



# MODERN ORGANIZATIONS: USING SOCIAL MEDIA TO HARVEST CONSUMER DATA AND PRIVACY CONCERNS

## Abstract

This article examines how organizations harness social media for targeted marketing and data analysis to increase revenue, juxtaposed with the challenges of adhering to stringent data privacy regulations. Highlighting Amazon's record GDPR fine as a case study, it underscores the critical balance between leveraging customer data and respecting privacy rights, signaling a pivotal shift towards responsible data use and necessitating organizational adjustments in technology, processes, and training.

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This article aims to discuss and analyze modern organizations using social media platforms more by marketing through such platforms. Additionally, they leverage information from those platforms to understand and provide customers with exactly what they need, thus making more revenue. However, a challenge lies in maintaining data privacy, especially now that new data privacy rules exist. Most individuals concur that the primary disadvantages of centralized social media involve the erosion of personal privacy. In July 2021, Amazon was fined a record-breaking of **\$886.6 million** for violating the European Union's data protection laws, notably the General Data Protection Regulation (BBC, 2021). This fine is signals to other tech giants that they must take their data protection obligations seriously. Amazon, renowned for its extensive consumer data repository, is an organization known for leveraging customer data. Recently, questions have been raised about its data collection methods and subsequent data utilization (Hadero, 2022). Personal data is harvested mainly from social media platforms, and it provides a foundation for many organizations to make market predictions, personalize their products and services, and understand their customers (Rahnama & Pentland, 2022). With evolving personal privacy rights, organizations must up-skill their employees, change their business processes, and identify the technology they need to invest in to maintain or increase their revenue.

Employees in Amazon and other organizations must be skilled in harvesting customer data and leveraging social media platforms for their organizations to increase revenue. First, they must learn to collect data with meaningful consent (Rahnama & Pentland, 2022). Employees must be well-versed in data privacy laws and regulations such as GDPR (General Data Protection Regulation) or CCPA (California Consumer Privacy Act). For instance, according to CCPA, consumers have the right to know what information a firm is gathering about them and how it is used (Deloitte, 2023). Therefore, employees must understand the legal requirements for obtaining

and processing customer data. Also, employees must embrace creativity to rethink how to harvest data. In cases where the staff could be inadequately skilled, Amazon must invest in training. Training and educational opportunities in the firm will enhance employee skills in data collection, privacy compliance, and customer trust management. Also, the organization can recruit individuals with the necessary skills and experience in data analytics, privacy regulations, and digital marketing. Moreover, the firm must facilitate knowledge sharing and cross-training among existing employees to improve their skill sets. Some skill sets can improve communication and collaboration that maintain customer trust (Swart et al., 2022). New and augmented roles may emerge as the organization adapts to the evolving data collection and privacy landscape. They include data privacy officers, privacy compliance auditors, and data harvesting specialists. They will then ensure privacy regulations are followed, conduct assessments and audits to verify adherence and develop ethical data collection strategies.

The process of Amazon which obtained different business values from social media data. First, social media data provides valuable insights into client behavior, preferences, and opinions. Analyzing such data can help better understand the target audience and modify products and services to meet customer needs. Additionally, social media data can serve as a rich source of market intelligence (Choi et al., 2020). The business can identify trends, track competitors, and gauge market sentiment to make strategic decisions. For instance, a technology-intensive firm such as Amazon itself makes market-driven approaches to make plans and obtain a competitive advantage. Various concerns arise from gathering and storing customer personal data, such as privacy violations, data security risks, regulatory compliance complexities, potential harm to customer trust, and the significance of data accuracy and integrity. Mishandling data could lead to customer privacy breaches, cyber-attacks, legal penalties for non-compliance with data protection

laws, damage to brand reputation, and ineffective decision-making stemming from inaccurate data (Anbar et al., 2019). The concerns can vary based on whether a business operates locally or globally. The GDPR, for instance, has more concerns than the CCPA, including cross-border transfer regulations (Deloitte, 2023). CCPA focuses on consumers' rights to know, delete, and opt out of data sales.

Technology to leverage social media and harvest data responsibly for Amazon, and it must consider robust data storage and security infrastructure to store and protect customer data. It must focus on encryption, access controls, and backup systems to safeguard data from breaches and unauthorized access (Anbar et al., 2019). Also, suppose they want to continue harvesting data while complying with the new rules. In that case, they must invest in compliance tools and software. They are all crucial in ensuring adherence to data protection regulations. These tools can help automate consent management, data rights requests, and inventory. In addition, Amazon must invest in artificial intelligent and analytical software to derive meaningful insights from the harvested data (Anbar et al., 2019). These tools help in data analysis, trend identification, and customer behavior assessment. Investing in privacy impact assessment tools and processes can help identify and mitigate privacy risks in data collection and processing activities. Furthermore so, utilizing legal and compliance experts is critical to interpreting and navigating the complex legal landscape of the evolving data protection rules.

In conclusion, the modern business landscape is witnessing a transformative shift in how organizations use social media platforms and customer data to boost revenue. While the benefits of these practices are evident, they must be carefully balanced with the compliance to new personal privacy rights. Organizations like Amazon must adapt to the changing paradigm by upskilling their employees, refining their data collection techniques, and embracing creative approaches to data

harvesting. Training, recruitment, and knowledge-sharing are vital mechanisms to bridge the skills gap and ensure responsible data utilization, with proper communication and collaboration as fundamental factors of success. Leveraging social media and data harvesting can yield substantial business value, such as offering insights into consumer behavior and market trends. However, these advantages come hand in hand with concerns about privacy violations, data security, regulatory compliance, customer trust, and data accuracy. These concerns vary based on whether the business operations are local or global and the specific data protection laws governing them. Organizations must invest in the right technology to track evolving privacy rules.

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