midata company briefing pack

JULY 2012

midata

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'midata' programme

What is 'midata'?

The Government set out its plans for 'midata' in the consumer empowerment strategy *Better Choices: Better Deals* published in April 2011.

'midata' is a programme of work that the Government is undertaking with leading businesses and consumer groups in order to give consumers access to their personal data in a portable and electronic format. Consumers can then use this data to help them better understand their own consumption behaviours and patterns, as well as make more informed and appropriate purchasing or consumption decisions. Having this pool of information will stimulate innovation as applications and services are developed to support it.

What are its objectives?

'midata' is a platform for innovation, which aims to bring benefits across the board :
Economy – Consumers who make better decisions foster the most efficient and productive parts of the company. 'midata' will encourage sustainable economic growth by facilitating a 'race to the top' by companies in terms of value and service.
Businesses – 'midata' presents a series of opportunities to businesses, through enhanced understanding. These derive through improved dialogue with consumers, the establishment of trust-based relationships and the opportunity to provide innovative services as a result of the 'midata' programme. (More information in business benefits section)
Consumers – 'midata' represents an opportunity for consumers to access their data in a safe way and access new services which enable them to make more informed decisions, which better reflect their wants and needs. (More information in consumer demand section)

How does it fit with other Government initiatives?

As well as consumer policy and empowerment, 'midata' is also in keeping with the broader Government focus on transparency and open data. The Government's Open Data initiative, which releases data sets held by public bodies for use by other parties, shows that it is impossible to predict in advance the highly creative and innovative things people will find to do with the data. The 'midata' project extends such transparency into the private sector.

Government believes that 'midata' will also help contribute to economic growth. Markets rely on active and informed consumers who drive competition by choosing to buy from businesses that offer the best mix of price and quality. Competition and consumer choice force businesses to produce efficiently and innovate and 'midata' will help facilitate this. It is likely that new businesses will be developed that seek to help consumers understand and exploit the additional information available to them.

Whilst working with business on 'midata', the Project Team will ensure that 'midata' also aligns with other Government programmes e.g. ongoing work on energy smart meters.

'midata' vision

This section summarises the context of the personal data market within which 'midata' provides a platform for innovation for the UK economy.

Key points

'midata' provides a platform for innovation in two ways:

By empowering individuals as the point of integration of their own data, it is helping to create rich new personal data assets

By creating the infrastructure for sharing this information it is enabling the innovation of new information services

These services offer up a potential 'win-win-win' of:

- Added convenience and value for individuals
- Jobs, tax revenues and economic growth for the Government
- Reduced costs, increased trust, improved services and innovation for existing suppliers

'midata' is designed to help organisations achieve an orderly, successful transition from a 'data collection' environment to a 'data sharing' environment.

Introduction

From search terms, cookies, click streams and tweets to mobile phone locations, and NFC (mobile) transactions, Information Technology is transforming the way individuals and organisations interact, and these new data sources are increasingly being used to generate new value. These new value generators fall into three broad categories: personal data and its personal management; personal data as the core of new Personal Information Management Services (PIMS); and to help companies and government improve their business management and optimise the delivery of services such as CRM and Customer Service.

This data enabled world has been referred[1] to as the third industrial revolution – where the size of the IT industry will be increasingly dwarfed by complementary information-enabled innovations throughout the economy. A recent report has estimated the size of the UK market for personal information at £20bn by 2020[2]. McKinsey reports that individuals are fast catching up to organisations as collectors and managers of information: organisations stored 7 exabytes of data last year; individuals 6 exabytes.[3] Figure 1 below illustrates this market: supported by services helping individuals collect store and manage their own data (Personal Data Management) and by services helping individuals use this data to get stuff done (PIMS). By encouraging increased

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[1] MIT economist Erik Brynjolfsson
[2] The new Personal Communication model: The rise of Volunteered Personal Information, Ctrl-Shift
[3] McKinsey report on Big Data, 2011

sharing of information between individuals and organisations, they create new opportunities for existing providers to add value and reduce costs.
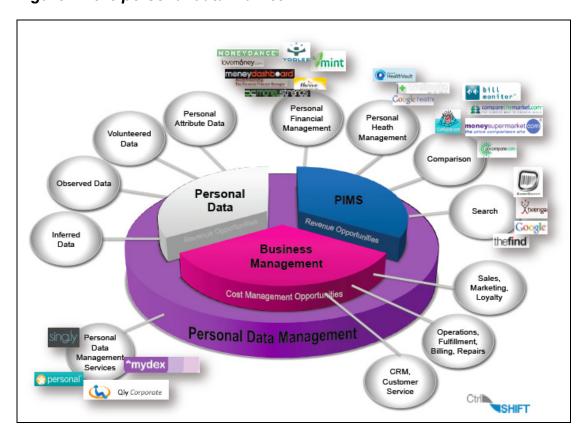
Figure 1 - the personal data market

Background

Personal data can be defined as data created by and about people, and encompasses:

- Personal Attribute Data – data about the attributes of an individual
- Volunteered Data – created and explicitly shared by individuals.
- Observed Data – captured by recording actions of individuals, such as click streams and transactions.
- Inferred Data – based on analysis of the above, such as credit scores.

Many established sectors drive value from holding data about their customers which is not shared (e.g. credit rating agencies, retailers etc.), but increasingly online organisations (e.g. Facebook and Twitter) are demonstrating that value can be created by sharing personal data volunteered by individuals.[4] But so far these different worlds have hardly connected. The next opportunity is to combine volunteered personal data with information held by organisations to create new data assets that can provide insights and value over a range of scales:

- **At the level of the individual** e.g. for new personal services.
- **Inside an individual enterprise** e.g. decreasing data management costs.

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[4] Google have built a $160bn company by monetising one aspect of personal information (the search term – "what I am looking for") through targeted advertising

- **Within a vertical sector such as health** e.g. in the US, the Blue Button for veterans medical records[5].
- **Between sectors** e.g. reducing ATM fraud by knowing if your phone was also in Paris.
- **At the level of the nation** e.g. better targeted delivery of resource-constrained services.

Drivers for new Personal Data Services

There is a growing opinion that more personal data should be managed and controlled by individuals. The World Economic Forum's Davos 2011 report 'Personal data: the emergence of a new asset class', notes that "Increasing the control that individuals have over the manner in which their personal data is collected, managed and shared will spur a host of new services and applications … generating a new wave of opportunity for economic and societal value creation." It is extending its work for a new report due for publication at Davos in January 2012.

In the UK, the Information Commissioner stated in January 2011 that 80% of individuals are now concerned about protecting their personal data online,[6] and research from Mydex showed that 76% believe their personal information has significant commercial value.[7] In the Consumer Empowerment Strategy *Better Choices: Better Deals,* the Consumer Minister, Edward Davey MP, stated that the strategy is "about putting customers in charge of their own personal data which can be used to inform their purchasing decisions and lifestyle choices."

This is part of a wider drive to online service delivery by the UK Government, evidenced by the recent Identity Assurance White Paper, (creating a market for third party identity providers, and setting timescales for Government departments to migrate to these for online delivery).

The innovation opportunity

The 'midata' programme, launched by the UK Government as part of the consumer empowerment strategy *Better Choices: Better Deals*[8], sits within this broadening and deepening market of personal data. By asking organisations to enable individuals to have access to portable machine-readable data stored about them, 'midata' provides a springboard for innovation in the UK in two ways:

- Creation of previously inaccessible and rich new data assets. For example by enabling individuals to combine data from many different suppliers 'midata' can help create a genuine single view of customers' purchases across entire categories, or help Individuals analyse data by purpose rather than by category e.g. sorting information about purchases of clothes, travel and toiletries into 'holiday', 'presents', 'business' and personal

- Creating of new information sharing infrastructure that provides a platform for new information services.

