We predict that the number of consumers who perceive a data misuse will **dramatically increase** over the coming years as a result of rising **press coverage** and exploding **social media use**.



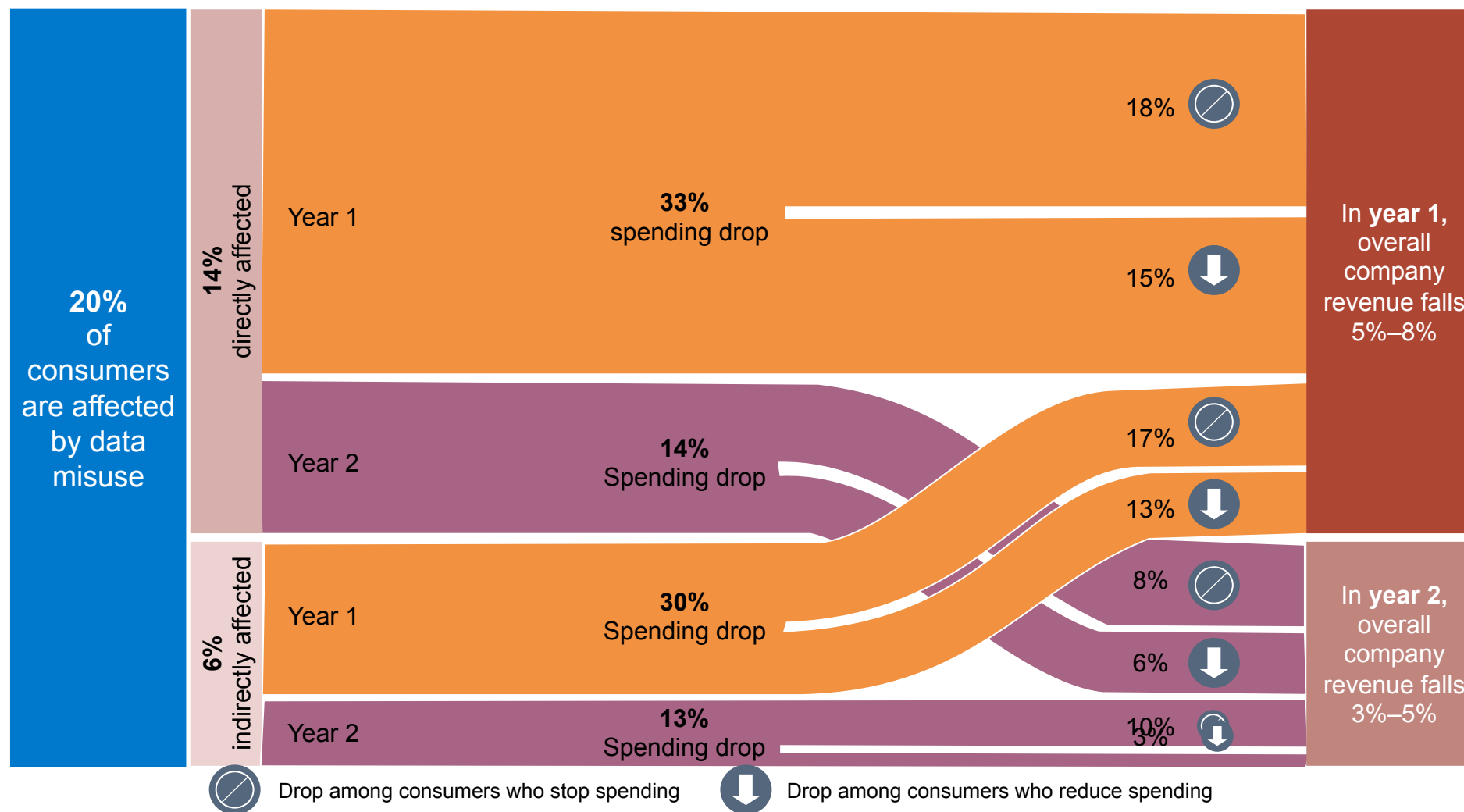
● Directly affected

● Indirectly affected

Source: BCG Big Data and Trust Consumer Survey of more than 8,000 consumers in France, Germany, Italy, Spain, the UK, and the US, conducted in November and December 2015

Data misuse has a high cost

Misuse costs companies one-third of revenue from affected US customers in the first year



Note: The drop in spending reflects the share of company revenue at the time of a data misuse that is subsequently lost
Source: BCG big data and trust consumer survey 2015

The Unequal Equation

Your Data \neq Free Service + Risk + Loss of Value
+ Externalities

Awareness to Awakening

My data is my
economic asset.

