## **CUSTOMIZED CONTENT**

Opportunities and responsibilities for media creators

July 2014





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## Introduction

Customized content facilitates the life of the media consumer. It saves the consumer time and brings new content within reach. The right content at the right time, via the right channel?

This provides new opportunities for the creator and provider of media. Existing content can be given a second life and commercial content can be offered in a much more targeted manner.

'Customized content' has a consequence for both the consumer as the media creator. The consumer allows preferences and / or behavior to be stored and interpreted by third parties. Media creators are given a new responsibility when they link that data and algorithm to content.

#### Mediawijzer.net about 'Customized content'

'Customized content' means a new phase in creating and consuming media. With new questions. Especially in the field of media literacy.

A conscious attitude of (young) media consumers regarding media is necessary to be able to make critical choices. How is content created, what are the intentions of the creators and why should that content be offered to him/her in particular. That is why 'customized content' is an important development with regard to media literacy.

During an expert session – Mediawijzer.net asked a number of creators of media for young people and data experts about their opinion about 'Customized content'.



#### **Expert session with Sander Duivestein**

The session was moderated by Sander Duivestein; speaker, trend watcher, internet entrepreneur, consultant, author and columnist about the impact of new technology. Sander gave his own vision on 'Customized content' and media literacy, later also during the 'Mediapark Jaarcongres'.

In this whitepaper, Mediawijzer.net combines the outcomes of the expert session, the background articles we wrote and the presentation of Sander Duivestein.

Should you have any questions or comments about 'Customized Content' please contact us.

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## **Customized Content?**



**Customized content?** 

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## WHAT IS 'CUSTOMIZED CONTENT'?

'Customized Content' is the right content at the right time via the right channel. 'Customized Content' assumes an observed or expected need of the media consumer.

Thanks to big data and new technologies, creators and providers of media respond to previously observed behavior, but also to location, time, social environment and channel preferences. That's a great perspective for the media consumer: exactly the content you need at all times!

#### Case - Netflix: it is about what you do

When it concerns 'Customized Content' video on demand service Netflix currently is the most discussed content provider. Netflix has a great deal of experience in recommending the content you can watch. Those recommendations are automatically generated based on user data and algorithms. Netflix is fairly successful in giving relevant recommendations, more than 75% of the videos are viewed after a recommendation. That means that people hardly spend time looking for a film or TV show themselves.

"75% viewed based on recommendation"

Netflix wants to limit the number of recommendations more and more, in doing so, giving the user less options. The thought behind this is that browsing movies, consumes a lot of time. 'Customized content' must be convenient and save time. That raises the bar for those recommendations sky high.

Demographic data (such as your age and city) is not so relevant for a party like Netflix. Nor are recommendations to make to others or the comments you provide. Too often, this is associated with socially acceptable behavior.

Netflix is mainly interested in what you do (and don't do) instead of what you claim you're doing. The time on which you're watching a movie is important, but also 6he moments on which you press pause, skip a part or rewind a part. And browsing a list of recommendations, clearly indicates what you do not want to see at that particular moment. Your own behavior defines your user profile more and more, and with that, also what is recommended to you by Netflix.

#### Netflix much discussed during MPJC14



Source: Mark Jansen ECP Group



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## WHAT DOES THE MEDIA CONSUMER GIVE AND RECEIVE?

Customized content implies a choice of both the media creator and the consumer.

If, as a consumer, you want 'Customized content' you must be willing to provide insight into your preferences. You do this by allowing your implicit and explicit choices to be stored in a profile.

Media creators must store that data, monitor it and translate it into a profile and algorithms to be able to provide the consumer with customized content.

Sander Duivestein in Marketingfacts:

"In the era of Google, Twitter and Facebook, we are still the product: "If you're not paying for it, you're not the

consumer; you're the product being sold." The data we leave behind via all kinds of social media and devices, are nothing less than digital breadcrumbs that give smart algorithms the opportunity to create virtual alter egos of us. These – made of "The consumer is the new uniformity"

ones and zeroes – are aware of our deepest emotions and desires. They are a digital interpretation of our subconscious.

Where we have no access to information, the machines are able to access that information. Coincidence no longer exists in this world. Creativity is made brain dead. The consumer is the new uniformity."

Sander Duivestein about privacy during MPJC14



Source: Mark Jansen ECP Group

Statement – Giving up privacy is no problem as long as the consideration is valuable.



Agree: **62%** 



Disagree: 38%

During the 'Mediapark Jaarcongres 2014' the attendees replied to this statement.

"Poor communication Clouds discussion"

Sander Duivestein during the MPJC:

"Young people in particular are not worried about it. But it is important to be aware. It is important to know why you provide information about yourself and what it is used for."