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[5] http://www.va.gov/bluebutton/
[6] http://www.ico.gov.uk/~/media/documents/pressreleases/2011/European_data_protection_day_news_release_20110128.ashx
[7] Available from Mydex to project sponsors.
[8] Better Choices Better Deals

Conclusion

In releasing 'midata', organisations and Government bodies will be asked to develop new ways of managing their relationships with their customers. . All this will enable the generation of new opportunities for innovation and value creation.

There is a range of potential benefits across businesses and market sectors associated with 'midata' and a fully enabled Personal Data ecosystem. Examples of just a handful of possibilities are given in the 'midata' vignettes section and the Business Benefits are further examined in the 'midata' business benefits section.

'midata' vignettes

This section sets out some vignettes to bring to life its sister document the 'midata' vision.

Introduction

Figure 2 below illustrates some examples of what these services will do, under three main headings. Each of these is covered in more detail in this document:

- Getting stuff done: administrative chores, including managing relationships with organisations
- Making better decisions
- Managing life episodes such as 'move home' or ongoing processes such as 'manage my diabetes'.

Make Decisions
- Specification building
- Personalised Advice
- People Really Like Me
- My Purchases
- My Money
- Streamline Comparisons

Get Stuff Done:
- Form Filling
- Manage My contracts
- Management My Warranties
- Basic Admin

Manage my life
- Manage Diabetes
- Move Home
- Manage My Exercise
- Manage My Weight

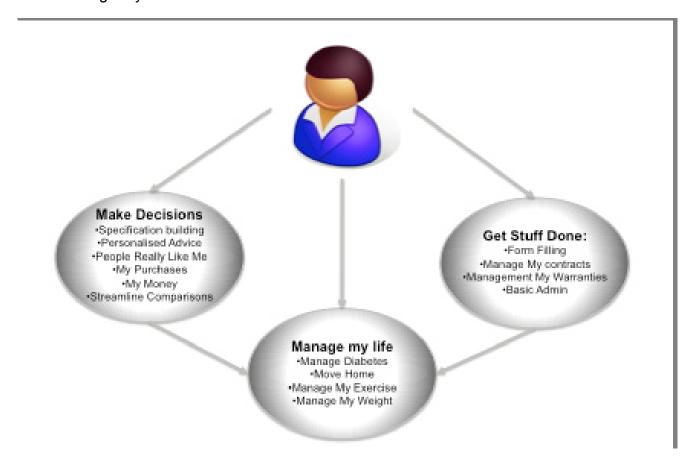*Figure 2: Examples of 'midata' at work*

Getting stuff done

Form filling: Vignette

Sarah has just got a new job. It's a responsible position so quite rightly, her new employer wants lots of documentation from her: proof of her citizenship, that she is qualified to drive, that she has passed certain exams and achieved certain qualifications, that she has passed a CRB check, and so on.

Not long ago, proving these claims would have been a nightmare for Sarah: hunting around the house for lost pieces of paper; going to the post office to send registered letters, making photocopies – sometimes even travelling with paper documentation in hand.

This time round however, she did it all in less than a minute. She simply logged in to her personal data store, ticked on a series of icons called 'tokens of verification' and sent them through electronically.

Her employer is pleased too. On receipt of her message, the employer's systems can check the tokens automatically and a once laborious, expensive checking process is completed in no time at all, at very low cost.

How 'midata' helps us get there

'midata' enables individuals to have access to information held about them by organisations in a machine readable portable format. This provides the content for a new market of inline secure identity assurance tools that enable simplified form filling and personal admin. The Government's Identity Assurance programme envisages a competitive market for services providing individuals with identity credentials to prove they are who they say they are when dealing with an organisation.

Secure, encrypted, reusable electronic tokens of identity will be used to speed up online transactions while reducing costs and risks of fraud. But proof of identity is just one of many ways that individuals need to verify claims when dealing with organisations. Other examples include:
- I have a valid driving licence
- I have a current passport
- I am a qualified HGV driver (+ all other formal qualifications)
- I have passed my maths GCSE (+ all other educational qualifications)
- I am entitled to disability benefit (+ all other benefits and entitlements)
- I have an up-to-date CRB check
- I have valid, up-to-date car insurance (+ all other insurances)
- My credit reference rating is …
- I am old enough to drink/enter these premises

Releasing a secure, date-stamped, non-tamperable verification token is a highly specific and simple way for organisations to return information to customers in a way that adds value.

This market for such tokens will save individuals significant amounts of time and hassle while reducing costs and risks for organisations. Automatic provision of such tokens of verification will become an 'expected part of the service' for individuals dealing with organisations, educational, qualification and other bodies.

Basic Admin: Vignette

Sally is moving home. Not long ago, this would have created an administrative nightmare for her. She would have had to contact each one of her suppliers separately logging in to their websites or queuing to talk to someone at a call centre, dozens of time over. Even then, there would have been many suppliers she just forgot to inform.

This time round it's different. Sally simply logs into her personal data store, changes the details in the field called 'current address', and that's it – job done. With that one, simple change all her suppliers are informed instantly of her new address.

Sally is pleased. She's just saved herself hours of tedious work. Her suppliers are just as pleased. Keeping their records up to date is expensive and difficult. Now she's giving them exactly the information they need, when they need it, at very low cost. It's

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How 'midata' helps us get there

Currently, most customer databases suffer high levels of inaccuracy. According to the Office of National Statistics for example, the average database degrades in accuracy by 14% a year. In addition, an average of 11% of the database will be incorrect in some way: incorrectly entered or matched for example.

'midata' helps tackle this problem by making it easy for customers to see basic data (such as address and contact details) held about them by companies, and to correct it if necessary. This is part of a phased approach for data release (though some companies are moving faster).

Phase 1: 'midata' builds upon some of the existing 'My Account' services that some online retailers offer where customers can see and update basic information such as my postal address, my email address. By publishing a Personal Data Inventory (PDI) organisations enable individuals to see what data is held about them. Some fields will vary by sector but many will be common: for example, transactions, contracts, warranties. PDI also create common processes so that customers know how to access this information and where to find it, no matter which company they are dealing with.

Phase 2: In Phase 1 the individual is helping to curate many different organisations' databases separately. Under Phase 2, data is released back to individuals so that they can manage their core details (name, age, phone number etc) in a personal data store, with organisations 'subscribing' to access their data.

When individuals enter into a relationship with an organisation, they give permission to the organisation to access relevant, specified fields in their data store, ticking which details this particular organisation can have access to.

Under this 'subscribe to me' approach to My Details[9], the benefits to both sides multiply greatly. Individuals have a single convenient 'dashboard', which remains under their own control, where they can undertake core relationship management tasks quickly and simply. For example, if Sally is moving home, she simply changes the 'home address' field in her personal data store and all permissioned suppliers are instantly notified of this change.

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[9] A working prototype of a personal data store-based 'subscribe to me' service was tested in the Mydex Community Prototype in early 2011

Suppliers, in turn, are kept abreast of such changes as and when they happen (not six months later), thus improving the quality of their data while reducing their costs of data management. This has parallels with the public sector's "tell us once" programme.

Manage my contracts: Vignette

Claudia is feeling frustrated. She remembers paying over the odds for a shiny new kettle some months ago. That designer look just happened to fit her new kitchen décor. But now it's stopped working and she can't remember when she bought it. Was it 11 months ago or just over a year ago? She's sure she kept the receipt somewhere but now she can't find it. Oh well, just go out and buy another kettle.

It's a year later and now her new toaster is on the blink! This time it's different however. Claudia's new 'Contracts and warranties dashboard' provides her with a record of all her recent purchases in one place, showing when their guarantees expire. She's in luck. Her toaster was purchased 11 months ago. She can take it back. And the number for her to ring is right there.

Retailers also like the new approach. Paper receipts are expensive to provide and add no real value. By moving to digital receipts retailers can shave these costs. Even better, call centre costs are beginning to fall because customers have the information they need to hand and no longer have to ring to find out.

How 'midata' helps us get there

Our current approach to receipts is a waste of time and money for both companies and customers. Most customers simply throw most receipts away. Many customers lose or struggle to find the receipts they mean to keep. Companies spend huge amounts of money supplying receipts that customers neither value nor use.

