Social Media Assessment

Discussion Document
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Social media opportunities

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Overview of social media
Social media definition
Social media is continuing to evolve and so the definition is also changing. Here are some of the recent definitions.

Wikipedia:
“Social media includes web- and mobile-based technologies to support interactive dialogue and introduce substantial and pervasive changes to communication between organizations, communities, and individuals. Social media are social software which mediate human communication.”


Merriam Webster:
“Social media are forms of electronic communication (as Web sites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos).”


About.com
“Social media is a type of online media that expedites conversation as opposed to traditional media, which delivers content but does not allow readers/viewers/listeners to participate in the creation or development of the content.”

Social media landscape — Popular examples

Social media is an umbrella term for a host of sites and technology that facilitates social interaction, sharing, and creation of user-generated content, and aggregation of users' opinions and recommendations.

**Common forms of social media**

<table>
<thead>
<tr>
<th>Social media</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Collaboration</strong></td>
<td>A page or site designed to enable collaborative contribution and modification of content by users</td>
</tr>
<tr>
<td><strong>Web Log Communications (Blogs)</strong></td>
<td>Frequent online publications with commentary on current events, subjects, or one’s personal thoughts</td>
</tr>
<tr>
<td><strong>Social Networking</strong></td>
<td>Site focused on building online communities, establishing connections, and providing avenues for social interaction</td>
</tr>
<tr>
<td><strong>Presence and Microblogging</strong></td>
<td>Brief real-time updates of personal commentary, news, or status (aka “Tweets”)</td>
</tr>
<tr>
<td><strong>Micro-Media: Online photo and video sharing</strong></td>
<td>Media-centric online communities that facilitate the viewing, sharing, and “tagging,” or classification, of media content</td>
</tr>
<tr>
<td><strong>Online Review &amp; Opinion Forums</strong></td>
<td>Websites/Tools that allow users to search for peer reviews or advice on a product or service, as well as to contribute their own ratings and comments</td>
</tr>
<tr>
<td><strong>Social Networking Location Based Forums</strong></td>
<td>Website applications that allow users to “check in” and locate friends in various locations, share reviews and earn rewards</td>
</tr>
<tr>
<td><strong>Entertainment</strong></td>
<td>Social network games or interactive video games</td>
</tr>
</tbody>
</table>
Social Media Includes:
Facts and figures

- 680,747 views per corporate YouTube channel
- > 40% of social media users access content from their mobile phone
- 8 out of 10 companies are talked about on Twitter
- > 40% of social media users access content from their mobile phone
- > 62% of Fortune 500 Companies have an active corporate Facebook or Twitter account
- No. 1 Web activity is Social Media
- 2nd largest search engine in the world is YouTube
- 10.5 Billion Minutes are spent on Facebook each day excluding mobile
- 80% of companies use social media for recruiting
- 78% of consumers trust opinions of others
- 2.9 Billion Hours are spent on YouTube each month
- > 1 Billion active Facebook users

What happens in Vegas stays in Social Media

Social Media Revolution 2012, The Total Profit, October 23, 2011, http://www.youtube.com/watch?v=0eUeL3n7fDs
Social media benefits
## Social media: Opportunities

<table>
<thead>
<tr>
<th>Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Build a brand</strong></td>
</tr>
<tr>
<td>• Ability to build trust and engage customers through direct communication channels</td>
</tr>
<tr>
<td>• Opportunity to grow through increased awareness of the brand</td>
</tr>
<tr>
<td>• Better understanding of customer sentiment of the brand</td>
</tr>
<tr>
<td>• Ability to proactively monitor and address issues early that surface on social sites</td>
</tr>
<tr>
<td>• Customer feedback / dissatisfaction</td>
</tr>
<tr>
<td>• Negative press</td>
</tr>
<tr>
<td>• Ability for greater favorable perceptions of the brand</td>
</tr>
<tr>
<td>• Ratings / Reviews</td>
</tr>
<tr>
<td>• Ability to detect early warning signs of potential product or service issues</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
</tr>
<tr>
<td>• Increased marketing channels and opportunities</td>
</tr>
<tr>
<td>• Increased brand awareness among target customers</td>
</tr>
<tr>
<td>• Ability to engage in dialogue directly with customers</td>
</tr>
<tr>
<td>• Ability to increase traffic to website</td>
</tr>
<tr>
<td>• Improved insights about target market</td>
</tr>
<tr>
<td>• Ability to identify new product or service opportunities</td>
</tr>
<tr>
<td>• Ability to quickly reach the masses at a lower cost than traditional marketing and advertising</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
</tr>
<tr>
<td>• Opportunity to improve operational efficiencies and increase the productivity of employees through collaboration</td>
</tr>
<tr>
<td>• Ability to attract and retain talent</td>
</tr>
</tbody>
</table>
### Social media

