

Alexis Larson

Feb 9, 2021

Tech 1010

Dr. Bret Swan - Graphical: Data Mining Plan (Course objective 1)

### Consumer Informational Agency: A Theoretical & Subversive Data Mining Plan For An Ethical Model Of Consumer Control Of Personal Data

It is no secret that many consumers are becoming troubled by the many virtual eyes and ears that are hanging upon every word they speak, write, or even think, according to the paranoia of some. You may have even noticed evidence of such yourself, perhaps after an appliance broke and suddenly that is the only thing you get ads for anymore. Then as soon as you purchase a replacement, those ads disappear for whatever is next on your mind. One such data mining incident made waves when a Minneapolis father found out from surprise a coupon mailer from Target, that his teenage daughter was pregnant; it turns out every customer who shops at Target is categorized and their spending habits tracked, from which Target statisticians extrapolated, correctly, that the young woman was indeed pregnant. Obviously, this was ill-received by the father, as well as other Target consumers, "...Target discovered fairly quickly is that it creeped people out that the company knew about their pregnancies in advance." (Hill)

This all begs the question, what can be done for consumers for the sake of their privacy, while not expressly impeding business' from reaching the best demographic possible? In 2020, the expenditure in the US for advertising space was estimated at 242.54 billion U.S. dollars according to A. Guttman on Statista. From a business perspective, data is paramount to advertising success but more important is attracting the right consumers, so advertisement revenue will follow where their target demographics go. Appealing to consumers' desire for the right to privacy and data security could be the first step in a massive overhaul of data mining as we know it; the plan: Consumer Informational Agency (CIA). In theory, CIA would assuage concerns of privacy invasion via dual-stage aggregation; enable individuals control over who

receives their personal information and how it is used; bolster broader economic communities; foster accountability and accuracy of data usage; and create gains for all involved parties.

The CIA Data Mining Model Theory is derived from a budding economy of creators finding a financial foothold after the uncertainty of what has been colloquially dubbed the “YouTube Adpocalypse” of 2016 and 2017. YouTube became known as the place for anyone with a camera to “Broadcast yourself” according to the site’s slogan, and with the right recipe of content creation, anyone could make a financially lucrative career by posting videos. In 2020, the cost of running an ad was about \$0.010 – \$0.030 (Influencer Marketing Hub); in 2019 YouTube made \$15 billion in ad revenue, of which only about half trickled down to the actual content creators (Alexander). However, advertisement stability has not been a guarantee through the years. As aforementioned, the Adpocalypse was a period in which, “YouTube was subjected to an advertising boycott... [and] undertook a complete restructuring of their advertiser-friendly guidelines... [which] involved a number of restrictions on the content creators... [and] in turn, placed a greater emphasis on audience engagement.” (Standford)

Content creators found themselves scrambling to secure financial stability when YouTube’s new guidelines were painted with such a large brush, that the nuance of creativity was strictly stifled if the creators wanted a chance to make any earnings. The Adpocalypses resulted in a relatively unheard of marketing niche suddenly making waves, in the form of sponsorships. The CIA Model would seek to expand specifically upon this concept.

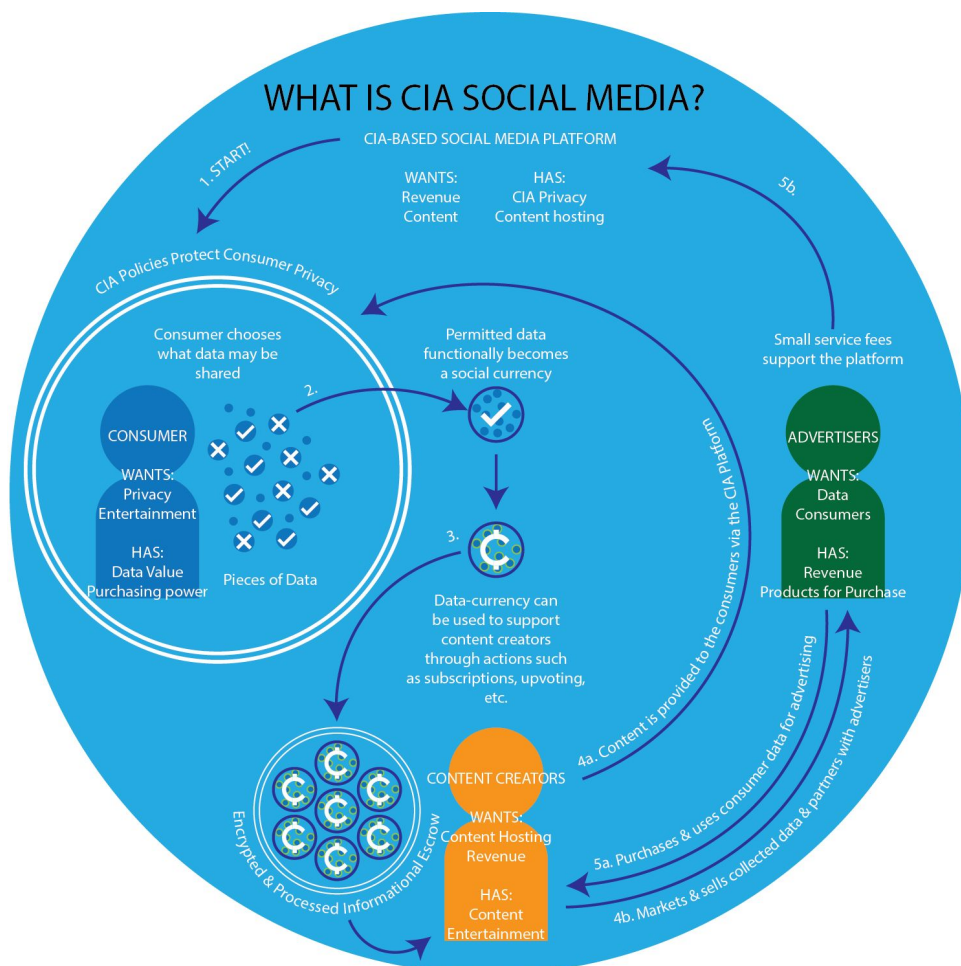
So what is the CIA Model? The CIA Model would offer a social media platform that is committed to strict “consumer-granted permissions only” data aggregation. Consumers would have total transparency about their data, the value of that data, data value as a currency, and data usage should they choose to “spend it.” This would be the main attraction to the average consumer; if the consumer controls their data, they feel comfortable, respected, and most importantly granted privacy. No lengthy or confusing terms of service would hide away data aggregation from the consumer. All instances of data collection are clear and able to be opted