Some companies have started supplying electronic receipts in the form of emails or pdfs. This helps customers keep electronic records of purchases. But in this limited form there is not much more they can do with the information.

Under 'midata' companies can provide electronic receipts to customers that can be downloaded and stored in the customer's own database in a machine-readable portable format. Thus, no matter who the customer buys the product or service from, critical bits of information are all made available for use. Receipts don't have to be limited to products. They can include mobile phone contracts, insurances, service contracts.

Individuals can use this database as a convenient way to manage renewals, returns, repairs, technical enquiries, service enquiries, buying spare parts, seeking accessories and upgrades, etc. Suppliers benefit from reduced call centre costs, as fewer customers phone to try and find out information they have lost.

Looking to the future, it also creates a springboard for new types of service such as 'power of attorney' price comparison services that, on the instruction of the individual, automatically seeks price comparisons for services whose renewal date looms. [10]

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[10] A prototype for such a 'power of attorney' service is being developed by The Customers Voice.

Making decisions

My Money: Vignette

Mary and John realise they need to bring more order to their financial affairs. They have two store cards, two other credit cards, and three bank current accounts. They also have an online savings account which they transfer money in and out of, for holidays and other contingencies.

With all these different accounts and different providers, Mary and John struggled to get a rounded view of their financial affairs – until they signed up for their new My Money service. The service brings together information about all their transactions from all their accounts so that, for the first time, they see the complete picture.

Using it, they can:
- Get an automatic total of money in and money out across all their accounts
- Analyse their spend by chosen categories such as groceries, leisure travel.
- Set budgets for category spending
- Tag spending on certain items under bespoke categories such as 'presents'.
- Link directly to comparison services telling them where they could save money.
- Compare spending and budgets with people like them (income, family, home)
- Seek personalised advice simply and safely.

Mary and John now feel they have much better control over their financial affairs. Their financial services providers are also enthusiastic. Previously to view the information customers had to log on to each account provider separately – much easier to pick up a piece of paper! With the new service customers are beginning to stop paper statements and the costs of providing paper statements has started falling fast. Additionally with Mary and John's better financial management their credit rating has increased enabling financial service providers to responsibly lend to them.

Meanwhile, users like Mary and John have grown used to sharing this aggregated data with services they trust. This has given these providers the opportunity to offer new financial planning and management services, to gain new insights into customer behaviours and needs, to make genuinely helpful and timely product and service offers, helping them improve customer satisfaction and reduce marketing costs.

How 'midata' helps us get there

For individuals to build an integrated view of their activities across many different suppliers they need to be able to integrate information from all of these suppliers. Many suppliers now offer customers electronic versions of statements. That's a start, but it means the information is divided up, organisation by organisation. This makes it difficult for the customer to see an integrated view of their activities as a whole.

Some 'money management' services go a step further – but only if the customer gives them permission to 'impersonate' the customer online by using the customer's passwords to access their financial records. Many people feel uncomfortable about this approach and some suppliers actively discourage it.

With 'midata' individuals will be able to download data from all their different financial service providers in a machine readable portable format, so that the data can be mixed, matched, crunched and integrated in a variety of different ways. This helps individuals manage their finances across all of their accounts and creates the

foundation for a wide range of added value money management, analysis and advice services.

My Purchases: Vignette

A few years ago Claudia signed up to the new 'midata'-inspired My Purchases initiative, which lets her automatically store data about all her purchases via e-receipts.

At first, she used it simply for big-ticket items, taking advantage of the specialist My Warranties Dashboard service. But over time, she started using it to collect information about all her purchases using plastic cards, online, mobile and contactless payment mechanisms. Nowadays, only a tiny number of low value purchases, such as a chocolate bar, slip through the net.

Over time, Claudia has got used to a range of new services that have changed her life in both important and subtle ways. She now regularly uses services to crunch her data to:

- Give her an overview of how much she spends on certain items.
- Give her an idea of how much she spends with particular brands and companies.
- Give her an overview of spending trends and patterns such as an increase on spend on clothes.

Claudia has taken this discovery further and signed up to a specialist service, My Wardrobe, that lets her see all her clothes purchases in one place. Lots of benefits:

- Some clothes shops have asked her for access to this data, in return for hefty discounts. This is the first time they've been able to see a genuine 'single view' of customers' spending across the category as a whole.
- She uses a special outfit, building tool to visualise how different bits of her wardrobe may fit together for use on special occasions.
- She has shared this data with fashion advisors to get their recommendations.
- She's also started 'slicing and dicing' the information according to her personal needs and specifications e.g. 'my summer holiday' 'presents' to separate them out from 'routine' spending. This helped her manage the cost of Christmas. She then discovers that market researchers were prepared to pay for access to this data, on an anonymous basis.

Claudia's suppliers also like the new approach. Digital receipts are cheaper than paper receipts, and Claudia is now sharing new combinations and analyses of her data with some of them, so that they can provide recommendations, advice and offers. This is giving them insights and marketing opportunities they never had before.

How 'midata' helps us get there

Releasing data back to individuals in a portable, reusable form could happen in two ways: a) handing over a complete transaction history, and b) helping individuals build their own transaction histories over time by issuing e-receipts.

'midata' facilitates this process by creating agreement between companies over standard data fields and by creating common approaches to data sharing so that receipt data can be automatically stored in a standard way.

Over time, the My Purchases database will grow to be the critical database that companies need to access (on a permission only basis of course), if they want to gain insight into their customers' needs and wants and to offer customers truly relevant, personalised services. Looking to the future, this might obviate the need for expensive loyalty card and other data capturing schemes, while allowing all trusted suppliers to

gain access to rich, detailed information about customer behaviours, preferences and priorities.

People really like me: Vignette

Mary and Peter want to save money and use energy in a greener way, but they're not sure whether their current energy bills are higher or lower than they 'should' be. They tried doing a few comparisons – looking at average energy consumption for a three bedroom terraced house like theirs. But then they realised this average wasn't telling them very much. One friend's energy bills were much lower than theirs: he's a single man who works long hours and tends to eat out, so he spends very little time at home. Another friend's energy bills were higher, but they had two kids and the wife stayed at home all day. Mary and Peter are different again. They have one school age child and Mary works during school terms.

What Mary and Peter really need to know is the energy consumption of people in a similar situation to them – similar home, similar lifestyle. Using their new specialist energy advice service they can do this just this.

First, they take details of their energy consumption, provided by their current energy supplier. Then they add details about their home and their lifestyle (without needing to divulge their name and address). The service then matches their data to data from people really like them: two adults, one kid, no one at home during school term. The service also adds 'what if' comparisons drawing on data about similar families with and without loft insulation, double glazing, solar panels etc.

Mary and Peter now feel they have a much better basis for making better decisions. For suppliers, the ability to identify 'people really like me' opens up a host of new opportunities for suppliers. These include the ability to:
- Gain new insights into customer needs, wants and priorities, including the development of new types of segmentation
- Offer truly personalised advice at much lower cost
- Build trust and cross-sell on the back of this personalised advice
- Improve customer retention by adding value to 'basic' services

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How 'midata' helps us get there

So far, most existing 'people like you' services are rather crude. They tend to match just one or two points of data: 'a certain percentage of people who purchased this item also purchased that item', and they are restricted to narrow data silos: the data gathered by one particular retailer, not data about individuals across the marketplace.

'midata'-based services will transform this situation by helping individuals build rounded, comprehensive pictures of their activities within particular markets, and by letting them add additional information that existing suppliers cannot access, such as Mary and Peter's current and planned lifestyle – they're planning to have another baby and would like to know what sort of impact this might have on their total costs, including energy bills. It is, of course, up to the individual to decide how much of this information they wish to share with which suppliers.

