

Does online profiling
mirrors or creates
identities



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Introduction

WHAT IS ONLINE PROFILING.

Online consumer profiling is a complex phenomena that can be researched from a variety of perspectives. First of all, it is obviously an advertising technique that revolutionized the effectiveness of targeted advertising. However, online consumer profiling is not just a smart way to reach consumers.

Consumer profiling has been present in advertising for a long time now, with theorists arguing about its possible effects on society and consumers. Greg Elmer(2004), in his work ' Profiling machines: Mapping the Personal Information Economy' provides an overview of some of the standpoints with regards to profiling.

From the perspective of Foucault's famous concept of panopticon, profiling is presented as means of exercising surveillance in the societies of control(Elmer, 2004). Foucault suggests that in such societies the differences between reward and punishment are blurred(Emler, 2004), this can be illustrated by some of the online consumer profiling techniques. For example, checking the weather forecast online, usually requires from us typing in our zip code. This initial reward(i. e the perspective of getting free and accurate information on weather in our area) ends up being a punishment. Ultimately, we provide advertisers with important geographic data that can then be used for consumer profiling.

Similarly to Foucault, Dandekre (cited in Elmer, 2004) sees profiling as a part of society of control. In fact, according to Dandekre, profiling is a sign of

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modern surveillance which signifies the shift from the supervision to bureaucratic surveillance, which is a lot more invasive and depends highly on technology.

Elmer(2004) states that profiling is an ongoing distribution and collection of information about desires, habits and location of groups or individuals. Moreover, Elmer(2004) suggests that consumers actively assist in creating profiling databases, as all collected data are being cross referenced.

Lyon(The Electronic Eye: The Rise of Surveillance Society, 1994) seems to share this view, as he sees consumers as self communicating entities, triggering their own inclusion into system of surveillance, that works through a series of seductions and solicitations.

In terms of profiling effects on society, there are two main standpoints.

Gandy(1993) in The Panopticon: a Political Economy of Personal Information views profiling as a system of sorting both individuals and whole communities into abstract categories that is unavoidably discriminatory. He continues to say that this system forces individuals wants and desires into 'larger, rationalized and easily diagnosable profiles'(Elmer, 2004, 23). On the other hand, R. A Clarke(' Information Technology and Dataveillance, 1988) sees profiling as a system of predicting 'deviant behavior' and fails to recognize possible risk of prejudice or discrimination.

Early works on profiling seem to focus more on the effects it has on communities, as profiling was seen more as a part of the shift towards technology.

However, with the fast development of internet and more advanced profiling techniques there seem to be more interest in the position of the individual in the process of online consumer profiling.

WHAT IS IDENTITY

According to John Deighton(2005), who analyzed the consumer identity motives in the information age, identity can be defined as a cluster of characteristics that we display in a social setting (2005, 236). In the digital setting, the characteristics that construct identity are being grouped, coded and manipulated. In the cybernetic sense identity is used as a point of reference for who one is or aspires to be(236). Author stresses the crucial part identity plays in analyzing consumption, as it could be a source of information on one's habits, dislikes or desires.

When discussing identity, Deighton(2005) also touches up on the notion of 'being identified'(237). Being 'identified' means to be observed or recognized and in the off-line setting, this notion relies heavily on the facial/physical recognition. However, in the digital world, it is our online activity that enables us to be identified. The lack of 'face' in the digital setting, creates space for us to take on many identities. Deighton(2005) (247) sees identity as an opposite of anonymity and suggest that in an online world, we lose our anonymity by simply 'signing in'.

