PULSE LOKKER

Client-Side Privacy Risk Management

Companies build websites with third-party scripts that can exchange user information, exposing user privacy and security vulnerabilities. Depending on the severity of exposure, this could lead to cybersecurity risks, privacy regulation fines, and potential class-action lawsuits for the organization. Instead of being reactive, organizations can implement privacy management software that exposes what third-parties are doing with user information and gives complete control to change that behavior to mitigate privacy risk.

Pulse and Lokker surveyed 100 technology executives to understand the extent and impact of third-party scripts used in their websites that expose them to user privacy and security vulnerabilities.

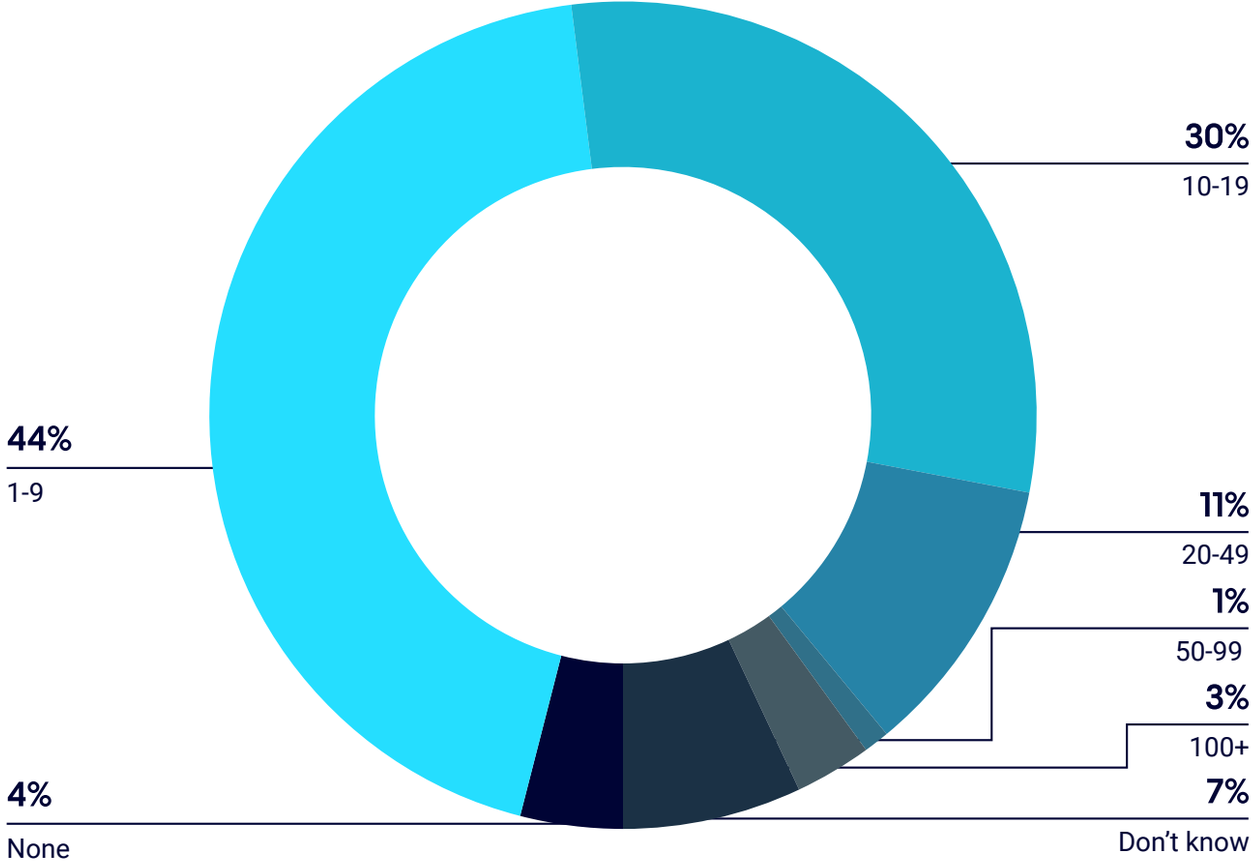
Data collection: October 20 - November 8, 2021

Respondents: 100 technology executives

Majority use multiple third-party scripts that have access to user information

74% of executives currently use between 1 and 19 third-party scripts on their website.

How many third-party scripts do you currently use on your website?



80% of respondents say 1-20% of third and fourth parties have access to user information based on information their third-party scripts and web code collect.