Streamlined comparisons: Vignette

David and Jane are feeling the financial squeeze and have decided to look for cheaper options on their bills. They are slightly wary about using comparison sites. They tried once before. It was time-consuming filling in all those forms and on one occasion they put in the wrong information (what is my exact energy usage and what tariff am I on?). This led to unhelpful switching recommendations.

This time round it's much easier. Their current providers have provided them with all the information they need, and because they've done it in an electronic format they don't have to rekey the information into comparison service forms: they can populate the forms automatically.

This makes the process a lot easier – so easy that they tested a number of competing services to find the right deal for them.

How 'midata' helps us get there

Price and product comparison services are popular among consumers. However, not all consumers benefit from the services as they should. This is because they:
- Enter the wrong data, thereby generating the wrong 'best deal' recommendations
- Find the process of entering the data time-consuming and a hassle.

'midata' addresses these problems by:
- Getting cross-industry agreement on what data should be included in 'standard' or basic comparisons.
- Providing this data to customers in a 'foolproof' way, so that data entry errors are avoided (so that the customer knows the exact name of the contract or tariff, for example). One way of doing this is by facilitating automatic population of price comparison forms from the individual's database – the data in the database having been previously released to the individual by his or her supplier.

The first step is standardisation of data fields and descriptors. For example, in mobile, there is no common, standard approach to informing customers about roaming rates, international rates, end-of-contract date, information about actual text, voice and data used, the value of the annual contract (including related charges and fees). Some suppliers omit some of these details. All suppliers have different ways of presenting the information. Simply standardising what information is presented, how, can significantly improve customers' use of comparison services.

The next step is providing this data in common, electronic formats so that customers can 'squirt' the information automatically from their own databases into comparison engines to avoid errors and the need for re-keying.

Personalised advice: Vignette

Betty is feeling the pinch on energy bills and wants to save money and become a greener consumer if she can. If she's honest however, she doesn't really understand a lot of what's said or claimed about energy saving options, and she doesn't know who to trust. The more she looks into it, the more complicated it seems to get.

Then a friend alerted her to a new service that had just been launched.

First thing the service does is look at her actual energy consumption as provided via Betty by her energy supplier based on the 'midata' initiative. Then it compares her to 'people really like you', so that she can see how much others like her have saved.

The service also asks for, and provides, other bits of information. It asks her to provide more details of:

- the budget she's willing to invest, her life style (such as when she's in and out)

- what changes she is prepared to make (like using appliances at different times of the day)

- the exact state of her house (double glazing, wall cavity insulation, loft insulation, solar panels, etc).

The service then calculates the likely energy savings arising from different options (lifestyle changes, installation of double glazing etc), lists any grants that might be available to her, and a list of recommended suppliers (based on a mixture of expert ratings, peer reviews and price/product comparisons).

Once upon a time, providing this advice would have been very expensive: requiring a home visit by an expert and lots of manual form filling. But now virtually all the data is crunched automatically using tried and tested algorithms. This means Betty is able to 'play' with different options online to see how much she would have to invest, what impact it would have on her current energy consumption, and how long it would take her to recoup her investment.

At the end of the process, she makes her decision, confident that her chosen option really is based on her own circumstances and priorities.

For suppliers, the ability to offer truly personalised advice at low cost is key to improving customer satisfaction and customer loyalty, is a way of gaining new insights into customer needs, and often opens up new opportunities for increased sales.

How 'midata' helps us get there

Personalised advice is one of the holy grail of superior service. Until now, in many cases, it's been prohibitively expensive. But, starting with structured data about the individual's actual behaviours and usage, it's becoming possible to build new types of 'advice engines' that really do take individuals' circumstances, needs and priorities into account.

Specification building: Vignette

Darren wants to find the best tariff for his mobile phone but he is confused by all the tariffs that are available. Sifting through one tariff after another seems unsatisfactory, but thankfully a new service helps him cut to the chase in no time. It simply asks for information about his current usage (provided to Darren by his current supplier) and then it matches current usage against what's on the market.

It also helps him assess 'what if' options. For example, Darren thinks he would like to increase his data downloads if he could afford it, so he has changed his specification to accommodate that.

It doesn't take Darren long to narrow down his options – and he feels much more confident that he's made a decision he'll be happy with.

How 'midata' helps us get there

Most of us have a fixed idea about how markets work. Suppliers bring their products and services to market and 'display' them in various ways: in shops, online, via advertising and so on. Customers then inspect the qualities and attributes of these offerings and make a choice.

Markets have worked in this way for thousands of years. But we could do it in a different, more customer-driven way, where customers build a specification of what they want and:

- publish this to the marketplace, requesting offers that meet or address the spec
- match and filter existing product attributes and qualities against the spec
- seek suppliers that can customise their offering to meet the spec perfectly.

If the data is highly structured - for example, "for my mobile phone contract I want to do this amount of texting, that amount of voice, this amount of data downloading, routinely, in these five countries" - the matching process can be automated.

Specification building has many potential benefits. It helps customers define, and get exactly what they want. It provides suppliers with a direct insight into what customers are looking for, because customers are telling them directly. It means they know exactly when to communicate with who, about what, thereby eliminating huge amounts of waste from the marketing process. By meeting customers' specifications, it helps them build brand reputation and customer satisfaction.

Over the next few decades, specification building will become one of the main ways consumers go to market.

The biggest challenge in spec building, however, is helping the customer build the specification in the first place. It can be about difficult trade-offs: Do I really want alloy wheels on my car? And a sun roof? Also, customers often struggle because they don't know what they currently do, and therefore need. For example, it's hard to specify your ideal mobile phone contract if you don't know what your current use of text, voice and data is.

By providing such data to their customers, 'midata' companies will help kick-start a major marketplace innovation, driven by customers saying to potential suppliers "this is what I currently do, can you help me do it better/cheaper/quicker?" Companies participating in specification-driven markets will benefit greatly from the insights they glean, and the go-to-market efficiencies they generate.

Life management services: Looking to the future

Manage my diabetes: Vignette

Bill has late onset diabetes. It's a big change to his life and at times, if he's honest, he finds it difficult to cope. But things are getting easier, thanks to his new diabetes management service. At the heart of this service lies the integration of many different types of data via a special lightweight hand-held device that he carries around with him wherever he goes. The device:

- uses Bluetooth to automatically capture and record blood sugar levels and physical activity records
- helps Bill keep a record of medication times and doses
- helps Bill keep a record of his food intake. This, he does in two ways. First, he simply taps in time and description of meals and snacks, as many people are using the same service a et of information about meal and food content has been developed and is growing. Second, he uses the e-receipts he gathers to keep from his food purchases. The neat thing about his new service is that, by linking to its product code, it automatically captures detailed information about the calorie and other content of each item of food purchased.
- helps Bill make a note of mood and day-to-episodes (important meetings, rows, missing trains) which he's learned, can play havoc with his blood sugar levels.

Before, Bill found that capturing, logging and analysing all this information was such a chore that it never really happened. But now so much of it has been automated it's possible to see patterns and analyse trends: once a month Bill hands over the data to his doctor who uses it to a) compare it to people really like Bill and b) give much better personalised advice than he used to before, much quicker – thereby saving the health service money too.

Bill also shares some of the data on an online community. Doing so, he's found a number of people with a very similar condition/patterns to him: sharing notes with them has helped him manage his condition much better and gain much needed emotional support.

For medical researchers and providers Bill's new support service is a godsend. Chronic conditions like Bill's account for a very high proportion of their costs but now Bill is helping to reduce these costs in two ways: first by being more proactive in managing his condition, and second, because his condition is now much more stable, leading to radically reduced medical care costs for complications and emergencies. Meanwhile, his doctor is better placed to give Bill exactly the advice he needs.

How 'midata' helps us get there

Looking to the future, the same 'midata' data will be used again and again in countless different ways, on countless different occasions as it gets integrated into the provision of increasingly sophisticated personal information management services.

These sophisticated life management services will help individuals plan and organise information-intensive life events and events such as 'get married' or 'move home' along with ongoing life processes such as 'manage my health'.

