

Data: no longer the new oil?



About the author

Nick Brown, most recently Group Managing Director of AIM listed GB Group PLC, a provider of digital location, identity and fraud and compliance solutions is our most recent addition to the team. During his thirteen years at GB Group, Nick oversaw the development of the business from its roots as a small data company into a leading international business. Here he reflects on the development of the data industry and how WTA Partners can help the sector's businesses recognise and add value on the journey to release shareholder value.

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One of the memorable quotes from the data industry was coined by British mathematician Clive Humby back in 2006 when he declared "data is the new oil". He was suggesting that data, like oil, was a vital enabler of economies but needed to be refined and processed to be useful. Clive was the founder of the highly successful data science business DunnHumby, which provides retailers with the ability to understand our shopping habits to ensure their marketing efforts deliver the best ROI.

Fast forward to 2024 and DunnHumby is one of many data and analytics focused companies operating globally and we've all become used to our data being taken, to provide personalised offers and experiences, as well as using search engines and the like to sift through a bewildering amount of data online.

The numbers are ridiculous. A quick search of the internet indicates that during 2023 in each minute 231m emails are sent, 97m WhatsApp messages are generated, 1.7m pieces of content placed on Facebook, 66,000 photos on Instagram; and that's before we get to the streaming services, Google searches et al that we create daily. In all we generate 2.5 quintillion bytes of data a day. While the oil related market is based on fundamental scarcity, we have the opposite problem with data as the fuel for the digital economy.

The exponential growth in data has fostered new industries and generative AI technologies and created new and innovative ways of producing and consuming data. The more data there is the more tools we need to be able to make it meaningful and to find balance with the breadth of privacy regulations that seek to control its use.

We see many products and services that use data for good purposes, but of course online data is also an enabler for multiple types of fraud. We may no longer receive a letter in the post from a Nigerian prince offering us a suitcase of money, but with access to all our identity characteristics available on the dark web for a few pence each, our addresses and emails compromised, our images and voices spoofed, it is possible to mass produce scam attacks against both individuals and companies. In 2024 those letters from Nigerian Princes are on email, with far more enticing content, and better grammar owing to the use of generative AI tools.

“So, what’s this all got to with WTA and your business plans?”

Whatever your industry understanding regulation and ensuring your data is properly managed will be an important part of valuing your business. It goes hand in hand with robust cyber security practices in reducing risk for any potential partner.

Moreover, if you are a company providing data related services to the market, we can help you understand how to position the value of your data assets and find the right partner for you. You may be a marketing agency generating insights, an analytics business helping customers make good quality decisions, or you might be an identity services business preventing fraud and improving customer experience. You might be looking for expertise in AI to improve your sales and boost margins. There are many opportunities – and pitfalls – emerging with this new generation of data-based technologies and so there is meaningful benefit to be derived from finding the right partners to help your business grow.

At WTA we understand technology and technology related businesses. We can help you value your sometimes hidden asset, spot the right partners and help you navigate your options for growth in this exciting new digital economy.