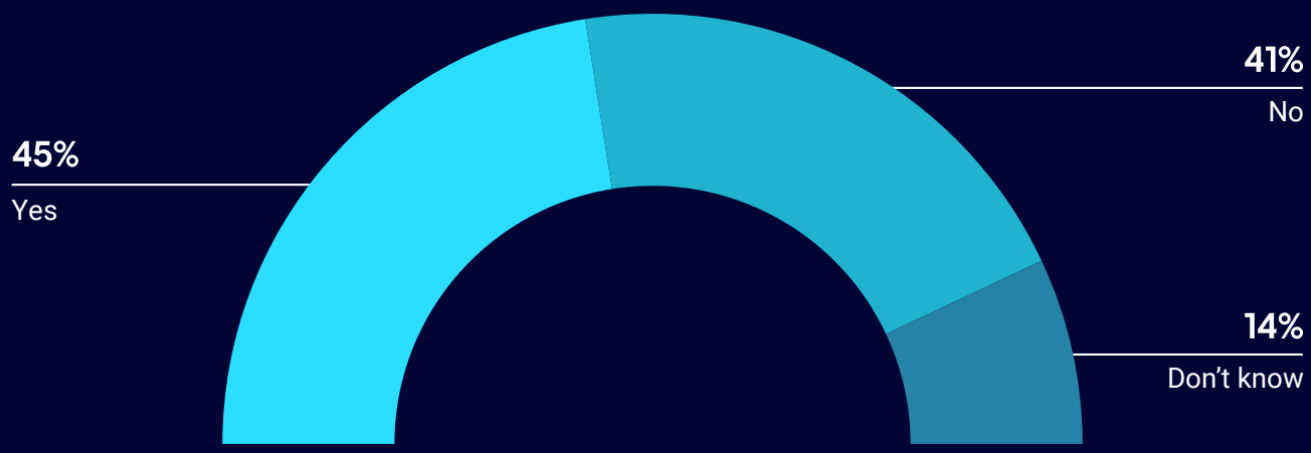
What percentage of third and fourth parties have access to user information like IP addresses, user IDs, and form fills based on information your third-party scripts and web code collect?

Many don't have their users respond to privacy policy consent options before 3rd-

Party Apps run — and just over half can alter third-party scripts depending on responses

Almost half (45%) of executives say their third-party scripts load onto their visitors' computers before users view and respond to their privacy policy consent options. Interestingly, 14% of respondents don't know if third-party scripts load first.

Do your third-party scripts load onto your visitors' browser before users view and respond to your privacy policy consent options?



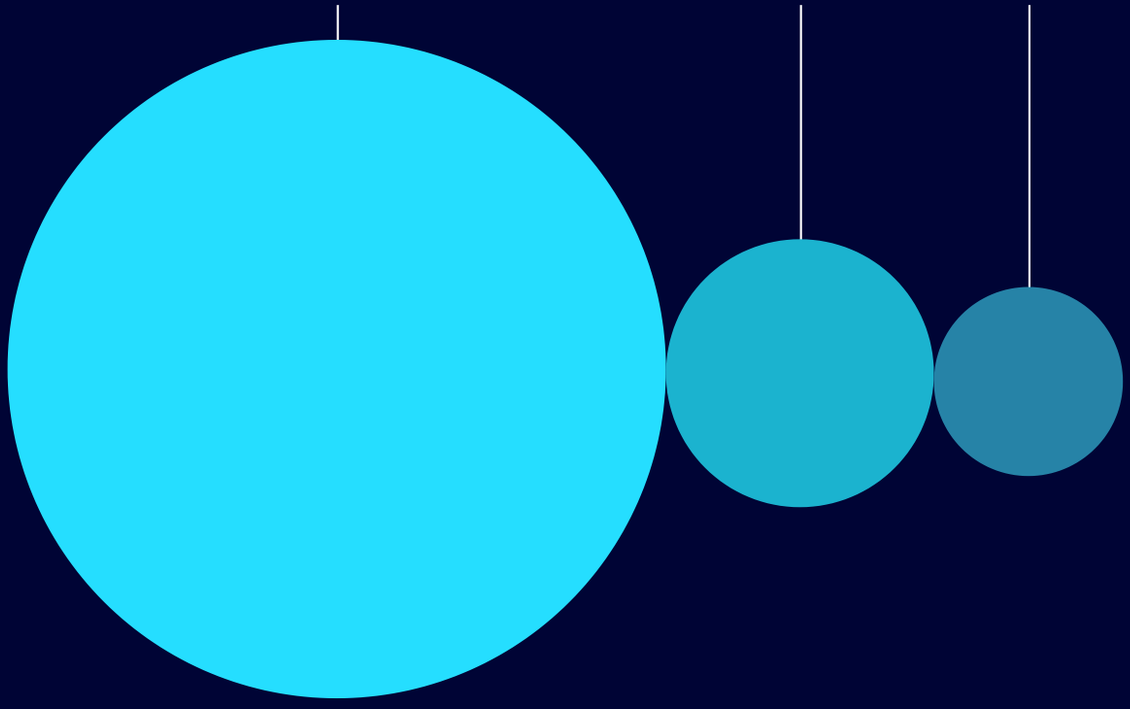
41% of executives either can't or aren't sure they can alter the behavior of third-party scripts.

