

**Online Risk and Digital
Reputation Management**

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Online Risk and Digital Reputation Management Framework

Introduction

It's a connected world today with anyone, everyone and everything being available on the internet. Aply, this phenomenon is being called the 'Internet of Things' (IoT) as well. Enterprises are also taking advantage of this by connecting with their customers directly through digital channels. While this direct connect with customers helps understand their

needs better, it comes with its own set of challenges. Any content on a digital channel, positive or negative, impacts the organisation's reputation. We recently witnessed how a global coffee chain had to swiftly take action and change its processes when negative feedback about it was posted online.

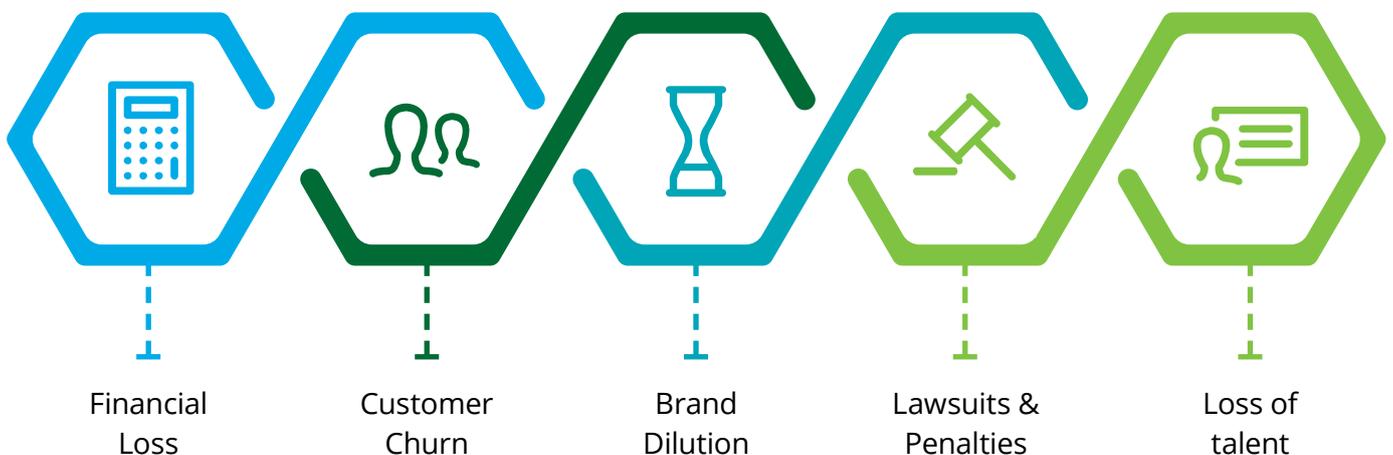


Moving away from traditional risks

Reputational risk is now regarded as a "meta risk" standing at the forefront of key strategic and operational concerns, right alongside new competition, technology failures, talent issues and changing regulations. Traditional risk approaches don't work – they focus too much on risk avoidance or minimising

asset losses; what we require is an approach that can correlate enterprise reputation matters to strategic outcomes. The responsibility of managing reputation related risks lies with the Board of Directors and the Senior Leadership team.

In the digital world, managing reputation is even more important. Any customer feedback can spread like wildfire and change customer perception and other major impacts such as:



Importantly, the risks arising from digital channels are not just restricted to customer feedback and news on the web. A major risk which organizations today face in the digital space pertains to cyber-attacks and unauthorized access to data. Use of digital technologies and channels

has also expanded the threat landscape, thus increasing the chances and avenues for attacks and breaches. Therefore, organisations have to be vigilant at all times in order to secure their reputation in the digital ecosystem.