#### Benefits

<table>
<thead>
<tr>
<th>1</th>
<th>Generate Prospects and Leads (Sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease time to market for new products</td>
<td></td>
</tr>
<tr>
<td>Increase marketing effectiveness</td>
<td></td>
</tr>
<tr>
<td>Develop new revenue opportunities</td>
<td></td>
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<tr>
<td>Leverage “interest” based marketing &amp; advertising</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2</th>
<th>Decrease Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease R&amp;D costs for new products by listening to your customers (and prospects)</td>
<td></td>
</tr>
<tr>
<td>Focus on inexpensive social media tools instead of using the traditional expensive marketing channels</td>
<td></td>
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<tr>
<td>Decrease customer support costs</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3</th>
<th>Increase Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase customer insights and intelligence (“Voice of Customer”)</td>
<td></td>
</tr>
<tr>
<td>Improve customer experience responsiveness</td>
<td></td>
</tr>
<tr>
<td>Improve customer education, expertise and service</td>
<td></td>
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<tr>
<td>Direct contact with the customer instead of indirect through the retail channels</td>
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</tbody>
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<table>
<thead>
<tr>
<th>4</th>
<th>Manage Brand Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase brand awareness through social media</td>
<td></td>
</tr>
<tr>
<td>Protect brand and manage reputation</td>
<td></td>
</tr>
<tr>
<td>Benefit from spontaneous reactions from the community by connecting like-minded peers</td>
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</tbody>
</table>

#### Challenges

<table>
<thead>
<tr>
<th>1</th>
<th>Loss of Control</th>
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<tbody>
<tr>
<td>The voice of the customer is amplified</td>
<td></td>
</tr>
<tr>
<td>Companies no longer control the message or topic</td>
<td></td>
</tr>
<tr>
<td>Messages might include negative publicity</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>2</th>
<th>Inconsistent message</th>
</tr>
</thead>
<tbody>
<tr>
<td>When engaging several employees in the social media world, their messages and responses may not be consistent and aligned with the strategy of the company</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3</th>
<th>Confidential Information</th>
</tr>
</thead>
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<tr>
<td>The use of social media sites enables users to circumvent company controls, opening up the potential to violate communication policies</td>
<td></td>
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<tr>
<td>Education and training for employees is a component to managing loss of information</td>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>4</th>
<th>Productivity loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media drives collaboration among co-workers but can also be a major distraction in the work place</td>
<td></td>
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</tbody>
</table>
Social media risks
## Social media: Risks

<table>
<thead>
<tr>
<th>Anticipated risks</th>
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<tbody>
<tr>
<td><strong>Legal and regulatory compliance</strong></td>
</tr>
<tr>
<td>• Disclosure of confidential data (e.g., Personal Health Information, Personally Identifiable Information)</td>
</tr>
<tr>
<td>• Violation of copyright laws</td>
</tr>
<tr>
<td>• Protection of intellectual property rights, patents, and trademarks</td>
</tr>
<tr>
<td>• Regulatory noncompliance</td>
</tr>
<tr>
<td><strong>Security and privacy</strong></td>
</tr>
<tr>
<td>• Identity theft and social engineering</td>
</tr>
<tr>
<td>• Technical exploits: Malware, viruses/worms, Flash vulnerabilities, and XML injection</td>
</tr>
<tr>
<td>• Insufficient monitoring capabilities</td>
</tr>
<tr>
<td>• Data leakage</td>
</tr>
<tr>
<td><strong>Brand and reputation damage</strong></td>
</tr>
<tr>
<td>• Viral video or bad press resulting from a security incident (i.e., loss of data)</td>
</tr>
<tr>
<td>• Defamation, unfavorable or untrue posts</td>
</tr>
<tr>
<td>• Copyright infringement</td>
</tr>
<tr>
<td>• Insufficient monitoring and listening capabilities</td>
</tr>
<tr>
<td><strong>Social governance and strategy</strong></td>
</tr>
<tr>
<td>• Lack of policy</td>
</tr>
<tr>
<td>• Lack of risk oversight</td>
</tr>
<tr>
<td>• Misalignment of social strategy with strategic vision</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
</tr>
<tr>
<td>• Inappropriate use of social media</td>
</tr>
<tr>
<td>• Distraction/productivity loss</td>
</tr>
<tr>
<td>• Inadequate training and awareness</td>
</tr>
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</table>
Regulatory environment
Financial Industry Regulatory Authority (FINRA)

Regulatory Notice 10–06, 11–39: Guidance on blogs, social networking websites, and business communications

The goal of the notice is to ensure:

- Investors are protected from false or misleading claims and representations
- Firms are able to effectively and appropriately supervise their associated persons’ participation in social sites

Sources:
FINRA Regulatory Notice 10-06: Social Media Web Sites: Guidance on Blogs and Social Networking Web Sites, January 2010
FINRA Regulatory Notice 11-39: Social Media Websites and the Use of Personal Devices for Business Communications: Guidance on Social Networking Websites and Business Communications, August 2011
Recordkeeping

• Firms are required to retain records of communications for 3 years related to the broker-dealer’s business that are made through social media sites

• Originals of all communications received and copies of all communications sent by the member, broker or dealer

• Receipt of each compliant must be acknowledged within 15 business days

Suitability

• Broker-dealers are required to determine that recommendations are suitable for every investor to whom it is made

Supervision

• Maintain and establish mechanisms to supervise activities of associated persons to achieve compliance

• Registered principal must review and approve social media sites and content to be posted (e.g., blogs and social networking sites)

• Associated persons / registered representatives must be trained and not present undue risk

• Policies and procedures are required
Third-party posts

- Customer and third-party posts on social sites established by the firm are not considered the firm’s communication
- Exceptions
  - The firm aided in preparation of the content
  - The firm endorses or approves the content
Memorandum OM 12–31 from the Office of General Counsel of NLRB emphasized that employee rights under Section 7 of the National Labor Relations Act (NLRA) must be considered when creating a social media policy or disciplining an employee for social networking activity.