out of and having an expiration date to ensure the market for it is always flowing. Consumers would control permissions of their data down to as small as a single attribute to a single video, up to their entire data profile share with the whole site, and any combination in between. However, a data mining plan must actually be able to provide data, thus, encouraging consumers a motivation to grant permissions is the secondary phase. Social media provides networking, connection, and engagement; in a word, entertainment.

In order to provide entertainment for consumers, the CIA model would attract content creators by providing a platform that puts revenue control in their hands. This would be achieved through creators acting as the gatekeepers of data as a currency. When a consumer grants permissions for their data to be collected, the creators hold the keys to that data. For example, a consumer may choose to use their data as a currency to support their favorite creators by “depositing” their data in the form of subscriptions, ratings, and so forth. That data-currency is then held in an informational-escrow account (inaccessible to the creator) where it is first encrypted for anonymity’s sake, then algorithmically processed (smoothed, generalized, normalized, etc) and prepared for selling. Creators are granted bargaining capital via these informational-escrow accounts, which can then be sold on the data market.

All that remains is attracting the buyers in the form of advertisers, wherein lies the creators’ ability to actively participate in establishing partnerships with advertisers. Advertisers want to reach the best audience possible for their products, which they can achieve by partnering with willing creators to purchase data & advertisement space via direct sponsorships of creators. Because such partnerships would be a manual agreement, rather than algorithmic ad placement, it would require vested interest for both creators & advertisers to ensure content appeals to the consumer to keep them coming back, simultaneously removing the risk of Adpocalypses at the undiscerning hand of broad-stroke terms of service alterations by the CIA Social Media Platform itself.

As a final note, to ensure the longevity of the CIA social media platform, a small percentage of the revenue generated between creators and advertisers would be taken as a service fee for maintaining the platform, putting consumer appeal and creator stability above all, as they would be the lifeblood of such a service. In short, by appealing to the desire for privacy, building trust through transparency, granting a sense of control with permission requirements, and putting the purchasing power of their data in their own hands, consumers would be drawn into the CIA model of data mining. By turning data into currency, expiring out old data to ensure a constant flow of new data, and putting revenue control via sponsorships in their hands, creators would be drawn to the financial assurance of the CIA model. By defending the keys to consumers, consumer data, and content creators alike, advertisers would be drawn into the CIA model in order to reach their target market.



## Bibliography

- Alexander, Julia. "Creators finally know how much money YouTube makes, and they want more of it." *The Verge*, 4 February 2020,  
<https://www.theverge.com/2020/2/4/21121370/youtube-advertising-revenue-creators-de-monetization-earnings-google>. Accessed 9 February 2021.
- Fred, Stephanie. "Examining Endorsement and Viewership Effects on the Source Credibility of YouTubers." *Graduate Theses and Dissertations*, 2015. *Scholar Commons*,  
<https://scholarcommons.usf.edu/cgi/viewcontent.cgi?article=6883&context=etd>.  
Accessed 9 February 2021.
- Guttmann, A. "Advertising spending in North America 2000-2022." *Statista*, 28 September 2020,  
<https://www.statista.com/statistics/429036/advertising-expenditure-in-north-america/>.  
Accessed 09 February 2020.
- Hill, Kashmir. "How Target Figured Out A Teen Girl Was Pregnant Before Her Father Did." *Forbes*, 16 February 2012,  
<https://www.forbes.com/sites/kashmirhill/2012/02/16/how-target-figured-out-a-teen-girl-was-pregnant-before-her-father-did/?sh=711e85666668>. Accessed 9 February 2021.
- Influencer Marketing Hub. "How Much do YouTube Ads Cost?" *Influencer Marketing Hub*, 21 July 2020, <https://influencermarketinghub.com/how-much-do-youtube-ads-cost/>.  
Accessed 9 February 2021.
- Standford, Stephen. "YouTube and the Adpocalypse : How Have The New YouTube Advertising Friendly Guidelines Shaped Creator Participation and Audience Engagement?" Lund University Publications, 2018, <http://lup.lub.lu.se/student-papers/record/8947494>.  
Accessed 9 February 2021.