Understanding Privacy

*"The claim of individuals, groups, or institutions to determine for themselves **when, how, and to what extent** information about them is communicated to others."*

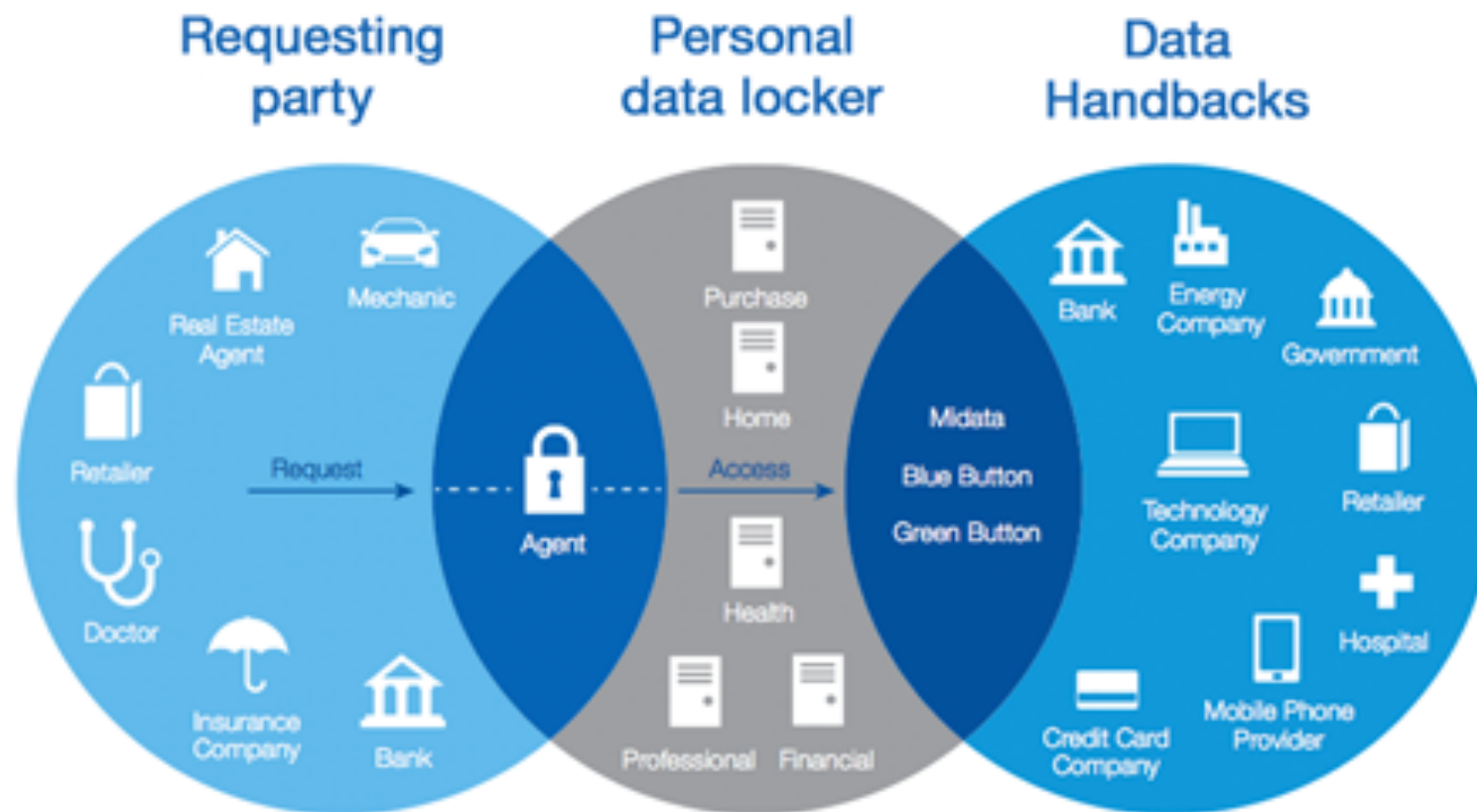
Alan Westin, 1968

Introducing the

Personal Information Economy:

*An economy, marketplace, where people
oversee the exchange of their
identity and personal information, on their terms*

Personal Information Management Solution

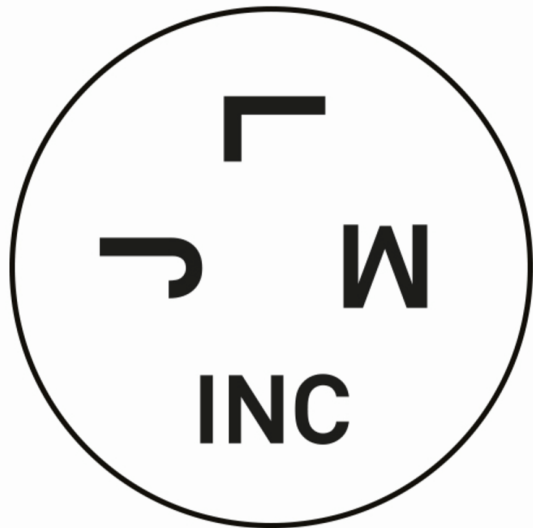


**From World Economic Forum, "Unlocking the Value of Personal Data: From Collection to Usage" (Feb. 2013).*

Mapping the individual



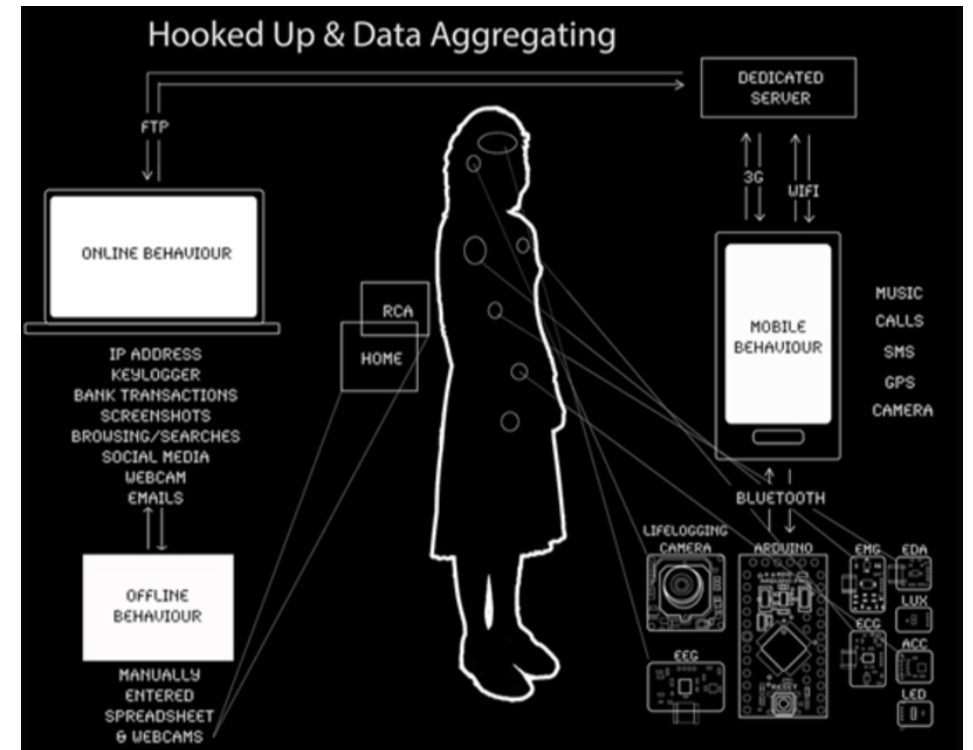
Jennifer Lyn Morone Inc.



