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Data is the new Gold, discuss

Have you ever been mindlessly scrolling through Facebook when suddenly an advert pops up, and you think, “Huh, I was just thinking about that!?”. I will be discussing just why that is the case, exploring the true significance of data handling and collecting and why it is so precious in this modern age.

Currently, we live in a technological world where we depend on our devices for just about everything, they cook our meals, hold our schedules, control our homes, and essentially run our lives. Almost all those tasks involve the collection of data to improve our ways of living, but why is this data relevant to tech corporations? Businesses see this as an opportunity to mine and analyse our data. They find the gaps in our lives where we are missing a certain tool we hadn't thought we even needed and try sell it to us. Most of the time, it's gadgets we didn't even realise we were missing from our lives, such as a butter dispenser or an asparagus peeler (these are actual inventions!).

The mining process is quite simple, you get sent a silly little survey to fill out – usually short and snappy - and that data is collected by data analyst firms. They process the data and fire an appropriate advert your way. The cleverest part of this process is if the advert doesn't entice you the first time, the advert is then shown to you again in millions of different formats until you finally give in and buy the product and get hooked.

It's not just big companies that are doing this, every time you request information about a university course, a bank product, or a phone line your data is collected. This is because organisations know you are a potential customer who may not take interest now in a product but will do it at some point down the line.

Much like gold, it is the small data capturing methods such as questionnaires and surveys that make companies billions of pounds. Data collecting is a goldmine for big companies like Facebook, who acquire a whopping 98% of their income from ad revenue.

Data is so valuable that not only does it act as a monetising fountain, but data collecting has been known to play pivotal roles in election campaigns. Back in 2016, Facebook got caught up in a scandal where an external data analyst firm called Cambridge Analytica made use of up to 87 million of Facebook profiles to provide analytical assistance to both Donald Trump and Ted Cruz's presidential campaigns.

Basic information about a person, such as their location, gender, and age, is estimated to be worth around \$0.0005 a person. This doesn't seem like a huge amount of money but let's put this into perspective. Facebook has over 2.8 billion users, which means it would equate to \$1,400,000, this is around the same amount as if you were to rob a bank. Facebook doesn't only just keep this information they keep our friends, pages, groups, likes and interests and so much more. Realistically, we're looking at close to \$100 per person, which would put Facebook at a healthy \$280 billion. This amount is over a third more than the current richest man in the world which is Amazon's Jeff Bezos whose net worth is \$180 billion. Facebook now also owns Instagram, which sits at roughly 1.2 billion users. That would bring the final data value at a grand total of

\$400 billion. These numbers just come to show how truly phenomenal our data can be.

I could sit here and spit numbers at you all day, but the main point I want to make is that data is powerful, it's something that seems so simple, yet its value is so unfathomable. If our data weren't so valuable, we wouldn't be trying to harvest it and creating specialists for these types of things. I believe that we will keep on collecting data for many decades to come. Enterprises will find more and more ways to reuse data and find new and inventive ways of profiting from it's wealthy value.

You never know, maybe one day you will actually need that asparagus grater!