

## Collaborative Discussion

Source of requirement:

<https://www.my-course.co.uk/course/view.php?id=8463&section=8>

<https://www.my-ourse.co.uk/mod/hsuforum/view.php?id=659287>

## Discussion topic

Download and Read '[Communication: Data protection rules as a trust-enabler in the EU and beyond – taking stock \(COM/2019/374\)](#)' Available from: European Union Data Protection Regulation (GDPR) of personal data inside and outside the EU.

Also read the GDPR Regulation at: [Regulation \(EU\) 2016/679](#).

Now review your (or an) organisation's IT Code of Conduct and reflect on:

- Best practices.
- Areas that can be improved.
- Incidents (anonymously) and your role as a computing professional.
- What could have been done to improve the situation.

You should demonstrate that you understand the topic covered and ensure you use references to academic literature (journals, books, reports, etc.).

Initial Post: Analysis of Data Protection Statements of AIA Group Limited

My analysis is based on the Data Privacy Statement of AIA Group Limited ("AIA"). According to the annual report of AIA for the year ended 31 December 2021 issued in 2022, AIA is the largest insurance company in Hong Kong with businesses in 18 markets in the Asia Pacific region (AIA 2021 Annual Report, 2022). Although its target markets are not in Europe, being an multinational corporation rooted in an international city, it must have customers from the European Union ("EU") and therefore unavoidably being covered by the General Data Privacy Regulation ("GDPR") issued by the EU as the controller of personal information of EU citizens

The GDPR which come into effect since 2018 sets out seven major principles of data protections in Article 5(Burgess, 2020), in brief:

- (a) **Lawfulness, fairness and transparency**: data should be processed lawfully, fairly and in a transparent manner;
- (b) **Purpose limitation**: data collected are for specified, explicit and legitimate purposes and, with a few exceptions, use of such data should be limited the purposes disclosed;
- (c) **Data minimization**: collect necessary data only;
- (d) **Data accuracy**: ensure the data kept are accurate and updated;
- (e) **Data storage**: kept necessary information only;
- (f) **Integrity and confidentiality**: ensure data are protected.

**Accountability**: The data controller should also show that they have taken steps to comply with the requirements in (a)-(f) above (GDPR, 2016).

When comparing the Data Privacy Statement of AIA with the requirements of the GDPR, it was found that most of the principles in the GDPR are complied with, except for the areas of purpose limitation and data minimization.

**Purpose limitation**. It is found that the data privacy policies of AIA were bundled with the use of personal data for direct marketing. Although AIA mentions in its policies that before using the data for direct marketing, data subject's written consent will be obtained (AIA Group Limited, 2021). However, an opt-out option is not clearly indicated. Though it may not violate the laws of Hong Kong, place where the head quarter of AIA located, the requirement of GDPR was challenged.

Frankly, the utilisation of personal data for direct marketing purpose is an effective and low-cost marketing tool for years. In order to ensure the customer "consent" to the use of such data, it is common for controller to include the terms of using data collected during its operations for direct marketing purposes in their terms of use or data privacy statement. While some entities provide an opt-out option, others simply keep silence.

However, researches on the opt-in options revealed that people tends to welcome consent-based direct marketing (Sherman, 2022) because it builds up relevance to customers and strengthens brand image. Moreover, the entity could obtain more data as to new customers' personal preferences (Corput et al., 2019). It is therefore preferably for AIA to separate the "Use of personal data for direct marketing purposes" from the data privacy statement and add a separate choice (opt-in) for new customers. Existing customers are also welcome to change their preference.

**Data minimization**. Based on the statement, data to be collected included: (a) Identity information (such as name, address and contract details) and (b) technical information (such as IP address, browser type and version, time zone, browser plugin type, mobile device IMEI number). It was obvious that too

detailed technical information is collected. Information such as browser type and version, time zone, browser plugin type and mobile device IMEI number, which does not create value for AIA's businesses with its customers.

With the bloom of data collection power, stronger and stronger big data analysis ability is required. Burns of Aberdeen Strategy & Research already pointed out in 2020 that there are increasing marketers who find that it becomes more and more difficult to turn the overwhelming customers' data into meaningful marketing messages. In fact, excessive data also create burden to data storage capacity which in turn increases the entity's budgets for information storage. I believe AIA's management would better streamline the data fields to be collected and concentrated on the necessary data only.

The reasons of the findings above are mainly due to the differences between the laws in Hong Kong and the requirements of GDPR, which is actually a very common phenomenon in Hong Kong. Multinational corporations, however, should pay more attention to the data privacy regulations around the globe to ensure proper compliance.

#### Reference:

AIA Group Limited Annual Report for the year ended 31 December 2021 (2022)

Burgess, M. (2020) *What is GDPR? The summary guide to GDPR compliance in the UK.*

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Sherman, 2022, Permission Based Email Marketing: The Do's & Don'ts to Success. Available from <https://www.lyfemarketing.com/blog/permission-based-email-marketing/> [Accessed on 11 July 2022]

Corput, M., Stroom, T. & Walter, A. (2019) Direct Marketing and its Relevance: The "Opt-in Challenge"

<https://www.bakermckenzie.com/-/media/files/locations/amsterdam/direct-marketing-and-its-relevance-the-optin-challenge.pdf?la=en> [Accessed on 11 July 2022]

Burns, J. (2020) Can Marketers Have Too Much Data? Available from: <https://www.aberdeen.com/blog-posts/blog-marketing-too-much-data/> [Accessed on 11 July 2022]