

DATA RANSFER INITIATIVE

# The potential of data portability

# About DTI

The Data Transfer Initiative (DTI) is a non-profit organization of policy experts and technologists working with the tech industry and other stakeholders to enhance data portability. Our mission is to empower people through simple, secure data transfers that expand choices and opportunities in the digital economy.

# Vision

Data portability empowers individuals, boosts market competition, and drives innovation. When people are able to easily and securely move their personal data, they benefit from new opportunities and downstream innovations that would otherwise not be possible. This reorients markets to the benefit of users, new entrants, and the broader online ecosystem.

#### The Many Surprising Benefits of Data Portability

Portability has its roots in privacy but it plays an integral role in the most critical tech policy challenges today:

- **Competition**: Data portability can lower barriers to entry, allowing new entrants to compete with incumbents. It breaks down "walled gardens" by enabling users to transfer data between platforms, giving smaller companies access to the data needed to innovate and grow while incentivizing incumbents to compete on the quality of their services.
- **Innovation**: Data portability encourages both startups and established companies to innovate. When entrepreneurs develop new products and services that integrate with or improve upon existing technologies, established companies are motivated to do the same in order to retain customers, resulting in a "virtuous cycle of innovation".
- **User Agency**: Portability allows individuals to decide where their data resides and how it is used. This not only empowers users but also builds trust between consumers and companies, leading to healthier digital ecosystems.
- **Online Safety**: Through portability, people are able to move their data, and themselves, away from platforms that do not adhere to their expectations of user safety, privacy, or security. Portability promotes safer digital environments by enabling users to switch to platforms with practices that best align with their needs, leading to an overall improvement in the security and trustworthiness of the digital economy.
- AI: AI systems rely heavily on personalized user data to provide optimal experiences. Portability lets individuals transfer their personalized data—complete with their unique preferences and history—across platforms without needing to start from scratch, ensuring continuity and a seamless user experience while avoiding monopolization and encouraging transparent and fair use of AI through market forces.

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# Leadership

Portability, alongside interoperability, is a key element of the internet's success and economic impact. However, significant challenges remain in its implementation. Investing additional resources in portability will unlock substantial untapped potential for growth and innovation.

Other countries have adopted legislation with specific provisions for portability. The United States has a unique opportunity to not only learn from these examples, but create global leadership in new directions notably, by bringing portability to the public and driving for a deeper and more complete understanding of portability in practice. But as other countries rapidly move to shape technology practices and user expectations, the window to make good on the American opportunity for leadership is rapidly closing.

### Roadmap

DTI believes that the following activities, which can be led by government or other stakeholders, would help maximize the benefits of data portability for the internet and its businesses and users:

- 1. **Raise Public Awareness**: Launch education campaigns and policy statements to make portability a public expectation.
- 2. **Convene Stakeholders**: Bring together industry leaders and policymakers to tackle the implementation challenges of data portability.
- 3. **Develop Metrics**: Create robust measures to track the health and impact of data portability from a user perspective.
- 4. **Invest in Innovation**: Allocate funding and incentives for entrepreneurship focused on data portability.
- 5. **Promote Compliance**: Encourage businesses to adopt and prioritize data portability through incentives and recognition.
- 6. **Collaborate Globally**: Work with international bodies to align and lead in global data portability standards.