At issue is whether social media policies violate employees’ right, under Section 7 of the NLRA, to communicate or work together in “concerted activities” for the purpose of collective bargaining or to improve working conditions and terms of employment.

Employers in both union and nonunion workplaces who terminate or discipline an employee based on a social media posting that the NLRB finds to be “protected concerted activity” — such as a Facebook conversation among employees complaining about pay — may be violating Section 7.

“The Employer’s rule prohibited “making disparaging comments about the company through any media, including online blogs, other electronic media or through the media.”

“We concluded that this rule was unlawful because it would reasonably be construed to restrict Section 7 activity…”

Sources:
National Labor Relations Act, Rights of Employees, Sec. 7. [§ 157.], National Labor Relations Board Operations Management Memorandum 12-31, Office of General Counsel of National Labor Relations Board, January 24, 2012
Federal Trade Commission (FTC)

FTC 16 CFR Part 255 “Guides Concerning the Use of Endorsements and Testimonials in Advertising”

- Guides address the application of Section 5 of the FTC Act (15 U.S.C. 45) regarding endorsements and testimonials in advertising
- The guides provide the basis for voluntary compliance with the law by advertisers and endorsers
- Inconsistent practices with these guides may result in corrective action by the commission

Federal Trade Commission (FTC) (cont.)

FTC 16 CFR Part 255 “Guides Concerning the Use of Endorsements and Testimonials in Advertising”

- Endorsements must reflect the honest opinions, findings, beliefs, or experience of the endorser and may not be deceptive
  - Both advertisers and endorsers can be liable for endorser’s statements
- Section 5 requires the disclosure of a connection between an advertiser and an endorser when the relationship is not apparent within the communication containing the endorsement.
  - For example, an advertiser’s provision of a gift to a blogger for posting blog content could constitute a material connection that is not reasonably expected by readers of the blog.
U.S. Securities and Exchange Commission (SEC)

National Examination Alert with investment adviser considerations for evaluating use of social media compliance policies:

• Usage guidelines
• Monitoring
• Content standards
• Information security

Details can be found at www.sec.gov
Federal Financial Institutions Examination Council (FFIEC)

Social Media: Consumer Compliance Risk Management Guidance

- Financial institutions should have a **risk management program** commensurate with the breadth of the financial institution’s involvement in social media, that allows it to identify, measure, monitor, and control the risks related to this medium.
- Institutions are to **control content** on their social media site owned or administered by a **third party** and to change policies regarding information provided through the site.
- Financial institutions should have procedures to address risks from occurrences such as members of the public posting **confidential or sensitive information**.
- Financial institutions’ **incident response protocol** regarding a security event, such as a data breach or account takeover, should include social media, as appropriate.
A risk intelligent approach
## Assessment Approach

<table>
<thead>
<tr>
<th>Phase</th>
<th>Key Activities</th>
<th>Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase I: Planning and scoping</td>
<td><strong>Activities:</strong> Identify key internal and external stakeholders: Marketing, Product Development, IT, Compliance, Legal, Risk, etc. &lt;br&gt;• Observe relevant documents, strategy, policies, governance structure, etc. &lt;br&gt;• Define/agree on scope and search criteria &lt;br&gt;• Identify areas of focus &lt;br&gt;• Develop a project plan and timeline including program piloting strategy</td>
<td><strong>Milestone:</strong> • Project Plan</td>
</tr>
<tr>
<td>Phase II: Social Listening</td>
<td><strong>Activities:</strong> Define search terms: brands, keywords, topic points, comparison organizations &lt;br&gt;Generate social media research reports through “listening” and “risk sensing” tools &lt;br&gt;Review raw data and identify patterns, anomalies, and areas for additional focus</td>
<td><strong>Milestone:</strong> • Social media listening report and high level insights</td>
</tr>
<tr>
<td>Phase III: Design and discovery</td>
<td><strong>Activities:</strong> Obtain stakeholder feedback of “current state” through: &lt;br&gt;– Online surveys &lt;br&gt;– Workshops &lt;br&gt;– Publicly available or privately subscribed information &lt;br&gt;Review existing social media and relevant security policies, strategies, governance &lt;br&gt;Review user access to owned social sites &lt;br&gt;Review regulatory requirements &lt;br&gt;Develop risk assessment framework</td>
<td><strong>Milestone:</strong> • Questionnaires, surveys or workshops &lt;br&gt;• Templates</td>
</tr>
<tr>
<td>Phase IV: Assess and analyze</td>
<td><strong>Activities:</strong> Synthesize responses &lt;br&gt;• Aggregate the results using broad themes &lt;br&gt;• Identify prioritized emerging risks and potential impacts from assessment and sensing research &lt;br&gt;• Validate the observations with the stakeholders in one-on-one interviews</td>
<td><strong>Milestone:</strong> • Summary of preliminary findings &lt;br&gt;• Validation meetings</td>
</tr>
<tr>
<td>Phase V: Collaboration and reporting</td>
<td><strong>Activities:</strong> Collaborate with Deloitte subject matter experts and management to stratify emerging risks, potential impact &lt;br&gt;• Develop risk mitigation response strategies for risks &lt;br&gt;• Identify recommendations based on insights gained &lt;br&gt;• Summarize findings</td>
<td><strong>Deliverable:</strong> • Final report on recommendations and findings</td>
</tr>
</tbody>
</table>
Understanding the social media perspective of the organization

