JULY2018

blender

FINANCIAL SERVICES SOCIAL MEDIA LISTENING

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The Bellomy blenders are industry-specific social media reports published every three months, designed to inform you about hot topics in your Industry that are being discussed on social media. The blender is produced for Retail, Healthcare, Energy, Consumer Products and Financial Services. Subscribe today for automatic delivery or download them from our website every three months.

Cryptocurrency is a hot topic trending on social media—notable standout topics include ICOs, Blockchain, and Bitcoin

BELLOMY'S LISTENING:

initial coin offering

I C O

As you may know, this is a new, trending, unregulated way to raise funds for a new cryptocurrency venture or startup, often used as an alternative to the regulated capital building process required by venture capitalists or banks. ICOs are similar to crowdfunding in that it's a quick investment in a new project from a large group of people, yet different in that investors in ICOs are seeking a return on their investments.

Due to the success of some ICOs, many believe that they could be the future of investing, with one example being the web browser company Brave, which raised ~$35 million in less than a minute last year. Early investors in Brave made a ~600% return on their investment in only six days. Essentia One is another new ICO that has gained steam, being used currently as a protective support system for existing blockchain systems. This system allows users more security over their data, privacy, and assets, while operating with a decentralized identity accessible from any device.

In the last three months, there's been a generally positive sentiment around ICOs. However, there's still a healthy dose of skepticism, with Facebook and Google banning ads related to ICOs and cryptocurrency; Twitter instituted a similar ban in March. These bans have been instituted in part to protect users from falling for crypto-related scams and a lack of knowledge about ICOs and cryptocurrency, in general.

People react on social media

Fia @Fia_nesta · now
The #ICO presents an opportunity to excite a workforce to break their habits and earn rewards for learning, expediting modernization and improving morale. #HPQ #ICO #HPQToken
@HPQio

Darshani Karvindya
@D_karvin
Follow

I think @essentia_one is one of the brightest ideas in the history of ICO's. I am pleased to support Essentia One and good luck to the best team ! #Crypto #Blockchain #Crowdfunding #Essentia #dApps #decentralized #ethereum #bitcoin #cryptocurrency #ICO #invest #tokensale.

Ronnie Moas
@RonnieMoas
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Replying to @MattfosterDBN

Twitter made headlines when it announced it would be following in the footsteps of Facebook & Google by banning crypto and ICO ads. The social media giant is joining the fight to prevent scammers from having their time in the limelight, thus paving the way for bitcoin legitimacy.

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Blockchain is a continuously growing list of records, called blocks, which are linked and secured using cryptography

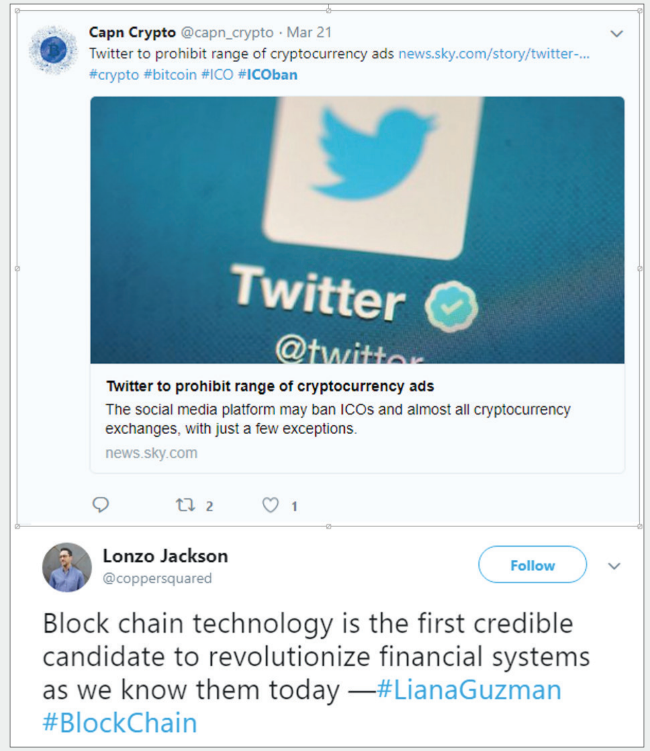
BELLOMY'S LISTENING:

block-chain

Blockchain is a digitized and decentralized record of all cryptocurrency transactions, which allows market users to keep a record of digital currency transactions without central recordkeeping. The use of Blockchain is becoming more popular because of the ability for users to validate cryptocurrency transactions when one person pays another for goods or services. Blockchain allows multiple parties to access a ledger that cannot be changed, making cheating the system next to impossible.