With that in mind, the techniques used to identify an individual online provoke many theoretical questions about the authenticity of online identity. boyd(2001) maintains that users need to gain awareness of the data they leave online, in order to construct truthful identities. However, because as <https://assignbuster.com/does-online-profiling-mirrors-or-creates-identities/>

online users, we have no control or knowledge on what data is being archived there is no way to verify its accuracy. Boyd does not necessarily condemn all corporate efforts to 'reconstruct' the individual through digital data. Her focus seem to remain on consumers' right to access the collected data and use to build self-awareness(46). She introduces the concept of a digital mirror(53), linked to Lanca's mirror stage of development, during which a child acknowledges themselves as a unique individual for the first time(53). Boyd(2001) maintains that the lack of material body online, pushes users into using digital representations, that serve as an online agent constructing our identity. Through online personal profiles, we gain an illusion of control over our online identity. However, boyd(2001) stresses that even though we hold control over a limited amount of information, the way we perceive ourselves online is different from the way others see us(53). In that respect, boyd(2001) puts a particular emphasis on the data aggregation online, which means that information on our current online activity is combined with the information from the past(53). It is argued that providing users with information on their personal data that can be accessed by third parties, would allow to provide feedback and adjust one's online behavior and as a result gain greater control over their online identity.(54)

One of the most important issues in online consumer profiling is the notion of individual versus consumer identity. Gandy(1993) maintains that profiling categorizes one's desires and wants into broader and simplified profiles. Therefore, how accurately does it mirror one's personality? Is consumer identity different from our non-consumer identity? Are they one and the same thing? Or is consumer identity simply a part of our identity just like race or

sex. This and similar questions are being posed by theorists researching online consumer profiling.

Similarly to Daughton(2005), Zwick and Dholakia(2004) in ' Whose identity is it anyway Consumer Identity in the age of Database marketing' stress that today consumer is no longer anonymous due to the ' digitization ' of the market space. This means that once information became digital it can be stored in the database for years and shared as a binary bit.

Authors seem to lean towards the post-structuralist perspective of data based marketing technologies as a discourse, which constructs a consumer as a cultural object and then uses as a target for marketing purposes.

Due to the fast development of profiling techniques, an online consumer can be tracked and analyzed during every minute of their online activity. This information can provide an invaluable insight into consumer's nature.

Zwick and Dholakia(2004) suggest that market database becomes consumer's identity and therefore has to be looked at as a form of language, as it attempts to make sense of the world and create a system of representation. Drawing from Foucault's, Zwick and Dholakia(2004), state that every system of representation, in no matter what form, articulate newly ordered spaces of knowledge, in which an object of representation becomes(...) known.(p. 3) Acknowledging market databases as a form of language, enables us to look at consumers as cultural objects. Zwick and Dholakia(2004) suggest that because of market databases' linguistic power, our own ability to construct identity is threatened. Consumers become

objects constituted through the performative powers of market database discourse.

Limited ability of consumers to construct their own identity is one of the effects of online consumer profiling and database marketing, discussed by Zwick and Dholakia(2004). This is because consumers are lacking control over the language that constitutes their identities. In that respect, consumers' participation is denied in the digital market space. To put simply, it could be suggested that online profiling constructs and forces identities upon consumers.

Zwick&Dholakia(2004)stress that most databases do not refer back to the consumers after tracking and analyzing their online activity. This can suggest that these databases are being created to suit marketer's needs rather than to truthfully reflect consumers' identities. More importantly, the accuracy of such databases can easily be undermined. One consumer is most likely to be recorded in several databases that can differ in focus, structure and size. In this case, databases construct multitude of representation of the same consumer, who is being assigned several different persona to take on in the digital marketplace. This results in, consumer being ' a blended, digital simulation whose ' nature' depends on the composition of the databses'(Zwick and Dholakia, 38 2004)

Zwick and Dholakia(2004) see online profiling mainly as means to construct a customer rather than to reflect a customers' identity. Authors acknowledge consumers' minor participation, in the process of creating database, which is limited to acts of online consumption. However, consumers do not have the

control over how much and what kind of information is being collected, despite numerous online privacy options. Zwick and Dholakia(2004), unlike most theorists, do not seem to be preoccupied with the issue of online privacy with regards to online profiling. Authors suggest that, in most cases, the creation of online consumer identities takes place without the participation of a ‘ real’ consumer.