Managing Online Risk and Digital Reputation

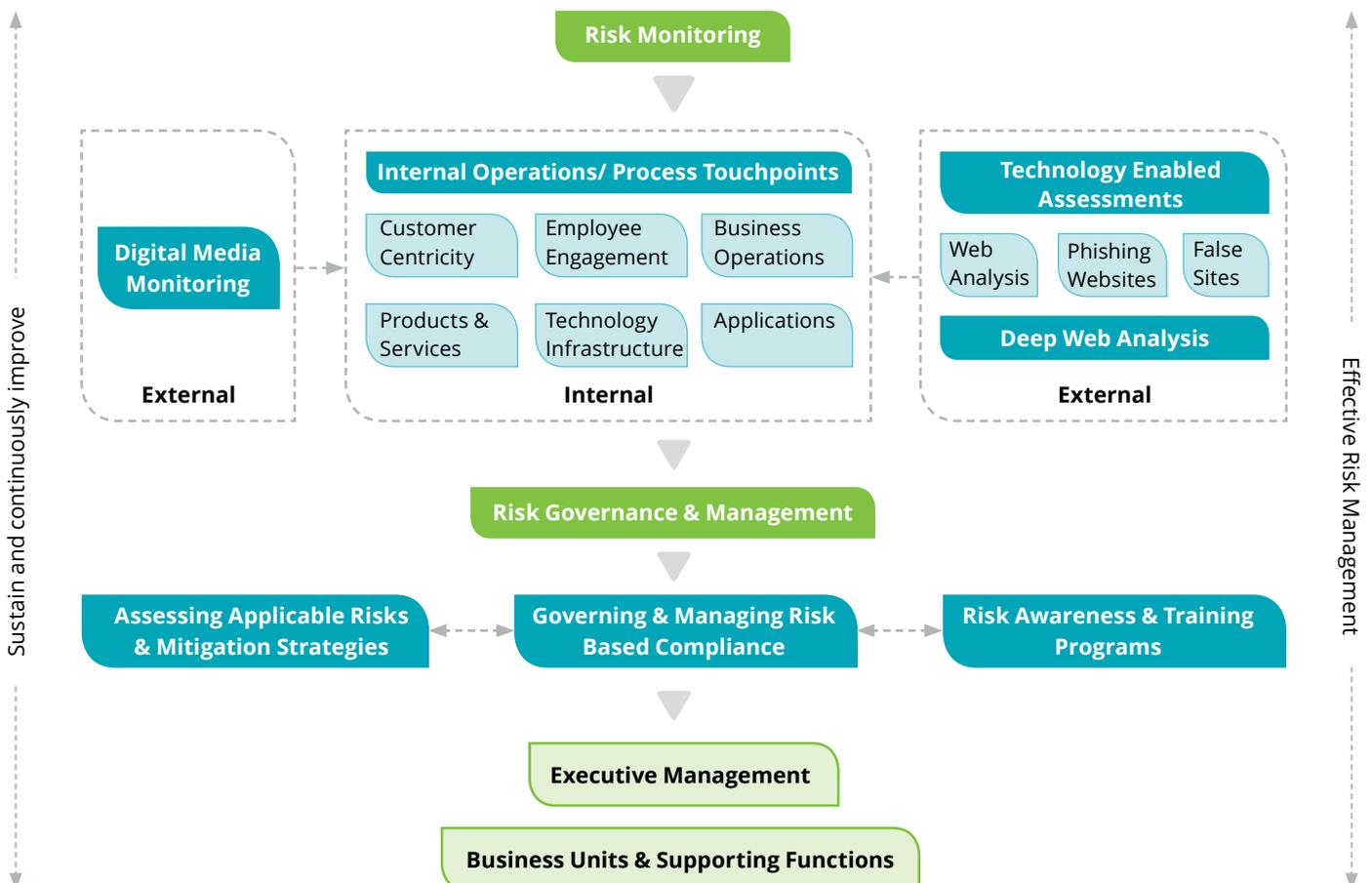
Deloitte's Online Risk and Digital Reputation Management Framework helps enterprises manage risks from digital channels through a three-pronged approach.

First and foremost, the enterprise needs to know the general consumer sentiment around it in the digital space. For this, it needs to listen and observe what is being spoken about it on various digital channels. Deloitte helps enterprises define keywords and parameters which need to be monitored along with prioritising channels and stakeholders who create the most impact.

The second important step is to set up a technology architecture which shall help the enterprise secure its digital ecosystem using monitoring tools and devices like firewalls, antivirus servers, etc. Primarily, the objective is to build a secure parameter to prevent unauthorized access to the enterprise data while also scanning the web to prevent fraudulent usage of the enterprise name/brand/logo.

Lastly and most importantly, Deloitte's Online Risk and Digital Reputation Management Framework combines the information obtained from various

external sources (as mentioned above) to help enterprises discover the risks which they face. Once relevant risks are known, Deloitte then assists the enterprises to define the processes and controls required to mitigate the risks. These processes and controls are embedded in an overarching governance framework which enterprises can leverage to manage their reputation and the risks arising from various digital channels.



Securing Enterprises' Online Footprint



Discover

Aligned to the organization's Digital presence, study the tools, processes and controls implemented to assess and monitor its digital footprint



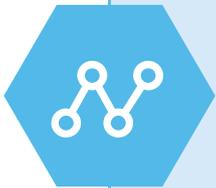
Develop

Use Deloitte's Online Risk and Digital Reputation Management framework to develop a risk governance framework customized to the organization's digital ecosystem



Implement

Implement a customized digital risk governance framework for the organization to mitigate the risks to its Digital reputation



Monitor

Embed a continuous review process that evolves in response to disruption and new developments across the digital estate, legal and regulatory requirements



Next Steps

Securing the enterprise reputation in the digital world requires an in-depth understanding of the digital ecosystem and the corresponding risks. However, being aware is only half the job done. Enterprises need to develop controls that can positively cover all stakeholders. Changes will need to be implemented in the policies and processes governing the enterprise. However, for this risk management approach to be effective, awareness workshops and trainings will

need to be conducted for all stakeholders – internal and external. Over a period of time, such initiatives should proactively be conducted and induced as an integral part of the enterprise culture and strategy. Digital is a journey and effectively managing reputation ensures this journey is seamless, productive and successful. Despite all challenges, enterprises cannot overlook the benefits which the interconnected digital world brings with it.

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