

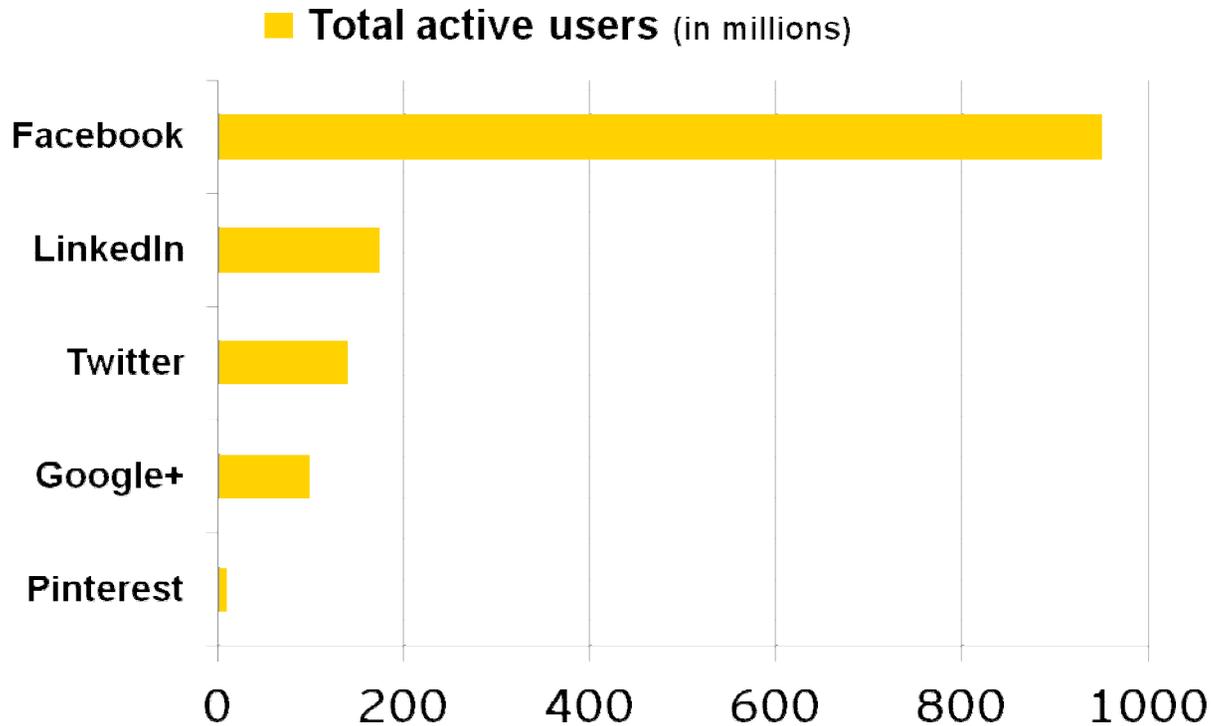


The impact of social media on information security and assurance

2012 ISACA San Francisco Fall Conference
15 – 17 October 2012

 **ERNST & YOUNG**
Quality In Everything We Do

Social media explosion



Facebook
950 million users