#### **Case - InBloom: reveal the consideration**

A lot has been said about inBloom over the past two years in America. InBloom is a non-profit startup with investments from, for instance, Bill Gates, through his foundation.

The idea of inBloom is simple: bring all big data to the classroom and provide customized lessons (content).

Although the idea may be simple, the implementation is far from that. The amount of data alone makes it a technologically complex matter, but mainly the resistance from the educational field and the parents gave the creators a hard time. For instance, there was resistance against the lack of an opt-out for students, against the lack of restrictions of the use of data and the lack of an option for parents to intervene.

In April of this year, inBloom ceased its activities, mainly under pressure of parents. Communication about the reason for gathering data, was the bottleneck for inBloom.

The interesting discussion about the advantages of customized education versus giving up privacy, was nipped in the bud that way. As a consumer (and in this case the student), you might ask yourself what is the greatest good.



**Customized content?** 

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# WHERE DO WE STAND IN THE NETHERLANDS?

During the expert session 'Customized Content' organized by Mediawijzer.net on June 10th 2014, a number of experts gave both their vision on 'Customized Content' and insight into their own procedures.

Sander Duivestein led the expert session and outlined a world of 'change or disappear' in his introduction. A world in which the innovation comes from small companies who do not suffer from hereditary ballast. A world in which technology is increasingly close to and even in people. And where news and other content will be composed by algorithms.

For a number of attending media creators, this story is sometimes at odds with their daily practice. Because that practice often is one of political, legal and commercial limitations. But also because the relevance of new developments and the associated opportunities is sometimes hard to predict.

Moreover, the experts indicated that profile based content in the media, is still a thing of the future. Because we are still being served ads for a vacation we booked two weeks ago, after an online search.

"Customized content currently results in too much noise" A temporary need as digital echo chamber. And even leaders in the media, such as Netflix and Blendle are far from perfect according to experts.

Customized content currently results in too much noise, the match between need and algorithm is difficult.

#### Expert session 'Customized Content'



#### **How do we create 'Customized Content'?**

According to the attending media creators, the first step is to provide better access to the own, existing content. Once that first step has been successfully taken, the content of others will be reviewed, in order to give the consumer more choice.

After these two crucial steps, media creators can shift to providers of 'Customized Content'. Algorithms will become essential in creating and offering this content.

## Editorial staff vs robot



**Editorial staff vs robot** 

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## HUMAN EDITORS AND ALGORITHM

Is there still a need for human direction in the world for 'Customized Content'? The opinions on this were diverse during our expert sessions.

For most media creators, creativity, emotion and the human dimension are essential added values in creating and offering relevant content. If only to also provide content for which there is no established need. To surprise people, to put them on the wrong track or to teach them something new.

Experts in the field of big data aren't sure whether a human filter or editor is better than an automated filter or algorithm. According to them, an editor may even disrupt the process of building a personal profile – and with that, customized content. Acceptance of the decisive role of technology and data is the motto according to these experts.

"Algorithms increasingly important"

Sander Duivestein in Marketingfacts:.

"It is predicted that in 2030, about 90 percent of all articles will be written by smart software. Compare all these developments to Moore's Law, and you can ask yourself whether creativity is only reserved for people or that machines will be able to have it too. Soon, everyone will have an algorithm for a boss!"

All experts agreed that algorithms play an increasingly important role in offering content. After all, data and technology are saving consumers time, which is the most rare commodity for the media consumer.

And eventually, the consumer has the last say in the discussion about human editorial work and algorithm. The consumer decides what he or she watches via which channel and when.

## Case - Associated Press – What can we learn from newsmakers?

'Customized content' is about the right content at the right time via the right channel. When it concerns news (content) it often is 'one size fits all' for the news consumer. Newsmakers hope to reach the biggest possible audience using one single article. At best, the length of the news post is adjusted to a specific channel, such as a smartphone.

"Robots provide the necessary volume to be able to offer customized news"

## Robots are to serve the masses in a customized manner

But we also see the reversed model arise: creating a large number of (different) articles in line with the wishes of an individual person or a much smaller audience. Robots must provide those large amounts of articles.

It is not new to sports journalism: a robot that creates a brief summary of a match. Based on existing data (player names, bios, statistics, rankings etc.) and current data (scores, date, goal maker etc.) a simple report is generated by a robot, based on algorithms. It's not exactly literature yet, but it does provide data, served in a clear manner, in bite-size chunks.

Press agency Associated Press (AP) is taking it one step further, and also wants to have stories about the financial performance of companies (quarterly and annual figures) written by robots. Important argument to automate this work, is the quantity.

