

## Issues for ID: IS-002723

### Folder Path:

/Abc/US Businesses/Marketing/CMO-Chief Brand Office

### ID:

IS-002723

### Issue Rating:

High

### Repeat Issue:

No

### Root Cause Description:

The root cause is primarily attributed to the lack of effective Vendor Engagement Manager's monitoring process and management's awareness of the expected standards, associated controls including the approved data transmission methods.

### Name:

Controls over the transmission to and disposal of customer data in LiveRamp requires improvement.

### Issue Owner.Display Name:

Max Stef - max.stef@abc.com

### Due Date:

2024-08-30 00:00:00

### Description:

LiveRamp, a third-party provider that offers a cloud-based onboarding application designed to collect, organize, and connect customer data to marketing and social media platforms. The Abc Paid Media team provides LiveRamp with customers' personal information (e.g., names, address, phone numbers), to be hashed and anonymized prior to sharing with additional third-party social media platforms for the purposes of creating curated groups of prospective customers.

Based on testing performed by Internal Audit, the following was identified:

- A records disposition plan was created between Abc and LiveRamp that defines the record retention schedule as 30 days to dispose of data files; however, the plan is incomplete to account for the various file types being transmitted.
- Vendor monitoring controls are not in place to ensure that records are being deleted

in accordance with the existing agreement (i.e., monthly attestations from LiveRamp). During the audit's scope period, Abc transmitted data files containing approximately 9.3 million customer records to LiveRamp.

- The method for uploading data to LiveRamp through an online portal was outside of the process approved by Abc's Enterprise Architecture Review Board (EARB). Management is relying on a manual upload of the customer data, and there are currently 23 active users across the broader marketing organization with the capability to upload data through the unapproved online portal.

#### **Issue Rating Rationale:**

Failure to reduce the exposure of customer data, as well as using an unapproved process to transmit customer data to a vendor, could result in data breaches, as well as reputational and regulatory damages. The risk is elevated due to the high frequency and large volume of data transmitted to LiveRamp, and the potential of Abc customer data being subject to a data breach at the vendor. Additionally, not following the EARB-approved process could expose customer data to unauthorized users and attempts to intercept unsecured transmissions. Further, allowing the transmission of data by all LiveRamp users increases the likelihood of inaccurate and/or incomplete data being utilized for the basis of targeted marketing campaigns. These risks are partially reduced because both the approved and unapproved data transmission processes use the same vendor infrastructure to transmit data securely through Secure File Transfer Protocol (SFTP). As a result, the issue is rated "High" risk.

#### **Risk Category:**

8. Information Security

#### **Issue Status:**

Open

#### **Additional Description:**

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#### **Operating Division:**

US Businesses

#### **Business Group:**

Marketing

#### **Reportable Segment:**

CMO-Chief Brand Office

#### **Action Plans ID:**

['AC-003540', 'AC-003542', 'AC-003543']