Unit 5 ❯

1 **Match the words (1–5) with their definitions (a–e).**
  1 data   a money that a company receives
  2 revenues   b an amount of money that you borrow
  3 loan   c information that a computer or a human can use
  4 interest   d a measurement of how good someone or something is
  5 rating   e the extra money you must pay back (in addition to what you borrow)

2 **Complete the paragraph using words 1–5 from Exercise 1.**

> If you want to borrow money, for example to buy a car or get a mortgage, you go to a bank and ask for a ¹_____ . You then make monthly repayments to the bank until you pay back everything. Of course, the bank will also charge you ²_____ , so you pay back more than you borrow. This extra money that the bank receives is an important part of their ³_____ and helps them to be successful as a business. Does the bank lend to everyone? Of course not. It depends on your credit ⁴_____ , which is a measurement of how good you have been with money in the past. To give a fair measurement, the bank will use all sorts of ⁵_____ such as your salary, your payment history for past loans, how much money you owe at the moment, etc.

3 **Read the article quickly and decide if these statements are *true* (T) or *false* (F).**
  1 Facebook and Google use data from your internet activity to help advertisers give you personalised ads. But they don't collect every word you type – it would be too complicated as there are so many words. __
  2 At the moment, we get loans from banks. In the future, we might get loans in very different ways. __
  3 Most people don't worry about how their data is used. They are happy to get a free service and ads that are interesting to them. __

4 **Find the underlined words in the article that match these definitions.**
  1 a short description that gives the main details about a person _____
  2 a short phrase that is easy to remember and is used in advertising or politics _____
  3 the freedom to do things without other people knowing _____
  4 the person who gives you a loan _____
  5 the way a situation is developing or changing _____
  6 to believe that someone is good and honest _____

5 **Match the sentence halves.**
  1 Many successful companies have a business   a of risk using data.
  2 Google and Baidu have powerful search   b a negative.
  3 Companies can pay for data and then give you   c personalised ads.
  4 Different lenders might offer a different rate of d model based on data.
  5 Artificial intelligence would calculate the level e interest.
  6 Most people see personalised ads as a bonus, not f engines.

6 **In each sentence, fill one gap (a or b) with *will* and leave the other gap empty.**
  1 If you ᵃ_____ search for 'Paris hotels' on Google, then for many days after you ᵇ_____ get ads for hotels in Paris when you use the internet.
  2 In the future, fintech ᵃ_____ use artificial intelligence and huge amounts of data – if the ideas in the article ᵇ_____ happen.
  3 If you ᵃ_____ ask me, no one really knows what ᵇ_____ happen in the future.
  4 How ᵃ_____ regular banks continue to make a profit if they ᵇ_____ make fewer loans?

It's the data, stupid.

The 1992 U.S. presidential campaign was won by candidate Bill Clinton, who had the <u>slogan</u> 'It's the economy, stupid.' These days, in modern business, 'It's the data, stupid.'

The most successful companies in the world have a business model based on data.
5   Facebook and WeChat, for example, give you a service that's impossible not to like – the ability to connect and share with friends and family. The service is free, but these companies know your personal <u>profile</u>, your interests and all the words in your posts. Advertisers pay them for this data. Google and Baidu offer powerful search engines, and it's hard to imagine life without them. Again, their services are
10 completely free, but the companies have very high revenues. Every word you type into the search engine is recorded, and this means that companies can pay for that data and then give you personalised ads at the top of your search results.

This <u>trend</u> to put data at the heart of business is going to grow and grow. Let's take the example of finance, with 'fintech' (financial technology) one of the hottest new
15 industries. In the future, to get a loan to buy a new car, you might use fintech rather than a regular bank. A fintech app could use data to find people all over the world who can lend you money, perhaps at different rates of interest. How would the <u>lender</u> <u>trust</u> you to repay? Easy. Artificial intelligence would calculate the level of risk using data. This data would come from your bank of course, but might also
20 come from unusual places like your star rating on eBay, your career history on LinkedIn, the kind of people you have as connections on social media, etc.

Data, about you, is one of the world's most precious resources, perhaps more important than oil, diamonds or gold. And yes, <u>privacy</u> may be an issue, but users of websites and apps are happy to exchange their personal data for the free service
25 they get. In fact, many see the personalised ads as a bonus, not a negative.