Because they are so useful to individuals, integrated into their daily lives, and because they create and are driven by rich new combinations of data that speak volumes about the individuals' lives, these services have now become central: to individuals' own lives; to how they relate to and interact with organisations; and to how organise gain

insights into their customers, develop products and services, and market these offerings to their customers.

'midata' Charter

'midata' is facilitating the creation of a new market for personal information management services that empower consumers to make better decisions and manage their affairs more efficiently.

The following Charter has been created to set out a common approach and principles that all organisations that collect, store and use customer data can endorse and work towards. By adopting the charter, we are showing that as an organisation we value a trust based relationship with consumers and are looking to speed up responses to existing developments in the personal data field. The detailed practical application of the principles will vary according to the business, but in all cases consumers will be given the power to access and manipulate their own data.

Charter

Consumer Data Empowerment - we recognise and support the principle of individuals using their own customer information to make more informed choices and better decisions, to manage their affairs more efficiently, and to obtain the products and services that best meet their needs. We recognise that providing individuals with the ability to access and re-use their 'customer data' – including data about an individual's transactions, interactions and usage behaviours that organisations collect – is essential if this principle is to be realised.

Consumer Data Transparency - we will maintain and make available to customers accurate and up-to-date descriptions of the personal data we hold about customers.

Consumer Data Access - we will develop, support and promote free ways to release customers' data back to them in a safe, privacy-friendly, portable and re-usable manner. This data will be available for them to use as they see fit.

Consumer Data Security - we will minimise risks of data breaches and invasions of privacy. This includes working to ensure that all personal information is accessed, transmitted, held, used, updated and shared safely and securely. We will help to create a personal data framework that enables individuals to access, use and share their data in ways they understand and can trust, which protects their interests and empowers them to use their data for their own purposes.

Consumer Data Innovation - we recognise and welcome the fact that 'midata' is creating a platform for the innovation of new consumer information services. We are committed to exploring and delivering the full consumer and commercial benefits of this new market.

Consumer Data principles

The 'midata' commitments will be realised by adopting the following principles

1. Data that is released to customers will be in reusable, machine-readable form in an open standard format.

2. Consumers should be able to access, retrieve and store their data securely.

3. Consumers should be able to analyse, manipulate, integrate and share their data as they see fit - including participating in collaborative or group purchasing.

4. Standardisation of terminology, format and data sharing processes will be pursued as far as possible across sectors.

5. Once requested, data will be made available as quickly as possible.

6. The focus will be to provide 'actionable' information or data that is useful in making a decision in the course of a specific activity.

7. Organisations should not place any restrictions on or otherwise hinder the retention or reuse of data.

8. Organisations will take steps to ensure that breaches of data security are avoided and that individuals recognise both the opportunities and dangers of data sharing and use, and are able to exercise control in ways that are in their own interests.

9. Organisations will provide customers with clear explanations of how the data was collected and what it represents, and who to consult if problems arise.

Business benefits

The Government believes that 'midata', part of their broader consumer empowerment strategy *Better Choices: Better Deals*, is a significant opportunity for organisations to put relationships with customers on a new footing. 'midata' is a voluntary programme encouraging businesses holding customer data to release this data back to their customers in portable, re-usable way – so that customers can update, share and use this information for their own purposes. The commercial potential of this shift from a unilateral data gathering approach to a two-way mutual sharing one is considerable.

The purpose of this briefing document is to help organisations understand the benefits and opportunities that could arise via active involvement in the 'midata' programme. Organisations can review these benefits in order to assess and define their own specific business case.

The 'midata' opportunity in context

 A fundamental rethink about the role of personal data in commerce is gaining momentum. Policy developments in Europe and the UK along with increasing entrepreneurial activity are fostering consumer demand for services embracing 'midata' principles.[11] A new environment is emerging where individuals can control and manage their own information and act as the natural point of integration of information about their own lives.[12] By combining data from many different sources, and enabling consumers to add information of their own, rich, new 'person-centric' data assets are being created. 'midata' offers organisations a chance to understand and actively participate in this future.

Benefits along the 'midata' journey

The 'midata' strategy involves a four stage approach (see Figure 1) towards information sharing relationships with customers. These stages are known as TACT (**T**ransparency, **A**ccess and **C**ontrol, data **T**ransfer).

Figure 1 The 'midata' journey

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[11] See Appendix 1 for more information on consumer demand

[12] For example, instead of having information about 'my financial transactions' dispersed across many separate financial service providers, new services are emerging to aggregate this data and give individuals a rounded, comprehensive view of their own financial affairs.

Organisations embarking on the 'midata' journey will want to know:
- what specific benefits can we achieve along the way?
- what costs will we incur?
- is there consumer demand? [13]
-

We see three categories of benefits, highlighted in bold in the text below. These benefits accumulate as the business passes along the 'midata' journey.

- If an organisation's main focus is on Transparency, the key benefit is **building trust via a reputation** for honesty and openness and being at the leading edge of customer relations.

- The second and third phases of customer Access and Control continues reputation building, while creating new opportunities to improve data quality and **cut costs**.

- The fourth phase of data Transfer opens up many opportunities for **creation of value through service enhancement and innovation**.[14] By helping individuals aggregate information about their lives and enabling them to share this information with chosen service providers, 'midata' generates new insights into customer requirements and makes new information services possible. This helps to improve customer retention and acquisition.

On costs, there will be costs of participation in 'midata' and these will vary according to business and sector. As new information sharing technologies gain critical mass, however, organisations are likely to incur some additional costs anyway. Trying to catch up with developments in the market late in the day is likely to incur greater cost than a planned approach to 'midata'. The coordinated, phased approach offered by 'midata' is an opportunity to manage a transition, minimise resulting costs and risks while maximising the benefits.

Table 1 on the next page shows how business functions can benefit from 'midata' in these ways.

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[13] There is evidence of consumer demand for information services that already embody a degree of ''midata' principles', or point the way to their application. For example services like Google's Google Dashboard, Lloyds Money Manager, Amazon's Your Account Service. The 'midata' Strategy Board is conducting further research to understand and clarify consumer demand. See Appendix 1 for more information on consumer demand

[14]For more details see 'The 'midata' Vision'

Table 1 'midata' business benefits across different business functions

Function	Impact of 'midata'	Business benefits
Brand & reputation management	**Transparency, Access and Control** • Using increased customer data transparency, access and control to build a reputation for openness, thereby building trust. • Higher levels of trust mean that customers are more likely to be willing to volunteer additional information (e.g. data aggregated from many suppliers, future plans, current preferences and priorities etc.). **Transfer** • A two-way data sharing relationship helps build data accuracy and a reputation for innovation and service.	Positive impact on brand and reputation. Increased customer retention and acquisition.

Market research: data gathering & analytics	**Transparency**
	• Customers with knowledge of the information held about them are less likely to be 'surprised' by and are more likely to respond positively to market research.
	Access and Control
	• New insights into what information customers find useful, and in what format.
	Transfer
	• Potential access to 'genuine single customer view' (i.e. aggregated data to see 'my financial affairs' in the round, rather than many separate bank, credit card and other statements). This provides:
	  o better insight into company's share of customer requirement;
	  o better insight into where company's offerings are succeeding/failing;
	  o richer more accurate customer segmentations; and
	  o a growing ability to gain permissioned access to other data volunteered by customers e.g. changing circumstances, priorities, plans and preferences.
		Increased customer retention and acquisition.
		
		Cross sell/up sell.

New product/ service development	**Transfer**
	• Using improved consumer insight to identify new product and service opportunities.
	• Developing new service propositions, business models and revenue streams e.g.:
	  o banks using aggregated spending data to offer financial planning, money management, and 'next best purchases',
	  o energy companies evolving new energy advice services: 'tell us a more about your family's lifestyle and we will advise you how to reduce bills, 'go green' etc,
	  o energy companies becoming trusted advisors for energy saving appliances and services.
		Increased customer retention and acquisition.
		