The perspectives below generalize the social media interactions of an organization. It is important to understand the social media perspective before assessing risk.

Organization — Internal
- Hosted on organization-owned or controlled technology
- Restricted to organization employees only (in some special cases to clients and vendors)

Organization — Public
- Hosted on organization-owned technology (like a CEO blog on organization’s website) or is hosted by an external provider on their technology
- Open to public
- Sponsored by the organization or one of its business units in accordance with the organization policy

Public
- Hosted by an external provider on their technology
- Open to public
- Not sponsored by the organization

Key Risk considerations
- Reputation risk management
- Legal and regulatory compliance
- Security and privacy
- Governance and strategy
- Training and awareness
Understand the social media landscape of the organization

- Who in the organization is responsible for social media: Marketing, Legal, IT, HR, Public Relations, etc.
- Is there a social media center of excellence?
- In what social media channels does the organization have an active presence?
- Has a risk assessment been conducted to identify risks associated with the current use of social media?
- Is there an established policy (and supporting standards) that addresses social media use?
- Does the policy address all aspects of social media use in the workplace — both business and personal?
- Have employees been educated on appropriate use of social media and are they aware of the policy?
- Do employees receive periodic awareness communication regarding policies and risks?
- What technology safeguards are in place?
- Is there risk management oversight of policies and procedures?
- Does a social strategy exist?

Source: Social Media: Business Benefits and Security, Governance and Assurance Perspectives, ISACA, 2010
Risk assessment approach

Include key areas within the environment and identify stakeholders
Social media activity affects a wide range of business functions within an organization. An effective social media risk assessment should include key areas affected by the use of social media and the identification of key stakeholders within those areas who understand the processes and pain points.

<table>
<thead>
<tr>
<th>Marketing</th>
<th>Communications</th>
<th>Information technology</th>
<th>• Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public relations</td>
<td>Human resources</td>
<td>Security</td>
<td>Crisis management</td>
</tr>
<tr>
<td>Customer service</td>
<td>Internal audit</td>
<td>Legal &amp; compliance</td>
<td>Other</td>
</tr>
</tbody>
</table>

Assess the environment
Conduct interviews (or use questionnaires) with key stakeholders to assess current social media practices and uncover the associated risks with:

- Reputation management
- Governance and strategy
- Legal and regulatory compliance
- Security and privacy
- Training and awareness

Validate risks
Summarize, socialize and agree on risks

Prioritize, develop mitigation strategies and roadmap
Conduct facilitated workshops to rank risks, develop recommendations, prioritize and build a roadmap
Assessment Approach

Phase I: Planning and scoping

Activities:
- Identify key internal and external stakeholders: Marketing, Product Development, IT, Compliance, Legal, Risk, etc.
- Obtain relevant documents, strategy, policies, governance structure, etc.
- Define/agree on scope and search criteria
- Identify areas of focus
- Develop a project plan and time table including program piloting strategy

Milestone: Project Plan

Deliverables:
- Project Plan

Phase II: Social Listening

Activities:
- Define search terms: brands, keywords, topic points, comparison organizations
- Generate social media research reports through “listening” and “risk sensing” tools
- Review raw data and identify patterns, anomalies, and areas for additional focus

Milestone: Social media listening report and high level insights

Deliverables:
- Social media listening report
- Questionnaires, surveys or workshops
- Templates

Phase III: Design and discovery

Activities:
- Obtain stakeholder feed of “current state” through:
  - Online surveys
  - Workshops
  - Publicly available or privately subscribed information
- Review existing social media and relevant security policies, strategies, governance
- Review user access to owned social sites
- Review regulatory requirements
- Develop risk assessment framework

Milestone: Summary of preliminary findings

Deliverables:
- Questionnaires, surveys or workshops
- Templates

Phase IV: Assess and analyze

Activities:
- Synthesize responses
- Aggregate the results using broad themes
- Identify prioritized emerging risks and potential impacts from assessment and sensing research
- Validate the observations with the stakeholders in one on one interviews

