

# Thoughts on Requirements for Social Networks

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Although developing interoperability standards for Social Networking is a desirable goal – helping to foster choice and competition (which is a good thing) -- *there are some business needs that will need to be addressed for it to be successful*



# Desired functionality

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- Maintaining Reach
  - Today joining one network gets our companies access to 100's of millions subscribers.
  - We don't want to have to join and develop profiles and pages on all networks just to continue to maintain this reach.
  - Profiles and postings could be shared across all networks
- Support mobile
- Security and Privacy controls
- Risk and Compliance
- Enterprise use



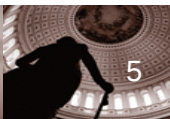
# Security and Privacy Controls

- Controls need to be maintained consistently across all social networks
- Not compromise or weaken security – not make user authentication any weaker or leakage of sensitive information any more likely
- Information can be kept private between just a close set of “friends”
- Assist in meeting *Know Your Customer* requirements (with customer permission)
- Detecting fake social media accounts and synthetic identities
- Collecting aggregate valuable data about customers’ preferences and opinions without compromising privacy or security
- Protect user from the threat of downloading hidden malicious malware posted on social network pages



# Risk and Compliance

- Fraud investigations
- Disclosure standards
  - Customer privacy disclosure
- Comply with existing laws as they apply to social media use and monitor new legislation
  - Release of final FFIEC guidance on social media use (expected in Fall 2013)
  - FINRA guidance on record keeping and results of spot checks of broker dealers
  - Critical infrastructure protection
- Monitor employees from putting things on their personal sites that would violate regulations



# Enterprise needs

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- Social media policies
- Official use versus employee personal use
- Employee training



# Nice to have

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- Content management solutions
- Record retention and monitoring
- Monitoring (for brand protection and reputational risk)
- Payments and other financial products supported across networks



# Needs to appeal to all

- Goals need to be accomplished in such a way that social network operators – even dominant ones - will want to comply
- Needs to provide sufficient benefit to justify complying with standards, even if it allows competition greater reach to its customers.
- Perhaps being acknowledged as meeting certain security and privacy standards could be one of the motivators/levers