KEY ISSUES: The diffusion of internet-freedom or constrain?

The issue of increased internet control has been raised also by David Bell(in CREEBER 2008), who talks about the diffusion of the internet. On one hand internet can be seen as empowering and reaching towards greater openness and freedom of speech and access to information. On the other hand, internet’s great ability to control and dominate its users is becoming more apparent. Furthermore, Bell(2008) notices how internet is being used by corporate capitalism to influence users and propagate its agendas. With that respect, Bell appears to share Henry Jenkins’ view of digital divide and monopolization of internet by corporations.(Creeber, 2008)

However, the issue that Bell(2008) seems concerned with the most is the invasive nature of internet. Nowadays, he argues, we tend to evacuate real life into digital spaces. Social networking sites and e-commerce are equivalents of aspects of life that used to belong to ‘ real’ life. Not only, do we live a significant part of life online, we also bring cyberspace into real life. With the emergence of new technologies like I pads and mobiles with internet connection we can experience cyberspace, with all its flaws and advantages,

almost all the time(Bell, 2008). This extreme growth in internet usage and accessibility opens a whole new world to consumer profiling.

danah boyd examines the connections between identity and participation in social networking websites. She illustrates the great extent to which social networking sites 'invaded' the offline world. In 'None of this is Real Identity and Participation in Friendster'(2008) author mentions the ubiquity of Friendster in the surrounding offline world. With people signed in on the website on their laptops in a local cafe, rockstars encouraging fans to join the online community during a concert and social networking websites being a topic of conversation in offline social situation(boyd, 2008), online advertising platforms become a part of popularculture.

McAllister and Matthew(2003) talk about the increasingly blurring differences between commercial and popular culture. With the intrusion of commercial values on popular culture, advertisers gain the ability to brand spaces from outside of commercial culture and therefore manipulate consumers to engage with consumer culture at all times.

However, the synergy of popular and commercial culture is not the only factor facilitating the development of online advertising. The lack of understanding and clear distinction between private and public in the onlineenvironment(Stern, 2004), often leads to users sharing more information that they would in an offline environment, resulting in internet being an extremely important source of consumer information(Faber et al, 2004). Faber et al point out that one of the fastest developing trends in

online advertising is research analyzing content areas not traditionally associated with advertising, for example internet sponsorship(2004, 3).

Marketers ability to track user's online activity, offers the opportunity to generate ' personalized' advertising. Faber et al refers to information flexibility(2004, 11) to describe the phenomenon of tailoring advertisements to suit needs and desires of particular customers. Faber et al maintains that personalization of banner ads, increases the likelihood of user engaging in the ad(2004, 5). Personalized ad can be key-word activated or generated using consumer database(2004, 5).

Gadzheva(2007) maintains that due to the development of information and communication technologies (ICTs) much more personal data is being processed online, making it extremely difficult to supervise(2007, 63). Any traces of data ' left' by a user during their online activity can be correlated to produce consumer profiles, usually without user's knowledge(2007, 64).

Although consumers are often portrayed as victims of internet technology, Glen Creeber(2008) in his work, provides an alternative perspective on approaches towards internet and its effect on individuals.

Postmodern standpoint sees consumption as a basis of today's existence with consumer culture determining cultural sphere of our life(Creeber, 2008). This approach looks at technology as a way of improving audience's active participation and is a lot more positive than some of the standpoints that often demonize new media. Creeber(2008), drawing on Levinson's work, suggests that postmodern audience is seen as participants rather than just voyeurs.

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Similarly, post structuralist perspective assumes that audience is able to resist ideological meanings present in the new media advertising (Creeber, 2008). It also acknowledges audiences' role in creating the meanings, as post structuralism focuses more on how new media messages are being decoded by the audience, rather than how producers encode them.