		Cross sell/up sell.

Existing product/ service development	**Transfer**
	• Using improved consumer insight to fine-tune existing products and services e.g.
	  o 'given your current usage/portfolio of products and services what is your next best purchase?
	  o 'people really like you' services. For example, comparing energy consumption 'by household' or 'by type of dwelling' misses critical factors such as how many people live there, and do they spend most of the time out at work or at home? Genuinely useful comparisons need access to such contextual data.
		Increased customer retention and acquisition.
		
		Cross sell/up sell.

Marketing: permissions	**Access and Control** • As customers get used to updating and managing preferences and permissions, they are more likely to opt in rather than out of marketing communications	Reduced costs.
Marketing: targeting	**Access and Control, Transfer** • Using more accurate, up-to-date data and improved customer insight (plus better permissions management) to target marketing communications more accurately.	Increased customer retention and acquisition. Cross sell/up sell.

Sales: qualifying leads	**Transfer (plus Identity Assurance + verification services)** • Under the Government's proposed ID assurance scheme, a market for providers of identity services will be created. Individuals will be able to take these 'tokens of identity' with them from organisation to organisation. The same approach can be extended to other tokens of verification, for example that this person 'has this credit score', or 'is entitled to these benefits'. These tokens can reduce risk and streamline sales processes.	Reduced costs.
Billing	**Transparency, Access & Control, Transfer** • By helping customers access data to the level of detail that suits them, 'midata' will help companies accelerate the shift to e-billing and statements, while building a reputation for good service and reducing the burden on call centres.	Reduced costs. Increased customer retention.
Customer service	**Access & Control** • Most inbound call centre calls are generated when customers have a problem. By identifying and addressing problems before they arise lean operations improve customer satisfaction while reducing service costs. By providing customers with access to the right information at the right time (e.g. 'what tariff am I on?'), 'midata' will help drive these improvements.	Reduced costs. Increased customer retention.
Data management	**Transparency, Access & Control** • By giving customers access to information held about them, companies can recruit customers into 'self-service data management'. Key areas include: identifying and correcting errors ('that's not my email address'); updating crucial data fields ('I'm moving home'); and filling in missing data fields (my age, my telephone number, etc). • By letting customers set and change preferences and contact permissions, companies can build trust and reduce waste.	Reduced costs. Increased customer retention. Positive impact on brand and reputation.
Process improvement	**Transfer** • Over the coming years, more consumers will get used to sharing structured, electronic information with suppliers and service providers. 'midata' helps to build both the operational infrastructure (agreed formats and approaches) and the trust to accelerate this development. The shift from expensive manual processes to inexpensive automated and digital processes is key to cost cutting.	Reduced costs.

Appendix 1 - The context for 'midata'

The EU is working on a commitment to equip Europeans with secure online access to their medical data.[15] The House of Commons Public Administration Select Committee is endorsing the need to experiment with services that help "citizens maintain their own personal data".[16] The Cabinet Office is working on an ID Assurance framework for the UK. [17]

A growing range of new services illustrate consumer demand for 'midata' principles. These include: the US Government's 'Blue Button' initiative to release health records back to war veterans;[18] CallCredit's Noddle service to release credit reference data back to individuals;[19] and services like Mint which capitalise on consumers' desire to aggregate data from different suppliers to get a rounded picture of their financial affairs. Meanwhile, popular services like Facebook are training consumers to become skilful managers of their own data. Individuals are increasingly demanding ways to find, compare and purchase goods and are realising the value of their personal information.

Empowering individuals to control and manage their own data is changing the consumer /personal data environment in two important ways. Firstly, it is creating what the World Economic Forum is calling a 'new asset class': "a valuable resource for the 21st century that will touch all aspects of society".[20] Secondly, it is creating opportunities for 'win-win' trust-based information-sharing relationships between organisations and customers, where the routine sharing of structured information between the two parties becomes the norm. This information sharing may include previously untapped dimensions of personal data such as 'changes to my circumstances', 'my current priorities and preferences', and 'my future plans'.[21]

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[15] http://ec.europa.eu/information_society/newsroom/cf/fiche-dae.cfm?action_id=233
[16] "Moving to a model where the citizen maintains their own personal data with an independent, trusted provider and then can choose whether to authorise the sharing of that information with other organisations is an ambitious vision that will need to be trialled extensively." House of Commons Public Administration Select Committee's report on Government's use of IT
[17] http://ctrl-shift.co.uk/shop/product/55
[18] http://www.whitehouse.gov/blog/2010/10/07/blue-button-provides-access-downloadable-personal-health-data
[19] http://www.callcredit.co.uk/press-office/news/2011/06/callcredit-shakes-up-industry-with-free-for-life-credit-reports-for-40-million-consumers
[20] World Economic Forum, 2011 Personal Data: The Emergence of a New Asset Class
[21] Mydex, 2010 The Case for Personal Information Empowerment

Consumer demand

The Government recognises that business wants to understand more about consumer demand for the types of services and facilities 'midata' will make possible. That's natural, but we believe that there is already evidence that people will use this type of service once provided. Evidence for this comes from a variety of sources:

Economic Research

In its paper "Personal Data: The Emergence of a New Asset Class"[22] published in January 2011 the World Economic Forum noted that "personal data…is generating a new wave of opportunity for economic and societal value creation." They believe that increasing the control individuals have over the way their personal data is collected, managed and shared will lead to the creation of a host of new services and applications.

The idea of focusing on the user as a point of integration is not a particularly new one. Blogging and Twitter, not to mention Facebook do so, and by adding aggregation and dissemination services have taken off to a remarkable degree. As a result nearly all major companies now have a Facebook page. But the extent to which individuals are willing to make their data available depends on trust, transparency and their ability to exercise control over how the data is used. Outcries have followed where permission is assumed by companies to use personal data they hold as they wish and some people have become wary of engaging as a result. The 'midata' strategy and TACT approach is designed to address these concerns and enable the consumer to decide who has access to their data.

The public sector has also started to recognise the opportunities user centric data through initiatives such as "tell us once" and have even prototyped personal data stores with cross council initiatives such as those involving Croydon, Brent and Windsor and Maidenhead Councils.[23]

Case Studies

Tangible support for the 'midata' approach can be seen from the fact that businesses are developing services now that are moving towards the principles of 'midata' both here in the UK and elsewhere. A set of detailed case studies is available in Annex X but a few are highlighted here:

For example, Lloyds Money Manager allows its users to keep track of their spending by automatically breaking it down into meaningful categories, such as entertainment, food and travel. It does not release the data back to customers, and it does not allow customers to integrate from many providers, but it's a significant step towards increased customer access, control and utility. For example, it aids understanding by using easy-to-read graphs that give users a fuller picture of where their money goes from Lloyds bank accounts or credit cards. Other services such as MoneyDashboard and in the US, Mint, address the data integration aspect by accessing accounts from a range of banks and credit cards to give a households a full picture of their balance

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[22] WEF
[23] See Computer Weekly 13 October 2010

sheet, including loans, savings and investments. Mint has some 6 million users in the US.

More broadly Google, seemingly the world's default internet search engine, has created "Dashboard" to provide a summary of the information it has stored in relation to an account. It includes items such as name, email address, Google profile, the number of conversations in the users Gmail inbox, recent entries from the web history, Google documents and purchases. All the data is private to the user, unless the shared icon is shown.

A new service being trialled at the moment is Noddle from Call Credit. It provides individuals with their credit reports, free. Individuals can use the information to avoid applying for credit facilities for which they are unlikely to be eligible and thereby further damaging their credit rating. It effectively reverses the application process so that an individual receives a personal credit report matched to a 'likelihood index' of desired products and services. They can then assess the best, most suitable deal for them given the probability of it being made available. It will work for a range of financial services from mortgage applications to purchasing credit cards.

