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Monetize this?

Growing numbers of analysts and researchers insist that data not only should be managed as an asset but also should be valued as one. They see a future where companies can routinely monetize their own data for financial gain. For example, when consumers shift to online and mobile applications for shopping, the digital exhaust they create can have significant potential. But sometimes their digital exhaust is simply that: information with little value. You have to understand which situation you're facing.

Data monetization initiatives clearly make sense in some sectors, and they are already fueling new products and service approaches. In other domains, results have been mixed. Companies often jump in without realizing that being a content provider can be risky business. Many lose money, or at least take a very long time to become profitable.

Some of the risks come from regulators and consumers who see threats to privacy. In addition, a growing number of data scientists themselves are expressing concern over whether their activities are socially useful. One prominent researcher in the field is already writing a book that examines data analytics applications that may have negative social consequences. Regardless of the individual circumstances, look for the importance of data ethics to grow as the pressure for monetization continues.

There's an emerging perception that the more data you have, the better. In fact, more data brings more challenges. Capturing, storing, and protecting data comes with real costs.

#AnalyticsTrends2015

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The So What:

Blockbuster superhero movies often contain a familiar trope: the hero or villain who is given a weapon that is far more powerful than he expects. Unprepared for the awesome power of the weapon, the recipient tends to misuse it, with either disastrous or humorous consequences. Sound familiar? The potential of data as an asset is so great that some companies are rebuilding their strategies around this asset. Some—first online businesses and now industrial firms as well—are already beginning to prosper, but others are underestimating the great responsibilities that come with this potential power—responsibilities not only to the business but to society at large. If "data ethics" is an unfamiliar term, it should probably be playing a bigger role in your data strategy.