Blockchain has the potential to transform social networking, giving more control over content, security, payments, and crowdfunding. Because cryptocurrencies are blockchain-based, users could potentially exchange coins or tokens through the same social network and smart contracts could make social networks function more like a trusted network.

In the wake of recent data misuse, Facebook announced the creation of a new research and development team in May. This team will be lead by David Marcus, who currently oversees the company's messenger app, and will be responsible for exploring blockchain and identifying use cases for Facebook in the future.



Bitcoin is the world's first cryptocurrency

BELLOMY'S LISTENING:

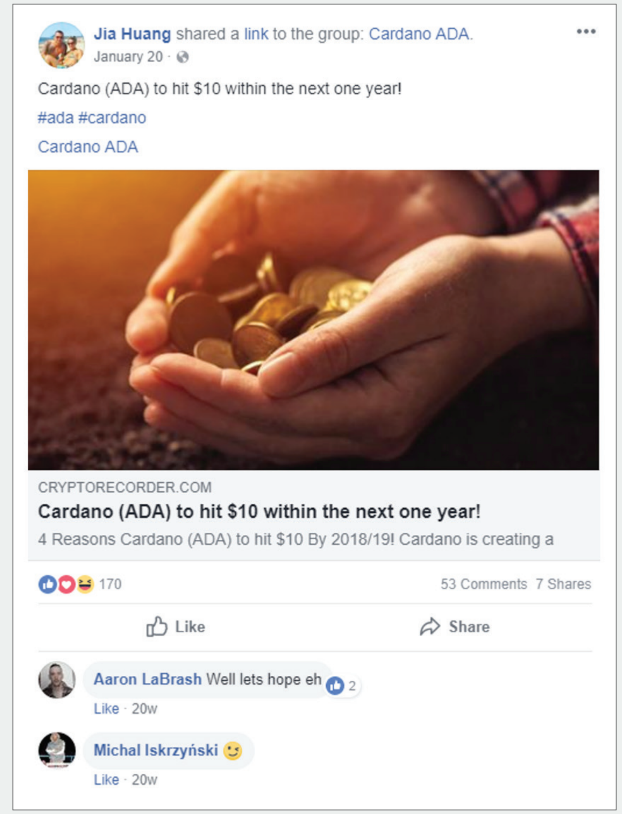
bitcoin

Bitcoin has been around since 2009, is the most well-known cryptocurrency, and has continued to become more widely adopted, offering users the ability to purchase and sell products and services through a decentralized system.

The CEO of Twitter, Jack Dorsey, recently stated that he believes the internet will one day have its own currency and that he hopes it will be Bitcoin, despite the current social media ban on crypto ads from Twitter, Facebook, and Google.

A recent announcement in early June from Bittrex, a Seattle based cryptocurrency exchange network, said it will allow crypto users to now trade US dollars for a wider variety of cryptocoins, potentially lessening the dependence on Bitcoin. Previously, users were forced to trade US dollars for Bitcoins before being able to trade for other cryptocurrencies. However, it remains to be seen how large of an effect this will have on the dominance of Bitcoin.

This year, especially early on, there has been buzz around a new ICO called Cardano. Cardano is a brand new way to send and receive funds through Ada cryptocurrency running financial applications. While recently the price has lowered and some investors have begun to question this platform, it still remains to be seen how successful it will be in the long run.



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BELLOMY'S LISTENING:

cybersecurity

With recent concerns over data security, the importance of cybersecurity is paramount especially within the financial services industry. Criminals are consistently looking for information about mergers, acquisitions, earnings, and product developments to exploit for profits. Companies need to be aware of the constantly evolving vulnerabilities and how to combat them in order to prevent data misuse and the loss of user information.