Services Offered

Physical
Mental
Biological

[DATA]



<http://jenniferlynmorone.com/>

Privacy is the
new luxury good

Breaking the monopolization of data

The world's most valuable resource is no longer oil, but data

The data economy demands a new approach to antitrust rules



"A world of data network effects, requires us to loosen the grip that providers of online services that have over data and give more control to those that supply the data [aka the individual data subject – the people]."
(Economist, 2017)



Ellis at TEDx Wilmington Salon: ‘Zero dollar car’ could make privacy a product

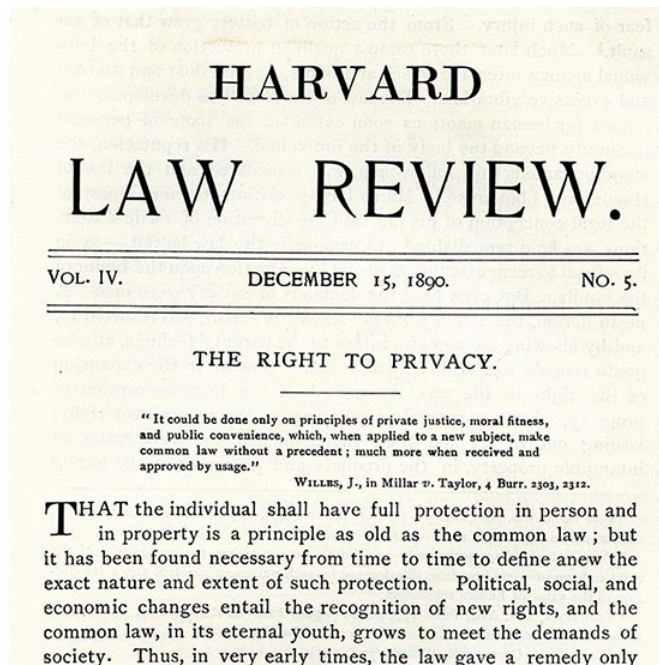
By [John Huetter](#) on October 18, 2017

[Business Practices](#) | [Education](#) | [Market Trends](#) | [Technology](#)

While not directly related to collision repair, auto body professionals who’ve learned from consultant and repeat OEM Collision Repair Summit participant John Ellis in the past might be interested in his [vision of a “zero dollar car.”](#)



Technology? Media? Year

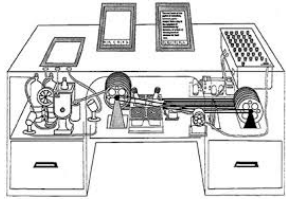


“Right to Privacy”

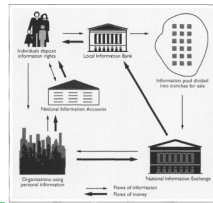
*“The makers of the Constitution conferred the most comprehensive of rights and the right most valued by all civilized men — **the right to be let alone.**”*

—Justice Louis Brandeis
(1928)

How we got here: the personal Information economy



Wave 1 Vision: 1945~1990



+ Info intermediary
concept

Wave 2 Academic
/Theoretical: 1990~1996



Personal data [identity]
the new asset class

Wave 3 - : Emergence
1996~2020 (est)



Wave 4 – The Meeting of
Waters (Convergence):
2020 (est) ~ future

Four Lens Of The World

Technology

Economic

People's psychological,
economic, social needs.

Moral/Cultural

Legal

- Read, Listen, Watch (RLW) – don't just take my word for it
- Conduct a personal data audit
- Prepare for GDPR (It is about new business models, not just compliance)
- Remember, we live in a worlds of Ands, not ors
- Maintain a balanced view through the four lenses: technology, economic, legal, moral
- Prepare to invite the individual to the “economic” table, build them in to the business model
- Prepare to add personal information management services (PIMS) to your MarTech stack
- Decide what type of society you want to thrive in



CO-FOUNDER/ MANAGING PARTNER

THANK YOU!

michael@identitypraxis.com