This approach has been highly criticized by more skeptical theorists. Postman (1985 *Amusing ourselves to death*) points out that the alleged choice and active participation offered by the internet is only illusory. In reality, because internet has been monopolized by corporations, it reduces options available to audience to the same commodified, consumerist product (Creeber, 2008). Critics of post structuralism and post modernism perceive audience as not being able to acknowledge the illusory nature of the propaganda messages conveyed by the internet.

KEY ISSUES

ONLINE vers. OFFLINE IDENTITY

With different approaches to internet audience, internet profiling, needs to be looked at from the perspective of consumer identities. In simplified terms, internet profiling aims to study consumers' identities using a variety of data available online. Data used for the analysis is consumers personal information but also their needs and desires, often expressed through their consumer choices. Therefore, from marketers point of view, to reach 'a true' insight into one's identity, consumer has to be analyzed from the perspective of the identity signaling. This approach, however, provokes a debate over how truthful such analysis could be.

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Berger and Heath(2007) suggest that consumers buy products not only for their function but also for what they symbolize, we buy products but also the ideologies behind them. Partially, our consumer choices are based on what products we feel express or match our personality, life style. However, we also make consumer choices that aim at constructing our desired identity(Berger and Heath, 2007)

Of course, it is not only advertisers who scrutinise our consumer choices, it is also others who make assumption about our preferences or social status based on our purchases(Berger and Heath, 2007). Drawing on McCracken's concept of meaning movement, Berger and Heath (2007) suggests that individuals' tastes communicate identity, as others make assumptions based on the groups or " types" of individuals that are commonly associated with particular taste .

It is argued, however, that using a similar model of ' associations', advertisers are in charge of creating norms of behaviour for consumers(Beckett, 2008, Reflective consumer). Advertisers anticipate consumer's needs and desires by cross referencing online activity of other, similar consumers. Therefore apart from responding to current consumer's needs, advertisers also aim at developing those needs.

Rettberg Walker (2009) examines the ways in which social media create representations of its users. Author focuses on the data filtering mechanisms, employed by social media in order to offer us simplified templates or narratives of our life. Rettberg-Walker sees those representations as positive phenomena, enabling consumers to analyse their

own life, made out of data retrieved from the internet. Author stresses also that in the 21st century we become used to online technologies and acknowledge our participation in the online environment. Internet offers us a chance to express our identities rather than uncritically accept the mass media representations of the world (436). Rettberg-Walker also acknowledges the limitations of users participation in the web. Author maintains that freedom of expression online is nowadays greatly controlled by commercial interest and mass customisation based on templates and segments. The literal example of this phenomena, would be social networking sites that provide users with templates to fill in with personal data(460). Rettberg- Walker's interest focuses on how we construct personal narratives in response to larger cultural templates, often exploited by mass media. Even though Rettberg-Walker, states that most internet users will follow the existing templates and copy the already generated content, it's the individual contributions to larger cultural templates that matter (460). One could suggest that ' template generated' identity lacks authenticity or creativity, however Rettberg-Walker argues that above all it provides a sense of belonging, as observing our life displayed online in a similar manner to celebrities, for example, we gain the feeling of inclusion into a larger cultural template(464).

The longing for the inclusion into larger cultural patterns may be rooted in the modern issue of social and psychological identity. Gabriel Lang(2006) in *Unmanageable Consumer* examines the issues of modern identity and its relation to consumption. Author suggest that a modern day individual constructs their identity through consumption and it is the consumer ethic,

rather than work, that lays at the basis of our existence(84). One could argue that Lang's point of view constitutes the basis for online profiling. Thus, if in modernity identities are being constructed through consumption, then marketers are right in ' profiling' users based on their online consumption patterns.