Milestone: Validation meetings

Deliverables:
- Summary of preliminary findings

Phase V: Collaboration and reporting

Activities:
- Collaborate with Deloitte subject matter experts and management to stratify emerging risks, potential impact
- Develop risk mitigation response strategies for risks
- Identify recommendations based on insights gained
- Summarize findings

Milestone: Final report on recommendations and findings

Deliverables:
- Final report on recommendations and findings
Approach

*Period data was gathered [tbd]*

- **Research**
  - Company Name
  - Competitors
  - Keywords
  - Industry

- **Hypothesis**
  - Ask Questions
  - Look for information
  - Seek sources
  - Speculate
  - Formulate

- **Tool Selection**
  - Radian6
  - PeopleBrowsr
  - Attensity360
  - Mutual Mind
  - Webtrends
  - Google Analytics
  - Google Trends
  - Twitalizer
  - PeerIndex
  - Klout
  - Kred
  - Mantis Pulse
  - WiseWindow
  - Adobe Social
  - Bottlenose
  - DataSift
  - Gnip
  - Alterian SM2

- **Gather Raw Data**
  - Numbers
  - Charts
  - Graphs
  - Lists
  - Pictures
  - People

- **Insights**
  - Interesting Patterns
  - Anomalies

- **Investigate**
  - Why?
  - Results match business goals?
  - Outside factors
    - What can be influenced?
      - Best ROI
      - Fastest
      - Easiest
      - Most important
      - Most critical
      - Most strategic

- **More Research**
  - Deeper Dive
    - New Questions
    - Follow on answers
## Potential opportunities

<table>
<thead>
<tr>
<th>Social Media Command Center</th>
<th>Community Management</th>
<th>Voice of Competitor’s Customers</th>
<th>Proactive Social Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Set up a Command Center to monitor and respond to social trends, opportunities, and crisis.</td>
<td>- Tend to the social garden by facilitating conversations between customers, employees, and partners</td>
<td>- Know what competitors’ products customers are purchasing and understand customer purchasing drivers</td>
<td>- Joining social conversations to help inform customers</td>
</tr>
<tr>
<td>- Evaluate and select social monitoring, routing and interaction platforms</td>
<td>- Assign Community Lead to manage and set strategic direction for Customer Communities across platforms</td>
<td>- Configure listening tool to route these to sales and marketing for conversions and campaigns</td>
<td>- Enabling tools &amp; resources to monitor social platforms for support related events</td>
</tr>
<tr>
<td>- Formulate organization response policies to social crisis and events</td>
<td>- Analyze community data to enhance business strategy and product development</td>
<td>- Integrate CRM system with social listening to create competitor customer profiles</td>
<td>- Monitoring, Analyze, &amp; Address support related conversations</td>
</tr>
<tr>
<td>- Train resources for rotational assignment to social command and response teams</td>
<td>- Regularly monitor and push appropriate content to Customer &amp; Partner Communities</td>
<td>- Identify competitor crises and establish war room procedures to quickly act on competitive advantages.</td>
<td>- Dedicate a percentage of support staff time to mining social channels for additional support related events</td>
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</tbody>
</table>

Do these resonate? What other focus areas are most impactful to you?
# Assessment Approach

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<td>Review raw data and identify patterns, anomalies, and areas for additional focus</td>
<td>• Workshops</td>
<td>• Validate the observations with the stakeholders in one on one interviews</td>
<td>• Identify recommendations based on insights gained</td>
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<tr>
<td>• Identify areas of focus</td>
<td>• Develop a project plan and time table including program piloting strategy</td>
<td>• Publicly available or privately subscribed information</td>
<td>• Summarize findings</td>
<td>• Summarize findings</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Milestone:</th>
<th>Deliverables:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Project Plan</td>
<td>• Final report on recommendations and findings</td>
</tr>
<tr>
<td>• Social media listening report and high level insights</td>
<td>• Summary of preliminary findings</td>
</tr>
<tr>
<td>• Questionnaires, surveys or workshops</td>
<td>• Validation meetings</td>
</tr>
<tr>
<td>• Templates</td>
<td></td>
</tr>
</tbody>
</table>
Key assessment considerations

Reputation risk management
• Is there an effective crisis management plan for the escalation of incidents?
• Is customer service involved and are they trained on crisis management?

Legal and regulatory compliance
• What is the landscape of the regulatory environment impacting the organization (e.g., FINRA, NRLB, FTC, HIPAA )
• Does the policy support the regulatory landscape and do social media operations comply with the internal policy, legal and regulatory requirements?
• Is the organization’s use of social media in compliance with social media site policies?

Security and privacy
• Are the security and privacy risks associated with the adoption of social media being addressed?
• What safeguards are in place to prevent data leakage?
• Are cyber security safeguards in place to detect and prevent threats from social engineering attacks (e.g., phishing, identify theft)?
Governance and strategy

- Is there a well-defined and documented strategy?
- Has a cross-functional governance framework been adopted that includes oversight of policies and adoption of initiatives?
- Is there a policy? (Business versus Personal use)
  - If one exists, what's in it?
    - Channels where the organization participates
    - Who is authorized to speak on behalf of the organization
    - Processes and tools in place to monitor communications by employees, customers or the public
    - Links to other related policies (e.g., acceptable use, handling sensitive data, data retention)
    - Restrictions
    - Consequences for noncompliance
  - Do employees know about it?