Comparison websites

Anyone who watches commercial television in the UK will recognise there are a huge number of comparison websites and usage statistics from 2008 show over 35%[24] of the population have accessed them. There growth in a relatively short period has been such that in some markets they are seen as an essential tool. So for example, in December 2009, 81% of those looking for home insurance quotes and 89% seeking motor insurance used a price comparison site[25]. There is every sign that usage of such sites will continue to be high but increasingly consumers are consulting a range of sites, before selecting a service. The same study showed that 40% of those that did not get quotes from comparison sites said the reason was they did not want to get follow up calls or emails from the insurers listed. Both of these facts suggest that for the consumer having personal data held and access controlled by them would be a welcome development, permitting ready re-use of data across sites without the exposure to unbridled follow up calls.

Stimulation Effect

The growth of comparison sites could be seen as an example of a service that has sprung up from a position of unrecognised demand. Consumers do not necessarily know that they want a service until they can see what it can do for them. This has also been the experience of the public sector's open data initiative. Developers have combined data and produced services as varied as filling pot holes, identifying crime hotspots or even following progress on solving criminal cases. The Government strongly believes that 'midata' can stimulate innovation and that will feed into and drive take up and utilisation by the public. By acting early to stimulate this market the UK can maximise the resultant growth in the economy.

'midata' Consumer Demand Research

The Government strongly believes that there will be a consumer demand and interest in 'midata' and its associated services. Nevertheless the Strategy Board has listened to business comments about the need to better understand potential demand for

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[24] Daily Telegraph 11 Dec 2008
[25] Consumer Intelligence: The Use of Price Comparison Sites in the UK General Insurance Market, 2 May 2010

services resulting from 'midata' work and has therefore agreed to fund some qualitative research to look into this. A specification is being drawn up with input from board members and the aim is to have results made available in the late Autumn. The work will be carried out independently and shared with 'midata' strategy and sector boards. At the same time a review of existing research is being undertaken with a view to identifying gaps that may warrant further research.

Resources and contacts

We currently have an online portal, Huddle, which contains all of the documents relevant for the 'midata' project. We are working on a 'midata' website, which we will launch towards the end of September, which will contain key information about 'midata'.

For more information about the 'midata' project and how to get involved, please contact Craig Belsham in the first instance at craig.belsham@bis.gsi.gov.uk or 020 7215 5884.

FAQs

Below is a set of FAQs for 'midata' Board members and executives from other companies wanting to get involved in 'midata' to use internally, to help explain to others within their organisations what 'midata' is trying to do, how and why.

What is 'midata'?

'midata' is a UK Government project to encourage companies holding data about customers to release this data back to customers in a portable, re-usable (i.e. electronic) form. 'midata' is part of the Government's consumer empowerment strategy *Better Choices: Better Deals*[26], which was published in April 2011.

Why is 'midata' important?

'midata' is creating a platform for the innovation. It's the first time, globally, there has been such a Government-backed initiative to empower individuals with more control over the use of their own data. It will transform the customer information environment, from a 'data collection' environment to a 'data sharing' environment. The potential benefits of a world where individuals are empowered to collect, manage and use their own data for their own purposes, including sharing digital information with their suppliers, are significant. (see below).

Who is involved in 'midata'?

Since the initiative was announced in April, the Department of Business, Innovation and Skills has been working closely with leading businesses in the energy, retail, mobile phone and finance sectors to implement the release of customer data back to customers.

'midata' is being led by a Strategy Board which includes representatives from the energy, mobile phone, financial services, retail and credit referencing agencies, plus regulators and consumer advocacy groups. The aim is to build a balanced, sustainable and robust approach to empowering individuals with their personal data.

The Strategy Board oversees the work of four Sector Boards focusing on energy, mobile phones, financial services, and retail. In addition, it has established an Interoperability Board addressing issues relating to data portability including privacy, security, standards, legal issues etc.

Initial work in these sectors is seen as a first step to a comprehensive change in the data relationship between companies and their customers: the Government wants to encourage companies in these and other sectors to also get involved.

What has happened so far?

A 'midata' Charter has been drawn up to define the goals and principles of the project. Companies are being asked to endorse and sign up to this Charter. A phased

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[26] See www.bis.gov.uk/betterchoices

programme for implementation is also being developed (see TACT below). Further public announcements will be made in October, including the 'midata' Charter, implementation strategy and the first live examples of how 'midata' principles can be used to innovate services.

The aim is that the initiative will start rolling out to other sectors in 2012, sot ath eventually every company collecting and using customer data will be brought into the 'midata' programme.

Who does it affect?

In the short term, the industries that the Government is focussing on are banking, energy, retailing and telecomms. 'midata' will roll out from this core group in 2012. It will soon affect all companies collecting and holding customer data.

It will also affect companies which currently do *not* collect customer data but which want to initiate new types of information sharing relationships with their customers. And obviously it will affect customers wishing to access their data.

What's the timeline for implementation?

Some companies are already looking at ways to release specific bits of data back to their customers. Other companies are developing a phased approach – called 'TACT' for Transparency, Access, Control, and data Transfer.

- **Transparency**: where the initial focus is on companies making it easy for customers to find out what data the company holds about them. This workstream focuses on 'Personal Data Inventories'
- **Access**: where companies make it easy for customers to see the details of this data.
- **Control**: where companies make it easy for customers to update and correct relevant bits of data that may be out-of-date, missing, or incorrect (e.g. current postal or email address)
- **Transfer**: where customers can choose to have data released back to them in a reusable, electronic form so that they can use this data for their own purposes.

The more data that is released back to individuals, the more innovative new services become possible.

What new services are we talking about?

Companies have long collected and analysed data to identify patterns and trends to opportunities for improvement. 'midata' extends this benefit to individuals, making a range of new services possible. Many early examples of these services already exist:
- here's what you have previously bought from us (e.g. you bought car spares for a Ford Mondeo)
- here are the items you buy most frequently (e.g. Tesco shopping basket)
- here is what others like you have bought based (e.g. Amazon recommendation engine
- here is your usage (e.g. bills, statements)

- here is a new quote (based on the last data we have). You can use this information in a comparison engine (e.g. car insurance)
- here is your credit rating

By releasing transaction and other data back to customers 'midata' will make it possible for individuals, or services on working on individuals' behalf, to enrich the information content and expand the range of such services. For example 'midata'-based services will enable individuals to:

- Create a comprehensive view of their spending or activities (e.g. by combining data from a range of different suppliers to create an integrated, single view)
- Identify patterns of spending, behaviour and trends (e.g. how much did we spend on vegetables, meat, toiletries and alcoholic drinks in the last three months and the previous three months?)
- Understand usage behaviour and make changes for the better (e.g. change usage of mobile phone or household appliances to reduce bills)
- Learn from people *really* like me (with the same profile, usage, or spend)
- Use behaviour/usage data to find the best tariff/contract with existing supplier
- Use behaviour/usage data to find the best or most appropriate tariff/contract on the market
- Use information (for example about spending patterns and trends) to set goals and monitor progress towards them
- Update, correct and fill holes in data held by suppliers to avoid errors and get improved service
- Use easily available data to streamline admin and chores.

How will companies benefit from 'midata'?

Companies will benefit from 'midata' at many levels.

- **Trust** Companies releasing data back to their customers will demonstrate openness and transparency, thereby alleviating consumer concerns about the handling and misuse of their data. Within a few years any company *not* releasing data back to their customers risk being seen as secretive, controlling and untrustworthy.
- **Data management costs and accuracy** By involving customers in the curation of their data, 'midata' companies will be able to draw on customers' input to help keep their records up to data and accurate. This could easily extend to the management of preferences and permissions, thereby driving improved service, reduced marketing costs.
- **Insight** By creating a data-sharing relationship with their customers, 'midata' companies are much more likely to be able access rich new sources of 'person-centric' data that are now becoming possible.
- **Innovation** Drawing on their extensive knowledge of their markets and customers 'midata' companies will be well placed to compete in the market for new information services to individuals

Two initial pieces of work will be:

- **Personal Data Inventories** Companies providing customers with a full and clear description of the data they hold about the individual

- **'My Details'** Companies providing individuals with access to the information they hold about the customer. (This is likely to include its own phases. The first phase is likely to include access to core admin data (postal and email address, telephone numbers etc) plus access to a PDI.