Allison Hear expands the concept of identity construction through consumption and analyses the idea of ' self-branding', being a form of project of the self that leads to increasingly blurred distinctions between product and consumer. Hear explains that self-branding constitutes of conscious construction of self-images through the usage of mass media cultural representations and templates of mainstream cultural industries, which leads to generating value and material profit(198). Hear draws attention to significant differences between exercising branded self in an online and ' real world' environment. Author stresses that today social network sites are the centre of both social interactions as well as consumption(210). Social network sites enable users to manage their own online profiles and connect with other users, who engage in similar activities. Each user creates an online representation of their identity or particular aspects of it. Allison maintains that it is the ' questionnaire like' formats of social network profiles that encourage users to reveal their preferences, mainly in relation to mass media culture, consequently exposing their specific consumer tastes (210). The important notion of self branding on social network sites revolves around the multiplicity of roles that a user takes on online. By carefully designing our online representations, we become authors or as Allison puts it ' actors' of our own digital narratives. However,

we also act as ‘ promotional objects’, displaying chosen traits of our personality to convey a particular message and its symbolic appeal, in order to create value of our representations(211). Allison argues that this approach encourages users to perceive themselves as ‘ commodities’, not only because of the ‘ branded’ nature of the profiles they create but also the ongoing contest of popularity on the social network websites. Users add numerous ‘ friends’ to their profiles, in order to display their popularity in the social circle(211). Users profiles, according to Allison, are both created and consumed as a commodity.

However, another important aspect of online self-branding, is the advertisement aspect of all popular social network sites, which appear to be a perfect platform for reaching a specific segment of consumers. It is to do with their ability to attract specific type of demographics and deliver advertisements in a ‘ non-intrusive’ way. Users often engage with the advertisements out of their own will, by , for example, joining a group dedicated to a specific brand or product. Advertisers set up profiles of particular products, which users can add to their ‘ friends list’ and then receive regular updates alongside with information on their ‘ real’ friends. This increasingly tight bond between product and consumer, is concluded by Allison as a collapse of distinctions between notions of the self, processes of production and consumption(212). With the products invading the digital representations of users identities, marketers reach a new way of promoting the brand. It is the users that are made to ‘ work’ and spread the popularity of a product. Allison suggests that the process of self branding is a form of labour, which serves people to transform nature into objects of their

imagination(213). Without a doubt creating a digital representation of one's self involves a substantial amount of labour, revolving around choosing the right aspects of our identity to be represented. In that sense, it is no different from self-presentation in a real world environment. However, the problem with digital representation of one's self seem to be based around the exploitation of the self-branding labour. One could argue, that the digital profiles of users, no longer serve to represent their identity but to promote a particular product.

CONSUMPTION AND DATA PROFILING

Antony Becket(2008) provides an overview of Peppers and Rogers work that examines the shift from traditional marketing to collaborative marketing. Authors provide a critique of mass marketing as well as describe the mechanisms of customer relationship management, which lays at the basis of collaborative marketing. Online targeting, through suggestion and recommendations, is a perfect example of marketer's attempt to implement a more interactive 'one to one' marketing. Peppers and Rogers(Beckett, 2008) see technology as a vital part of developing customer-producer relationship as well as forming customer identity. Beckett(2008) focuses also on debates on power relations between producers and consumers, with special emphasis on the role of consumer.

Beckett(2008) suggests that modern social theory of identity construction, as the 'reflexive' self is highly related to contemporary patterns of consumption. In today's world we engage in an ongoing process of identity

formation through active, reflexive decisions, including our consumer choices.

Reflexive consumption is seen by some as liberating as it offers consumers the opportunity to construct desired identities. On the other hand, Beckett maintains that reflexivity could be looked at from the perspective of governmentality, as locating individuals in relation to power and authority(Becket, 2008, 302). Becket continues to say, that from this perspective reflexivity could be seen as a mechanism of control and domination, through shaping consumers' needs and desires to suit particular agenda.

Becket(2008) also discusses Peppers' and Rogers' extended critique of mass marketing and their claim about RM and CRM being a remedy to problems with mass marketing. Peppers and Rogers identified three main critiques of mass marketing : the loss of consumer's individuality, inability to recognize loyal and non-loyal customers and lack of dialogue between producers and customers. Authors suggest that marketing should shift away from the concepts of mass marketing and aim at establishing collaborative marketing, which engages customers in ongoing, collaborative activities with the producers(2008, 304).