Training and Awareness

- What type of training and education is in place?
- What is the frequency and timing?
- Has an awareness program been adopted?
Social media risk intelligence map (RIM)

Provides breakdown of social media areas — Governance, Strategy and Planning, Operations / Technology and identifies areas for which organization to focus on to help mitigate risk from social media

<table>
<thead>
<tr>
<th>Governance</th>
<th>Strategy and Planning</th>
<th>Ethics and Compliance</th>
<th>Operations</th>
<th>Technology and Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Media Governance</td>
<td>Social Media Landscape</td>
<td>Social Media Ethics</td>
<td>Enterprise Social Media</td>
<td>Marketing and Communication</td>
</tr>
<tr>
<td>Social Media Strategy</td>
<td>Social Media Strategy</td>
<td>Compliance</td>
<td>Branding and Reputation</td>
<td>Stakeholder Engagement</td>
</tr>
<tr>
<td>Social Media Investments</td>
<td>Code of Ethics</td>
<td>Compliance Culture</td>
<td>Social Media Campaign/Online Promotion</td>
<td>Legal and Regulatory Compliance</td>
</tr>
<tr>
<td>Economic Conditions/Industry Trends</td>
<td>Integration with Business Processes</td>
<td>Innovation and Collaboration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Media Risk Intelligence Map</td>
<td>Stakeholder Engagement</td>
<td>Intellectual Property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guiding Principles</td>
<td>Corporate Culture</td>
<td>Talent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethical Culture/Personal Ethics</td>
<td>Talent Recruitment and Management</td>
<td>Product and Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policies and Procedures</td>
<td>Concept Testing/Product Testing</td>
<td>Information Technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Innovation and Collaboration</td>
<td>Cloud Computing</td>
<td>Security and Privacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integrated Marketing Systems</td>
<td>Social Media Security</td>
<td>Monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td>Technology and Infrastructure</td>
<td>Social Media Technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Media Risk Intelligence Map</td>
<td>Social Media Analytics</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Board Structure and Oversight
- Geopolitical
- Policy
- Digital Crisis Management
- Political
- Compliance
- Branding and Reputation
- Intellectual Property
- Corporate Culture
- Talent
- Product and Services
- Information Technology
- Security and Privacy
- Monitoring
- Social Media Technology

Reputation and Stakeholder Relations
- Laws and Regulations
- Web 2.0 Business Model
- Change Management
- Monitoring and Auditing
- Compliance Information Management
- Knowledge Management
- Social Media Campaign/Online Promotion
- Corporate Services/Support
- Talent Recruitment and Management
- Concept Testing/Product Testing
- Cloud Computing
- Social Media Security
- Employee Monitoring
- Blogs

Sustainability and Climate Change (S&CC)
- Social Media Platforms
- Alliances/Joint Ventures
- Knowledge Management
- Reporting and Prevention
- Buzz Marketing/Viral Campaigns
- Customer/Partner Feedback
- Copyright/Trademark Infringement
- Social Media Management Team
- Launch
- Mobile Devices
- Information Leakage
- Content Monitoring
- Microblogging

Risk Oversight and Supervision
- Technological Advances/Changes
- Outsourcing
- Social Media Program Evaluation
- Conflicts of Interest
- Controls and Monitoring
- Internal Communication
- Social Media Agency
- Community Management
- e-Discovery
- Performance Management
- Social Media Tools
- Privacy and Data Protection
- Influencer Monitoring
- Social Media

Competition
- Technology Adoption
- Program Assessment and Evaluation
- Cyber Law Compliance
- Content Management
- Influencer Management
- Employee Productivity
- Business Continuity Management
- Social Media Identity Theft
- Social Media Measurement
- Wikis

Customer Demands and Trends
- Customers
- Allegations & Investigations
- Compliance Reporting
- Media Management
- Response Management
- Training on Social Media
- Change Management
- Security Infrastructure
- Location Based Services (LBS)

Influencers
- Influencer Strategy
- Corporate Actions and Discipline
- Market Research
- Conversations
- Employee Relationships
- Technology Contracting, Outsourcing and Licensing

Training
- Ethics Communication
- E-Commerce/ Sales Management
- Trust/ Transparency
- Workplace Harassment/ Abuse
- Virtual Workplace

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Risk intelligence map sample