According to a recent Verizon report, the financial services industry accounts for more breaches of data than any other industry, though they likely have the biggest target on their backs. There has been recent conversation on social media about how data misuse should be evaluated, with some thinking that the Equifax data breach was much more unforgivable than the recent Facebook data breach, due to it being publically shared information in the first place while the Equifax information is privately held.

Facebook recently announced that it is offering to pay upwards of $40k to anyone who can identify a large data breach similar to the recent leak involving Cambridge Analytica. While this is largely an effort for Facebook to rebuild their reputation, it does also set a precedent that defending against breaches and finding those who misuse data could be quite lucrative. The new Facebook bounty terms, specifically outline what type of breach must be exposed in order to earn the reward, with requirements such as having to affect more than 10,000 Facebook users, not be a case that Facebook is already aware of, and that it is a definitive abuse of data.

During the recent Cambridge Analytica leak, 87 million Facebook members had their data misused for political gain. However this has brought up new topics of conversation relating to laws and regulations on how to better prevent social media data misuse. Recently in April Mark Zuckerberg testified before congress about the Facebook data breach and how it should be handled in the future. Marks position is that he believes there should be regulation if it's right. During the hearing, a privacy bill of rights Consent Act was introduced with hopes of providing regulations for the privacy of online users for platforms such as Facebook and Google. This Consent Act would require edge providers (i.e. Facebook) to obtain opt-in consent from users to use and share personal information, and develop data security practices.

An increase in regulations is one way states are combating cybersecurity risks, including a new law in Delaware requiring businesses to alert Delaware state residents affected by a data breach within 60 days. As of July 1st after the South Dakota data misuse statute goes into effect, all 50 states will now have a data breach notification law of some sort. The amount of days needed to report and what for what kind of breach varies depending on state. Individual state data misuse statutes can be viewed here.

Blockchain technology has also reduced risks, as sensitive information being passed through a blockchain network is less likely to be compromised from any single point of vulnerability or failure. However, it is not without risks. In order for blockchains to function securely, private keys must remain confidential and the structure of the data and hierarchy of accessibility must be consistently maintained.

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BELLOMY'S LISTENING:

cybersecurity

Emily Turrettini
@textually
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Facebook Offers $40K Bounties For Examples Of Data Abuse via @forbes

Facebook Offers $40K Bounties For Examples Of Data Abuse
As Facebook founder Mark Zuckerberg faces Congress, the company has announced a new effort to weed out data abuse: a bounty program paying as muc...
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Rüdiger Rissmann
@R_Rissmann
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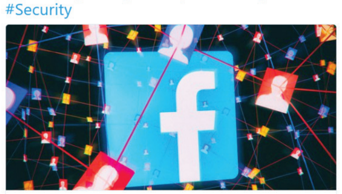
The shady data-gathering tactics used by Cambridge Analytica were an open secret to online marketers. I know, because I was one #CambridgeAnalytics #Cybersecurity #Security



The shady data-gathering tactics used by Cambridge Analytica were an open ...
Market researchers have used these tricks for years
theverge.com

Regina Lizik
April 10 · Leesburg, VA ·

Everyone is so upset about Facebook sharing information we all publically put out into the world, so much so that we want to #DeleteFacebook. I'm still waiting for the government to #DeleteEquifax. You know, the company that knew private information, not public information, was leaked. And then they tried to trap millions of people into paying for credit monitoring services. According to a Fox Atlanta article last month, a full scale investigation into Equifax was deemed "unnecessary." (Here's the article http://www.fox5atlanta.com/news/like-it-or-not-equifax). Last month, reports surfaced that there were 2.4 more million people affected by the data breach. (https://www.wired.com/…/equifax-found-millions-more-people…/) This is sensitive financial information that can lead to identity left.

Yet, I am currently listening to Mark Zuckerberg testify before Congress about information that we all shared publically.

I'm not saying Facebook shouldn't re-evaluate their policies, because they should. But I'm confused as to how we are all more upset by someone finding out which pages we like on FB than we are about someone not caring that information that can lead to identity theft was released.

