

7.7: Privacy Issues

Learning Objectives

- Explain some of the privacy issues surrounding CRM tools

Retailers, among other businesses, push for greater customer service and transaction security through better information about their customers. CRM systems are becoming more sophisticated in order to handle the increased amount of data and provide management with better decision-making analysis. We can see that as retailers and their partners move to make retail transactions quick and easy—providing even more personal data for CRM systems—privacy issues are growing.

For brick and mortar, online, and hybrid retailers, a major privacy issue is protecting all of their customer data from malicious third parties. Data breaches have become all too common. Target Stores, eBay and TJX have all experienced massive data theft from hackers over the past several years. As this paragraph is being written, Saks and Lord & Taylor are reporting a data breach affecting 5 million customers.

Our personal information being stolen due to lack of database security is one thing, but how about our personal data being shared legally without our knowledge?

Many of us who shop online have noticed this phenomenon: we query a product or service on Google Search and then see that exact item showing up in an ad on Facebook or some other site we frequent. There is increased speculation that smart home applications such as Alexa and Siri have the ability to listen to our conversations for keywords in order to suggest products and services for sale on connected devices. As technology continues to develop and advance, privacy concerns are growing.

Practice Questions

<https://assessments.lumenlearning.co...sessments/9212>

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