As of June 2012

LinkedIn
175 million users
As of August 2012

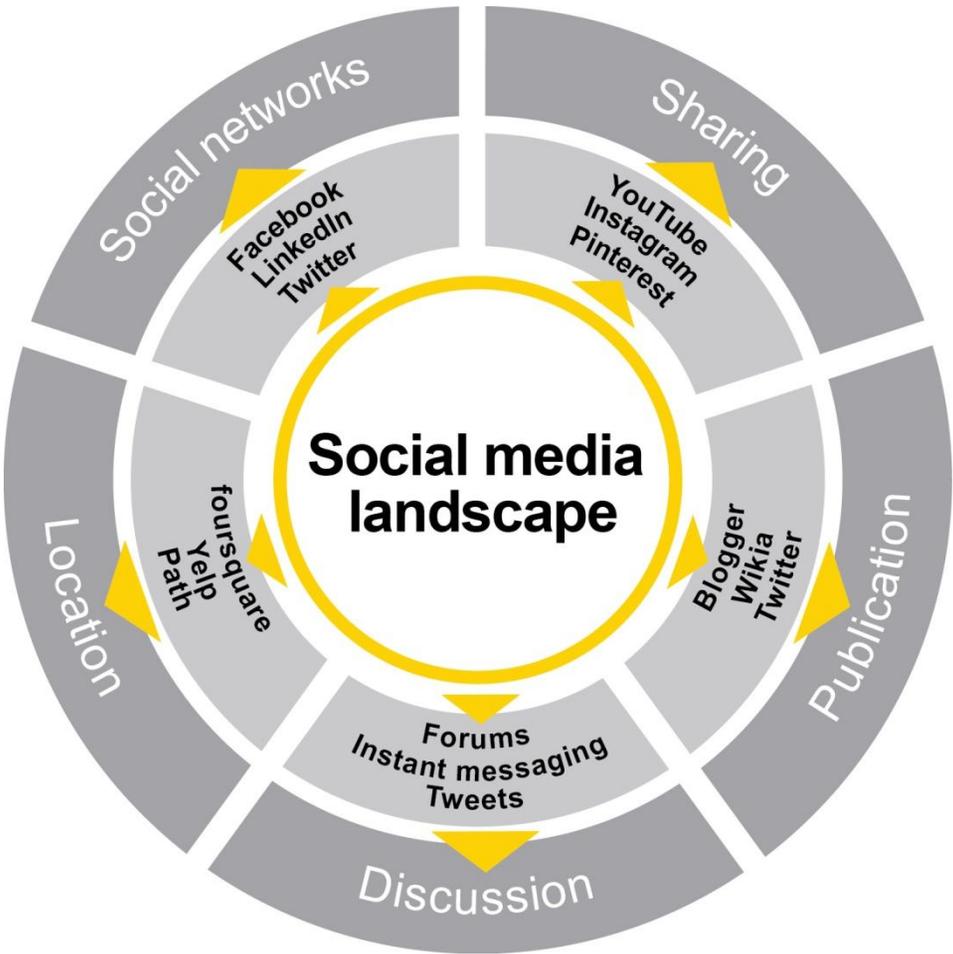
Twitter
140 million users
As of July 2012

Google
100 million users
As of September 2012

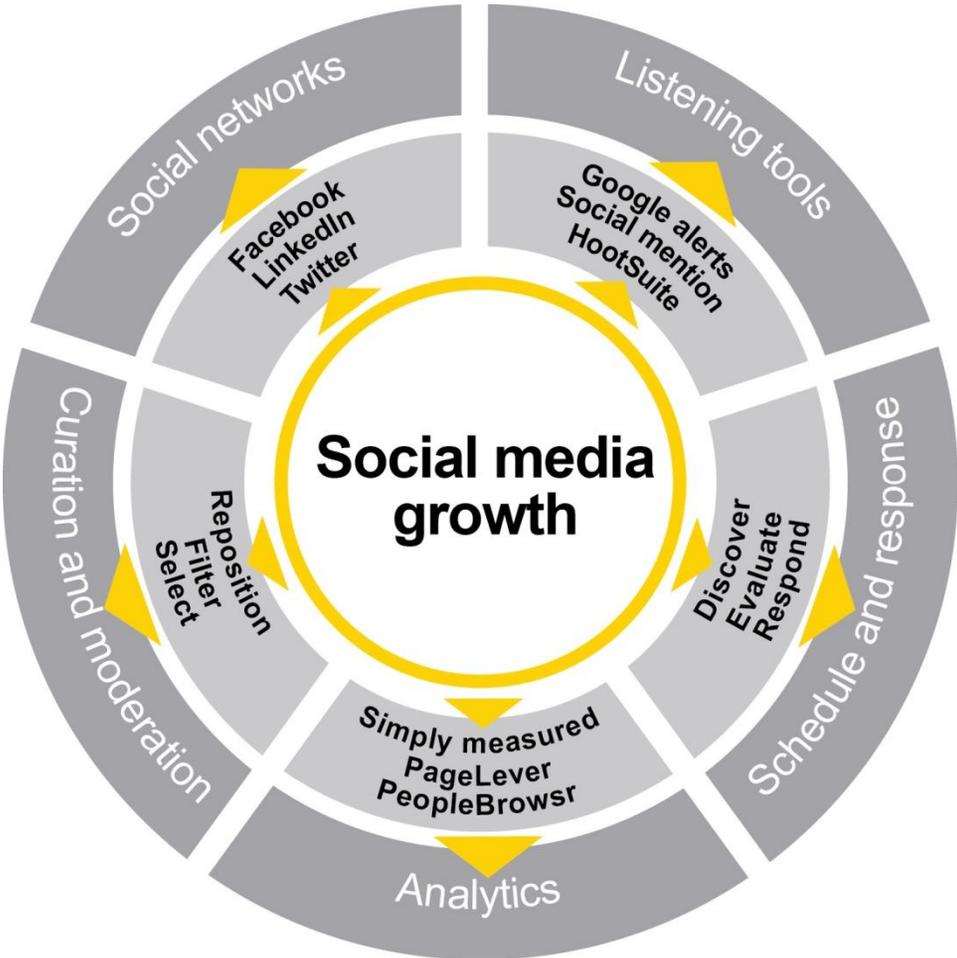
Pinterest
11.7 million users
As of March 2012