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Monica Cawvey Gallagher Amen, sister!!
Like · Reply · 9w

Courtney Hume Want to keep it private? Dont post. Thats it! 😂lol! 1
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Amy Wilk Thank you!!! Finally some one else with a voice of reason
.
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Financial Services industry leads the way for cybercrime by industry outlook report by @Deloitte 2018 🔐

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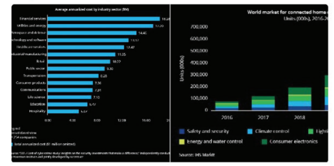

8:40 PM - 25 May 2018

Mark Sangster
@mbsangster
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Cybersecurity in 2018: ow.ly/BPMC30jKGuC The Toughest Year Yet for the #Finance Industry (on demand free #fintech #infosec webinar). #cybersecurity #privateequity #MDR #finsec

6:10 AM - 3 May 2018

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BELLOMY'S LISTENING:

big data

Big Data first became a buzz word in the 1990s, but there are still evolving ways to understand and use the large amounts of data collected, especially within the finance industry. Predictive models created using big data can be used to prevent fraud, better segment customers, and target customers through marketing more effectively. Compliance and risk management are other potential gains for the finance industry, with a hope that big data can be used to better monitor and report details of trading.

invacio

A new, innovative ICO, Invacio, uses an AI system called Jean and Big Data to create solutions. This AI collects information from thousands of different sources, such as social media posts, radio, news sources, and satellites to create targeted solutions across industries. Social media users are excited over the potential for Invacio, and are urging others to invest at the beginning while the ICO is still in the beginning stages. Outside of the tech sector and with certain ICOs, companies have been slow to adopt AI technology while it is in the experimental phase. However, Artificial Intelligence is starting to achieve market acceptance, and technological advances in this area are accelerating.

IBM

In March, IBM announced the release of a new big data science and machine learning platform powered by a fast in-memory database. This platform can process one million events per second, and is called the IBM Cloud Private for Data. Companies will be able to use this platform to help figure out insights from their data that wasn't previously possible. The General Manager of IBM Analytics, Rob Thomas, recently stated: "Whether they are aware of it or not, every company is on a journey to AI as the ultimate driver of business transformation." "But for them to get there, they need to put in place an information architecture for collecting, managing, and analyzing their data." Also recently, IBM made an announcement in May that they will launch new products and services centered on relieving AI adoption among businesses. As part of this initiative, they released the new LC921 and LC922 servers that will be used for the purpose of supporting data heavy applications.

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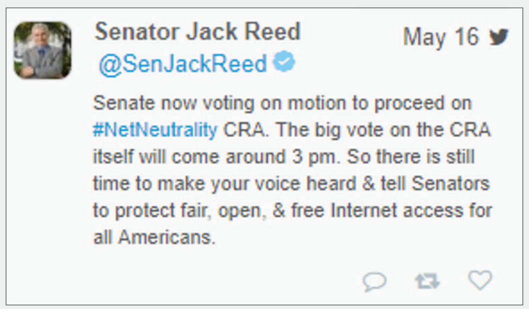
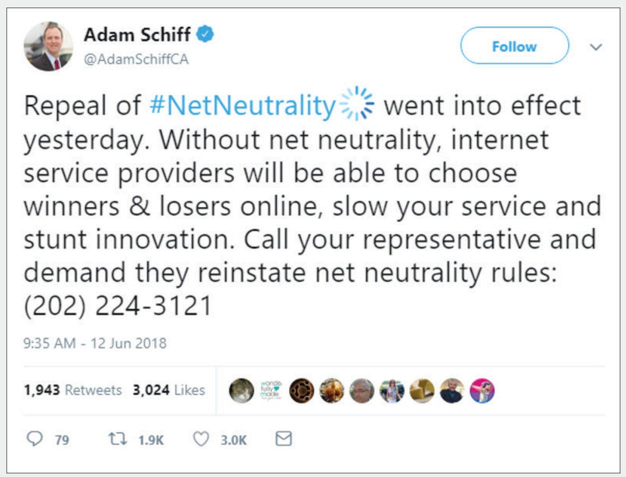
BELLOMY'S LISTENING:

net neutrality

The senate recently voted in favor of restoring the FCC's net neutrality rules; the repeal became official on June 11th. Because the direct effects of the net neutrality repeal are currently evolving, there's not much consumer buzz around the impacts in the financial industry.

However, given that many financial services are offered online, they could be impacted by internet service providers gaining more control over the amount that is charged for services and those they provide service too. We suspect this may be something to be on the lookout for in the future.





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