The press agency indicates that the number of articles written will increase tenfold.

According to AP, the robots generate articles that wouldn't be written otherwise, the articles are an addition. So there's no need for editors to worry, according to the press agency. They can focus more on the interpretation of figures and on providing contents. AP will tell readers when an article is generated by a robot.

"Data scientists are the new rock stars"

### Other parties at the table

When algorithms and (big) data start playing a role in offering media, other parties will start playing a role in the editorial process.

Statement – Within five years, data analysts will be decisive in creating and offering media.



Agree: 23%



Disagree: 77%

During the 'Mediapark Jaarcongres 2014' the attendees replied to this statement.

Sander Duivestein during the MPJC:

"I foresee that data scientist will become one of the most sexy professions."

## Media literacy



**Media literacy** 

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## MEDIA LITERACY AND 'CUSTOMIZED CONTENT'

#### 'Why am I getting this?'

As a consumer, it is good to wonder why you are being served certain content. Why? For instance because you don't want to end up in a digital funnel or echo chamber and because you want to be surprised with content of which you didn't know that you would like it or consider it interesting. However, that does require a critical, active media consumer.

## Matt Boggie (The New York Times): 'be transparent about algorithms'

In addition to Sander Duivestein, Matt Boggie also spoke about 'Data Challenge' during the 'Mediapark Jaarcongres'.

Just like Duivestein, Matt Boggie indicates that the use of algorithms will eventually be inevitable. In this, Boggie indicates that the distance between people and technology must be reduced.

## "Make process Customized Content transparent"

#### Matt Boggie: 'Informing consumers about algorithms'



Source: Mark Jansen ECP Group

According to Boggie, the process of 'Customized Content' must be made more transparent. The consumer must be able to understand the relationship between input (user data) and output (recommendations). And even better: the consumer must be able to intervene in the process, to adjust the outcomes. To Matt Boggie, this means providing clarity about algorithms. A new responsibility for media creators.

## "Trusted beacons are disappearing"

#### **Media aware consumer**

Once all content is freely accessible and is offered in a customized manner via a profile, it is important to think about the origin and establishment of content and the intentions of the creators. But also about the question how a user profile is established and who manages that profile and the associated algorithms. New players such as data brokers will play a role in this for instance.

Trusted beacons such as broadcasters may become less relevant to the media consumer. It will become more difficult to determine that 'it is right' for your child to watch a certain broadcaster.

When content is established and offered in a new way, that means new opportunities and responsibilities. Both for the creator and the consumer of media. Dealing with media in a conscious and critical manner, will remain essential in this.



6 IN CONCLUSION 'Customized Content' is still in its infancy with regard to opportunities for media creators and consumers, but also with regard to the discussion on the topic. That discussion is mainly in the field of knowledge and behavior of the media consumer. The game of algorithms, robots and user profiles is very complex after all. What does the consumer need to actively participate in that game and to make critical choices?

Later this year, <u>Mediawijzer.net</u> will be organizing a second expert session. The result of that session will be added to this whitepaper.

## Colophon

#### **Editorial staff**

Floortje jansen (Beeld en Geluid) | final editing

Mark Rosbergen (Nieuwe bomen) | production and editing

#### **Discussion leader Expert session**

Sander Duivestein

### **Experts**

Victor Coolman (Nicolodeon)

Eppo van Nispen tot Sevenaer (CPNB)

Mark van de Crommert (Remotely Tv)

Astrid Poot (Fonk)

Mark Wilmont (To Twenty)

Jorgen Sandig (Scyfer.nl)

Erik den Boer (NTR)

Erik Appelman (NTR)

Sander Nieuwenhuijsen (NTR)

Job Vos (Kennisnet)

Lara Ankersmit (NOS)

Maarten Kleijne (Sarv International)

Sven Marievoet (Adhese)

Mary Berkhout (Mediawijzer.net)

John Leek (Beeld en Geluid)

## Mediawijzer.net

**Network of creators of media literacy** 



Mediawijzer.net helps Dutchmen to gain media literacy. Through our public campaigns, as expertise center and as network of creators of media literacy. Meanwhile, over 900 creators of media literacy actively participate in our network.

Mediawijzer.net is configured in the form a program and is managed by 5 major Dutch organizations, at the time of its establishment appointed by the ministry of Ministry of Education, Culture and Science:

- NTR, the public broadcasting agency;
- Stichting Kennisnet;
- het Sectorinstituut Openbare Bibliotheken (SIOB);
- het Nederlands Instituut voor Beeld en Geluid;
- ECP, platform for the Information Society.

More information is available at mediawijzer.net or in our brochure (PDF).





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