- **Risk class**
  - Technology & Infrastructure
- **Risk categories**
  - Information Technology
  - Security and Privacy
  - Monitoring and Reporting
  - Technology
- **Sub categories**
  - Architecture
  - User Interface
  - Identity and Access Management
  - Virus and Malware
  - Social Media Analytics
  - Content Sharing (Videos and Photos)
- **Specific risks**
  - Social media technology architecture is not aligned with corporate social media strategy
  - Ineffective software acquisition methodology for supporting organization's social media program
  - Failure to have an employee dashboard as a one-stop resource for the user's social media needs
  - Failure to make the dashboard user interface easy and simple to use
  - Failure to control access to key social media initiatives
  - Failure to periodically review user access and change authorization accordingly
  - Inappropriate classification of security levels
  - Inappropriate monitoring of information regarding the organization on social media
  - Vulnerability to malicious attacks
  - Failure to prevent users from introducing malware from social networking sites
  - Ineffective use of videos and photos as a means of communication
  - Inability to use content to reach the end users with new products and services
  - Inability to use a variety of content to differentiate the organization from its competitors
  - Ineffective policies defining acceptable use, corporate goals, and boundaries between personal and professional presence on social networking sites
  - Failure to import effective training on the use of social networking sites at the workplace
## Assessment Approach

<table>
<thead>
<tr>
<th>Phase I: Planning and scoping</th>
<th>Phase II: Social Listening</th>
<th>Phase III: Design and discovery</th>
<th>Phase IV: Assess and analyze</th>
<th>Phase V: Collaboration and reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activities:</strong></td>
<td><strong>Activities:</strong></td>
<td><strong>Activities:</strong></td>
<td><strong>Activities:</strong></td>
<td><strong>Activities:</strong></td>
</tr>
<tr>
<td>- Identify key internal and external stakeholders: Marketing, Product Development, IT, Compliance, Legal, Risk, etc.</td>
<td>- Define search terms: brands, keywords, topic points, comparison organizations</td>
<td>- Obtain stakeholder feed of “current state” through: Online surveys, Workshops, Publicly available or privately subscribed information</td>
<td>- Synthesize responses</td>
<td>- Collaborate with Deloitte subject matter experts and management to stratify emerging risks, potential impact</td>
</tr>
<tr>
<td>- Obtain relevant documents, strategy, policies, governance structure, etc.</td>
<td>- Generate social media research reports through “listening” and “risk sensing” tools</td>
<td>- Review raw data and identify patterns, anomalies, and areas for additional focus</td>
<td>- Aggregate the results using broad themes</td>
<td>- Develop risk mitigation response strategies for risks</td>
</tr>
<tr>
<td>- Define/agree on scope and search criteria</td>
<td>- Review existing social media and relevant security policies, strategies, governance</td>
<td>- Validate the observations with the stakeholders in one on one interviews</td>
<td>- Identify prioritized emerging risks and potential impacts from assessment and sensing research</td>
<td>- Identify recommendations based on insights gained</td>
</tr>
<tr>
<td>- Identify areas of focus</td>
<td>- Review user access to owned social sites</td>
<td>- Summarize findings</td>
<td>- Review regulatory requirements</td>
<td>- Summarize findings</td>
</tr>
<tr>
<td>- Develop a project plan and time table including program piloting strategy</td>
<td>- Review, regulatory requirements</td>
<td></td>
<td>- Develop risk assessment framework</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliverables</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Milestone:</strong></td>
<td><strong>Milestone:</strong></td>
</tr>
<tr>
<td>- Project Plan</td>
<td>- Social media listening report and high level insights</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Lessons learned
Lessons learned from recent assessments

- Social governance
  - Cross functional vs. Limited, decentralized
- Training and awareness/policies
  - Personal vs. Business use
- Social business strategy
  - Center of excellence
- Regulatory compliance
  - Bloggers receive payment in kind
- Entitlement reviews
  - External process
- Data leakage protection / monitoring
  - Internal vs. External
Auditing social media
# Social media policy

## Business Use

- Does the policy specify the approved social media channels? Who has access to these accounts and who maintains them?
- Does the policy address intellectual property rights?
- Does the policy require monitoring of all content posted on social media sites?
- Does the policy give a careful consideration to review and accept the social media provider’s terms of service?
- Does the policy specify whether only public information can be posted on social media websites?

## Employees’ Use

- Does the policy specify what the employees can and cannot do on a social network?
- Can employees communicate on behalf of the Company?
- Does the social media policy connect with other policies that might be affected by social media (including IT, Ethics, IP, Privacy, Anti-discrimination, harassment, etc.)?
- Does the policy specify required training?
- Does the policy specify what is monitored?
- Does the policy clarify consequences?
## Awareness program

ISACA recommends any strategy to address the risks of social media usage should first focus on user behavior through the development of policies and supporting training and awareness program that covers:

<table>
<thead>
<tr>
<th>Category</th>
<th>Topics</th>
</tr>
</thead>
</table>
| **Personal use in the workplace** | • Whether it is allowed  
• The nondisclosure/posting of business-related content  
• The discussion of workplace-related topics  
• Inappropriate sites, content or conversations |
| **Personal use outside the workplace** | • Whether it is allowed  
• The nondisclosure/posting of business-related content  
• The discussion of workplace-related topics  
• Inappropriate sites, content or conversations |
| **Business use**               | • Whether it is allowed, and process to gain approval for use  
• The scope of topics or information permitted to flow through this channel  
• Disallowed activities  
• The escalation process for customer issues |
## Focus areas

| People | • Have effective trainings been delivered to all users?  
|        | • Do users (including employees) receive regular awareness communications regarding policies and risks? |
| Process/Data | • Have business processes that utilize social media been reviewed to determine that they are aligned with policies and standards of the enterprise?  
|        | • Are content control processes in place to determine that social communications intended to represent the company are approved before dissemination? |
| Technology | • Does IT have a strategy and the supporting capabilities to manage technical risks presented by social media?  
|          | • Do technical controls and processes adequately support social media policies and standards?  
|          | • Does the enterprise have an established process to address the risk of unauthorized/fraudulent use of its brand on social media sites? |
Auditing social media — people