Collaborative marketing aims at ' identifying' the individual consumers and classifying them based on their value to the producer. Therefore, in order to achieve that, producer has to engage the consumer into the technologies that allow to ' get to know' them.(2008, 306).

Becket(2008) suggests that with the emergence of complex softwares and databases, customer relationship management has reached another level of customer classification.

It is because of the emergence of innovative tracking technologies that producers are being given the power to govern and influence individuals' needs and customer value. Becket(2008, 306) gives example ofloyaltycards or electronic databases to illustrate how consumers are being involved in a network of 'surveillance' technologies. Becket(2008, seems to clearly mark his opinion on whether markets create people's needs and identities. Author states that producer can nowadays anticipate and alter possible future purchases. One way of doing it is by comparison with other shoppers. This would suggest that consumers are being categorised and altered to fit the 'norm'. The process of 'normalisation' can be executed through for example, recommendation ads or personalised e-mails. In the eyes of producers, customers become an active participant when they respond to those recommendations(Becket, 2008, 308). Manipulation, according to Becket(2008), happens on two levels. First level is based on creating norms of behaviour through recommendations ads. Secondly, producers aim at engaging consumers with the market, in order to turn them into savvy, active participants. In reality, it is just another way to programme customers to be susceptible to marketing techniques.

However, is there perhaps another way of looking at the mechanisms of collaborative marketing'After all, as Becket(2008) reminds us, thegoals of customer relationship marketing promise an improved lifestyle for the customer. 'Active' consumers have the chance to engage with marketers to

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satisfy their needs and better the quality of their life through consumption. Becket(2008), drawing on Peppers and Rogers work, presents an alternative version of society, where consumers are not necessarily simply either manipulated or authoritative. The reflexive consumption, puts consumers in a position of collaborator. Peppers and Rogers(Becket, 2008, 311) present a vision where consumption is liberating, as a consumer can reach a better life style through ‘ active’ consumption.

All in all, Becket’s(2008) work comes down to a dilemma between collaborative marketing offering a greater freedom, wider variety of choice and life style improvement achieved through consumption and collaborative marketing being a constrain mechanism, that promotes ‘ unnatural’ need for consumption.

CONCLUDING THOUGHTS

The problem of online profiling provokes a debate over the increasing intervention of technology into our privacy. There has been a considerable amount of literature devoted to the problem of blurred distinctions between private and public in the online environment. However, the problem of the influence of recommendation ads on the identity construction has not gathered enough direct attention. Although, the debate on the diffusion of the internet is strongly linked to the issue of online targeting. Since, if internet can be seen both as liberating and constraining, so does online targeting. On one hand, online targeting offers liberation through direct marketing, enhanced, individualized consumption. On the other hand, it traps us in categories of norms of behaviour, tricks us to believe that the

recommendation ad has been generated especially for us and therefore are suitable for us.

However, acknowledging the increasing influence of targeted advertising on creating norms of behaviour which ultimately aims at shaping our online behaviour, brings up social anxieties with regards to online surveillance.

Sceptics may question the extent to which targeted advertising can shape one's identity. Nonetheless, it cannot be ignored that targeted advertising exercise the power to reinforce social divisions(Lyon, 1994, 156). Through targeting consumers based on the information available online, which places them into particular segments, online advertising mimics the existing social divides. It is the advertisers who predicts our tastes and decide on our value. These sorting mechanism result in groups of consumers being excluded from particular advertising simply because of their consumer profile. Lyon(1994, 156) maintains that when analysing the nature of modern consumption surveillance, we have to take into consideration both how data-subject are constituted as consumers and how their consumption pattern is being interpreted through the means of commercial surveillance.

Without a doubt, online targeted advertising is an issue surrounded with controversy and ethical dilemmas. With the fast development of new media technologies and general synergy of popular and consumer culture, the role it plays in defining modern society becomes more apparent.

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