Source: Facebook.com, LinkedIn.com, Twitter.com, Google Inc., comScore.com

Snapshot: social media landscape



Snapshot: social media growth



Social media crossroads



Here's the **good news**:

- ▶ 80% of companies are using social media.
- ▶ Just about every one of the Fortune 500 companies has a presence on Twitter.
- ▶ 95% of Fortune 500 companies have set up social media listening posts.
- ▶ The average company has 178 social media assets.

Here's the **bad news**:

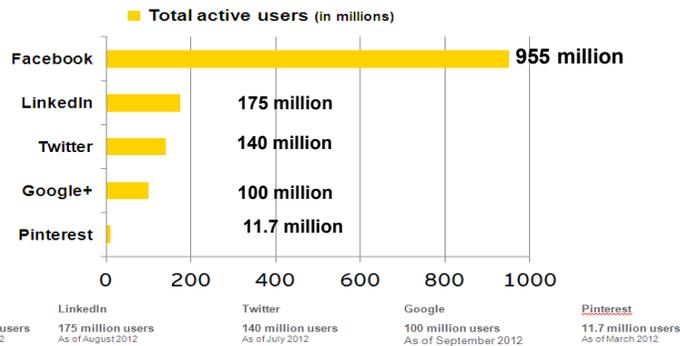
- ▶ 70% of questions from customers and potential customers go unanswered. The average response time for those that are answered is 26 hours.
- ▶ Only 25% of companies offer training to their employees.
- ▶ Only 5% of companies respond to their Facebook wall questions on average.
- ▶ Only 7% of social media policies prohibit use of company trademarks, and only 11% tell employees to seek permission before using company trademarks.

Social media is here to stay. Is your organization prepared?

Consumer social media trends

Rapid adoption of new social channels:

- ▶ Facebook: 955 million active users as of June 2012
- ▶ Twitter: 140 million active users as of July 2012



New customer behaviors:

- ▶ People trust the recommendations of others
- ▶ Blog readers are 38% more likely to buy



Friendster Est. 2002	myspace.com Est. 2003	Facebook Est. 2004	YouTube Est. 2005
Twitter Est. 2006	Get Satisfaction Est. 2007	LinkedIn Est. 2003	foursquare Est. 2009
Flickr	blogger	Amazon	Shopping.com
WordPress	slideshare	vimeo	yelp
Yahoo	Epinions	Yammer	digg
		Dailymotion	tumblr
		plaxo	friendfeed
			Wikipedia
			Ustream

Customer touch points fragmentation:

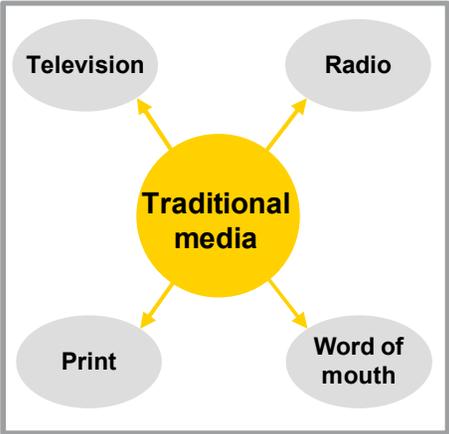
- ▶ Lack of unified relationship with the customer
- ▶ Dozens of channels; new channels emerging every month



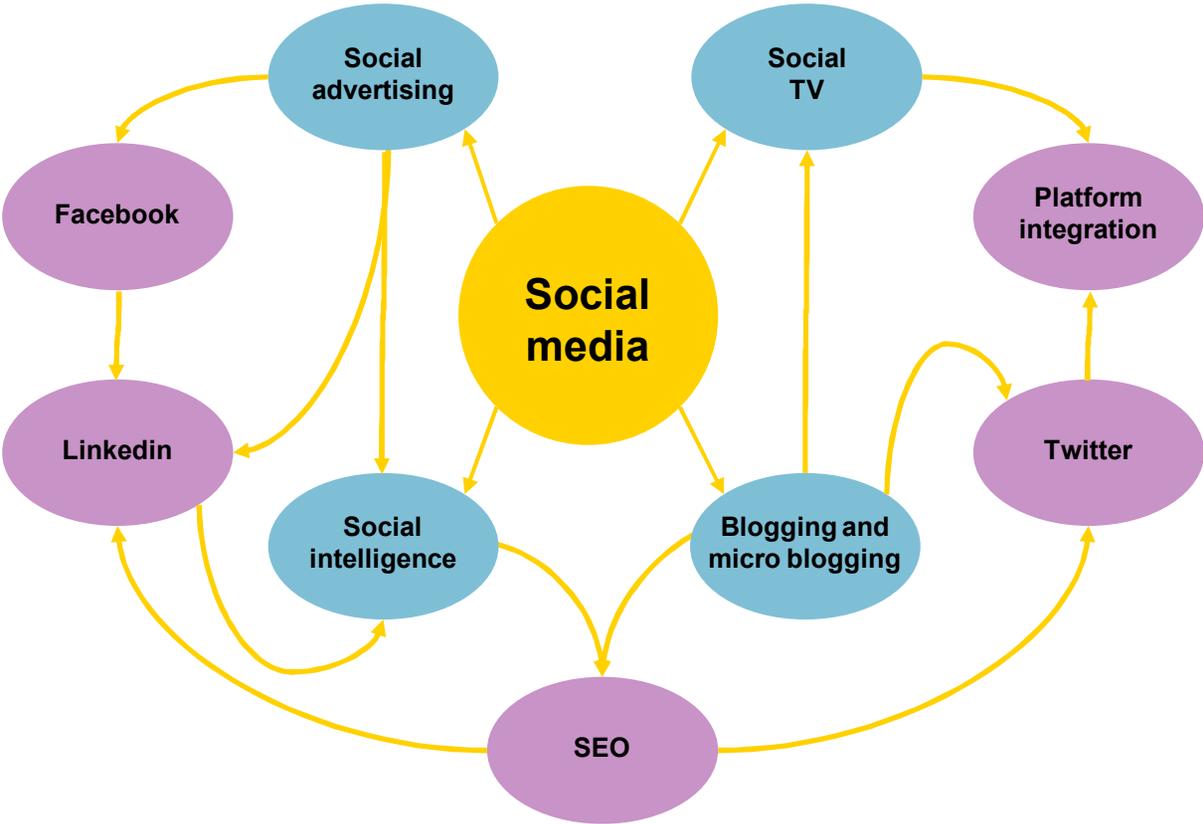
Power shift introducing new risks:

- ▶ Brands can be damaged in hours
- ▶ Lack of control over external social channels

The Old ways don't work so well any more



A new game



A new game: the old ways don't work so well any more

Conventional marketing is a lot like meeting someone new:

- ▶ **Take a one-size-fits-all approach?**
People will likely forget who you are and what you are about
- ▶ **Do all the talking without listening?**
You'll lose sight of who your audience is and what it wants/needs
- ▶ **Over communicate?**
You'll risk people growing tired of your message and walking away
- ▶ **Don't know where to reach your target audience?**
You risk never reaching them at all

A new game: measurable success with social media

Leading organizations are employing new, innovative tactics that leverage social media as a driver of marketing success:

- ▶ Social listening
- ▶ Viral content
- ▶ Influencer analysis
- ▶ Lead generation
- ▶ Relationship building
- ▶ Brand management
- ▶ Cross-channel/platform experiences

Rewards: social media initiatives and the bottom line

Revenue and business development

- ▶ Repeat customers
- ▶ Increased customer retention rate
- ▶ New leads
- ▶ Referrals
- ▶ Customer lifetime value
- ▶ Increased conversions
- ▶ Improved organic search

Cost savings

- ▶ Issue resolution time
- ▶ Support call volume
- ▶ Recruiting costs
- ▶ Training costs
- ▶ Percentage of issues resolved online vs. offline
- ▶ Viable community-driven innovation and product development
- ▶ Overhead costs of communication

Value, awareness and influence

- ▶ Brand loyalty
- ▶ Sentiment
- ▶ Share of conversations (online customer voice)
- ▶ Net promoter score
- ▶ Subscribers
- ▶ Inbound links
- ▶ Fans, followers and group members
- ▶ Frequency of mentions

Brands stand to benefit substantially through focused social media participation

Leaking sensitive information



“**Leaked** information hint at <company A’s> future [http://xyz ...](http://xyz...)”



“Awesome concept art **leaked** – new ... project [http://trim.il ...](http://trim.il...)”

“Listening to some of the **leaked** tracks to <artist’s> album online.”



Personal information is no longer personal

Sensitive, personal information can be easily accessible to the general public.

Personal information like this can be found on most social networking sites.

Basic information

Networks: Texas
Sex: Male
Birthday: April 23, 1982
Hometown: Houston
Relationship status: Single
Interested in: Friends
Looking for: Friendships

Personal information

Activities: golf, basketball, reading
Interests: music, cooking
Favorite music: Jazz, The Beatles, Frank Sinatra
Favorite TV shows: cartoons

Contact information

Email: john.smith@abc.com
Phone: 1-555-555-5555

Education and work

Company: Acme Company
College: University of Americas

Mutual friends

John Doe is a mutual friend
Jane Doe has three friends in common

Loss of location privacy

- ▶ As of 2012, 36% of all links shared on Twitter are pictures.
- ▶ The number of photos shared on Twitter grew 421% over the course of 2011. In December 2011, Twitter users shared 58.4 million photos.
- ▶ Modern photo formats embed location information via EXIF (exchangeable image file format) data that encodes the latitude, longitude, altitude and relative direction of where the photo was taken.
- ▶ Many popular smartphones have “geo-tagging” of photos enabled by default.

Brand integrity: monitoring and mitigating social media risks



“Ok...after almost a week at ..., work suuuucks.”



“I just took a nap in the theater room at work here ... Haha. *yawn*”

“On the PLUS side, 2nd interview with ...went well, just waiting on a background check to go through!”



“Hate my work at ... !!! But it's the end!!! Holidays J-7!!!”



“Tweeting at work. Anyone want to see a magic trick. Then come downtown to ... and visit me at work! I'm a magician btw lol”



How are other organizations dealing with the risks?

- ▶ Performing risk assessments that outline the pros and cons of social media use across the company
- ▶ Creating and communicating a social media usage strategy (including objectives and measurement plan)
- ▶ “Blocking of access to social applications in a “knee-jerk” fashion
- ▶ Developing social media usage policies and procedures
- ▶ Providing education and training to employees
- ▶ Developing strategic listening programs to continuously provide monitoring coverage and real-time data and insights (both internal and external)

Where to start



We launched social media initiatives. Now what?

Many organizations find it easy to launch social media initiatives in hopes of improving business results, but quickly realize it's a complex undertaking.



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