Risk

- Identity theft
- Loss of productivity
- Social engineering
- HR policy violations

Example Controls

**Objective:**
Employees, contractors and customers are aware of their responsibilities relating to social media.

**Activities:**
- Establish user agreements for social media use
- Conduct awareness training to inform users of the risks involved using social media websites
- Use content-filtering technology such as DLP (Data Loss Prevention)
- Limit access to social media sites

**Responsible parties:**
HR, Information Security
## Auditing social media — process

<table>
<thead>
<tr>
<th>Risk</th>
<th>Example Controls</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regulatory compliance risk</strong> (i.e. copyright, trademark infringement, and privacy issues)</td>
<td><strong>Objective:</strong> The enterprise brand is protected from negative publicity or regulation violation</td>
</tr>
<tr>
<td></td>
<td><strong>Activities:</strong></td>
</tr>
<tr>
<td></td>
<td>• Establish policies to determine legal-sensitive communications are tracked and archived</td>
</tr>
<tr>
<td></td>
<td>• Conduct awareness training to inform users of the risks involved using social media websites</td>
</tr>
<tr>
<td></td>
<td>• Scan the internet for misuse of the enterprise brand</td>
</tr>
<tr>
<td><strong>Reputational loss</strong></td>
<td><strong>Responsible parties:</strong> HR, Information Security</td>
</tr>
<tr>
<td><strong>False impression</strong></td>
<td></td>
</tr>
</tbody>
</table>
Auditing social media — data

**Risk**

- Improper content
- Unauthorized disclosure
- Intellectual property leakage

**Example Controls**

**Objective:**
Enterprise information is protected from unauthorized access or leakage through/by social media.

**Activities:**
- Establish user agreements for social media sites
- Develop policies on the use of enterprise-wide intellectual property
- Determine if there is a capability to log the communications

**Responsible parties:**
Legal, HR, Information Security
## Auditing social media — technology

<table>
<thead>
<tr>
<th>Risk</th>
<th>Example Controls</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virus/Worms via the social media sites</td>
<td><strong>Objective:</strong>&lt;br&gt;IT infrastructure supports risks introduced by social media.</td>
</tr>
<tr>
<td>Constraining network bandwidth</td>
<td><strong>Activities:</strong>&lt;br&gt;• Install anti-virus applications on all systems including mobile devices&lt;br&gt;• Use content-filtering technology such as DLP&lt;br&gt;• Limit access to social media sites during business hours</td>
</tr>
<tr>
<td>Data theft from mobile devices</td>
<td><strong>Responsible parties:</strong> Information Security</td>
</tr>
</tbody>
</table>
**Additional considerations**

The below assessments could be performed to in conjunction with a social media assessment to address other vulnerabilities, that could be related social media.

**Cyber threat profile analysis**

- Perform a study on what organization specific footprinting information is available on the Internet, and how it might be used to produce an exploit that targets the organization’s IT or Industrial Systems.

**Suspicious program diagnostics**

- Use available industry hash data sets and cyber intelligence to match against a generated inventory of system files endeavoring to identify hidden exploits. Perform digital forensic analysis on suspect computers including examining system memory.

**Intranet cyber compromise diagnostic**

- Security event logs and infrastructure logs are analyzed to look for evidence of internal machines that may have been compromised and are attempting to communicate with miscreant controlled devices on the Internet.

**Anti-phishing capability diagnostic**

- Assess organizations’ anti-phishing program in order to help identify gaps and improvement opportunities. It includes looking at recent phishing incidents, intelligence services, and the organization’s incident handling procedures.
Group exercise
## Working session

<table>
<thead>
<tr>
<th>Group</th>
<th>Topic</th>
<th>Discuss at your table</th>
<th>Share with the group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group 1</td>
<td>Governance and strategy</td>
<td>• How is the area relevant to your organization?</td>
<td>• Top three risks</td>
</tr>
<tr>
<td>Group 2</td>
<td>Legal and regulatory compliance</td>
<td>• What are key risks in this area?</td>
<td>• Current Challenges</td>
</tr>
<tr>
<td>Group 3</td>
<td>Security and privacy</td>
<td>• What are the controls that you are seeing to address these risks?</td>
<td>• How you are addressing risks and challenges</td>
</tr>
<tr>
<td>Group 4</td>
<td>Brand and reputation management</td>
<td>• Given the above, any interesting trends emerging?</td>
<td>• Share other observations</td>
</tr>
</tbody>
</table>
Questions?
Contact info

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(212) 436-5156
kwasti@deloitte.com
References and additional resources

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