Why does individuals managing their own data matter to companies?

Apart from the critical issue of trust, 'midata' will enable individuals to build rich new data assets that were inconceivable just a short time ago. For example, it will enable individuals to:

- **Build a *genuine* single view of the customer** Very few suppliers provide their customers with 100% of their total requirement. For example, you might buy books from Amazon, other online bookstores, Waterstones, local bookstore, WH Smiths, etc. While each of these retailers can build a picture of the books they sell to a particular customer, only customers – acting as the point of data integration – can build a fully rounded picture of *all* their purchases from *all* suppliers. This, alone, is of potentially transformational value to many companies as a source of new insights, if, of course, the consumer chooses to share this information.
- **Add new layers of data** For example, a customer reviewing purchases in bank/credit card statements could tag them with bespoke categories such as 'presents', 'holiday', 'for the kids', 'business' and 'personal'. These tags could form the basis for new analyses, visualisations, recommendations etc.
- **Add new elements of data** For example, an individual wanting to compare energy consumption with people really like me might add new details such as number of individuals living in the household, whether they are at home all day or not, etc.
- **Add forward looking information about plans and intentions**: 'the reason I am sharing this data with you is because I want to do X'.

'midata''s philosophy is that individuals should be free to choose what data they share with who, for what purposes. No company will have an automatic right to access such data. However, individuals are more likely to volunteer such information to companies that demonstrate a trustworthy approach to the management of personal data, that proactively share data with their customers and that offer their customers value added information services. Companies refusing to release data back to their customers are unlikely to be invited to 'join the party'.

Aren't there lots of obstacles to doing this? What about the risk of people's personal data being lost or stolen?

The Government and boards fully recognise that there are many knotty issues to deal with to realise the 'midata' vision. These include:

- understanding the legal position of 'midata' data (especially in the context of the current EU review of personal data legislation)
- mapping out the scale, nature and timing of consumer demand for 'midata' enabled services
- addressing issues relating to customer education, including how to ensure privacy and security
- identifying exactly what data customers will find most useful

- finding the best means of giving customers access to this data and releasing it back to them
- fitting 'midata' related IT changes into existing planned projects

All these issues are being worked on by the Government and the various 'midata' Boards.

Some companies have spent millions building customer databases which they see as key to their competitive advantage. Why should they suddenly hand this data over to their customers?

Many companies already hand data back to their customers in many ways. Bank statements and energy and utility bills are obvious examples. Online retailers such as Amazon give customers access to complete records of their purchases. In this sense, 'midata' is simply extending common, established practice.

At the same time, many factors right now – legal/regulatory, commercial, technological, public opinion – are converging to make personal data empowerment, helping individuals manage and use their own data for their own purposes, an epicentre of economic growth and innovation. The Government wants to make the most of this opportunity and 'midata' organisations are in at the beginning of making this change happen, helping to shape its evolution.

- **Legal** Because it's in the spirit the law. The first principle of the current Data Protection Act is that consumers have "a right of access to a copy of the information comprised in their personal data". Further regulatory changes, such as those created by the EU's review of personal data legislation, are likely to reinforce and extend this principle. 'midata' simply makes it easier for consumers to access this data and to use it for their own purposes.

- **Reputational** Because *not* doing so will damage the organisation's and the brand's reputation. 'midata' is helping to create an environment of personal data openness and transparency: organisations not taking part risk being seen as secretive and with something to hide, obstructing the trend towards increased consumer empowerment.

- **Commercial** Because 'midata' is a means to develop new digital information sharing relationships with customers. By sharing digital information with their customers, organisations will be able to:

  o Improve the quality and accuracy of their current data while reducing data collection and management costs (by involving customers in the curation of their own data)
  o Access new data assets that were previously unavailable, leading to new customer insights.
  o Drive customer acquisition, retention and, potentially, new revenue streams via the provision of new information services to customers.

The Government's view is that most companies will be able to get much more value from their customer data by building trust-based data-sharing relationships with their

customers as opposed to one-sided data hoarding. 'midata' opens up new ways for companies to building closer relationships with customers, enrich their existing data assets, reduce the costs of data collection and management, and innovate.

Why is the Government pressing this agenda?

The Government's consumer empowerment strategy, *Better Choices: Better Deals* is based on its belief that "empowered consumers help to strengthen market discipline by driving innovation in products and services and sharpening the incentives for businesses to compete keenly on price, quality and service". In other words, it drives a 'race to the top'.

Beyond that, 'midata' will encourage the innovation and growth of two levels of service:

- Services that help individual to safely and securely retrieve, store, analyse, visualise, manage and share their own data
- Services that help individuals use this data to research and make decisions, plan and execute projects, streamline day-to-day administration, and achieve personal goals more efficiently and effectively

These are potentially vast new markets: sources of economic growth, employment, cost savings (for both individuals and organisations) and tax revenues.

The Government has also said that 'midata' "will serve the important public policy goal of stimulating awareness of data access rights and privacy risks, as well as the market for tools and systems that manage these risks".

Do consumers actually want it?

There is already ample evidence that consumers want services that deploy personal information to help them achieve their goals. 'People like you' recommendations and comparison services are two obvious examples. 'midata' will enrich and streamline the workings of existing services like these, while making new types of service possible. Most individuals aren't interested in data for data's sake. They are interested in the services the data makes possible. 'midata' will help in four key areas:

- Help me streamline day-to-day administration including dealing with organisations, while avoiding errors and inaccuracies
- Understand my own behaviours – spending patterns, usage of services, etc – better, so that I can see ways to make beneficial changes
- Make better purchasing and other decisions
- Bring together the information I need to manage aspects of my life in an integrated way, such as 'my money', 'my home' or 'my communications'.

Looking to the future, organisations will use 'midata' data to:

- **Improve service provision**: using new data to offer more relevant, timely and appropriate services and by adding new functionality to them
- **Innovate**: for example, by developing new services that rely on the integration of more data (for example, managing 'projects' such as moving home, or ongoing tasks like 'planning and managing my finances').

However, companies will need to understand in detail the likely consumer demand for such services, and the likely timescales for their take-up. This will require new research. The 'midata' project has already initiated the first round of such research.

How big is this market for personal information management services (PIMS)?

It could be huge.[27] People use personal (and other information) to manage every aspect of their lives: from routine administration and chores, through making decisions and choices, to managing complex life events and processes such as 'moving home' or 'managing my money'.

These activities are undertaken by every individual, at every stage of life, across all aspects of their live, dealing with product and service providers across every industry, both public and private sectors.

'midata' data won't be the only information these services use, but it will be an essential ingredient of the new personal information mix. It's a core building block for a new avenue of innovation and economic growth.

We have millions of customers. It could cost us a fortune to implement 'midata' proposals. Why should we prioritise such an investment?

We are already moving to a world where individuals are gaining increasing control over their data and where there is already increased digital information sharing. This means that for organisations this is an inevitable journey. The bottom line is that for most organisations, the benefits of information sharing relationships with customers will far outweigh the potential costs.

Participation in the 'midata' process is helping organisations manage this evolution and make the most of it: minimising costs and risks, gaining access to shared learnings, sharing the costs of educating customers, developing common approaches and sharing the costs of new tools and infrastructure.

Not every consumer will wanting to access all their data immediately. 'midata' is enabling a phased approach designed to test the waters with initial services and customer segments and expand appropriately from there. The idea is to give organisations a chance to learn via initial pilots leading to phased investments as demand grows.

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[27] According to Ctrl-Shift's research, the market for Volunteered Personal Information (VPI) will be worth £20bn in the UK by 2020. The World Economic Forum's report 'Personal Data – The Emergence of a New Asset Class' describes personal data as 'the new oil', a key resource for 21st economies.