Do you have the ability to alter the behavior of your third-party scripts depending on how users respond to your privacy policy consent options?

59% Yes

24% No

17% Don't know



For those who do have the ability to alter the behavior of third-party scripts, executives say they do this by running scripts or manually processing.

Please briefly describe how you do this currently. (n = 59)

> "Based on actions, we choose the appropriate response through scripts running."
>
> - C-suite, finance, banking & insurance, 5,001 - 10,000 employees

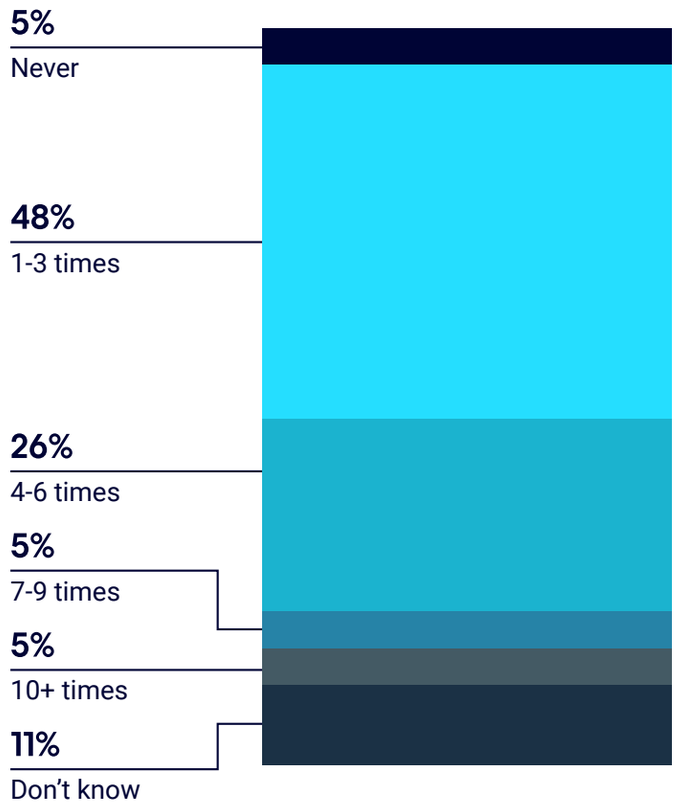
> "[We use some] manual processes and some configurations."
>
> - C-suite, finance, banking & insurance, 10,001+ employees

Third-party scripts update often and most

can't detect security problems in real-time

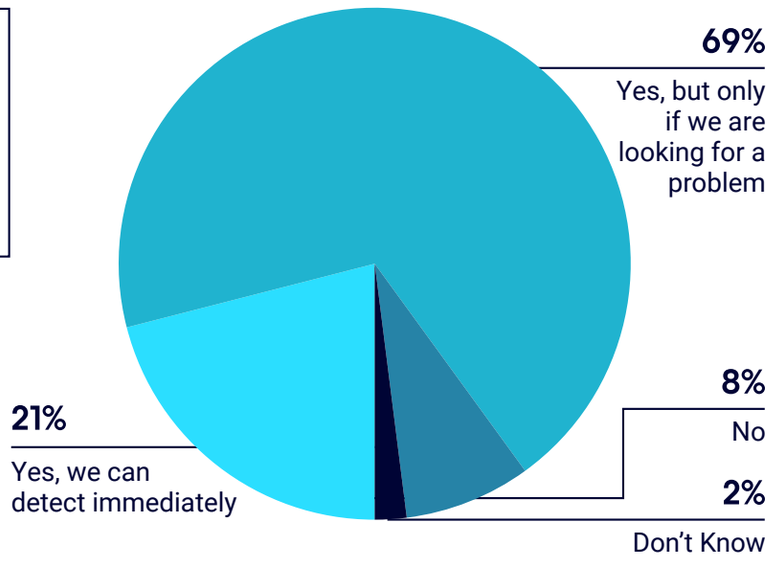
84% of respondents say that third-party scripts update or change on their website at least once per year.

How many times do third-party scripts update or change on your website per year?



However, only 21% of respondents can detect privacy and security problems immediately when third-party scripts change.

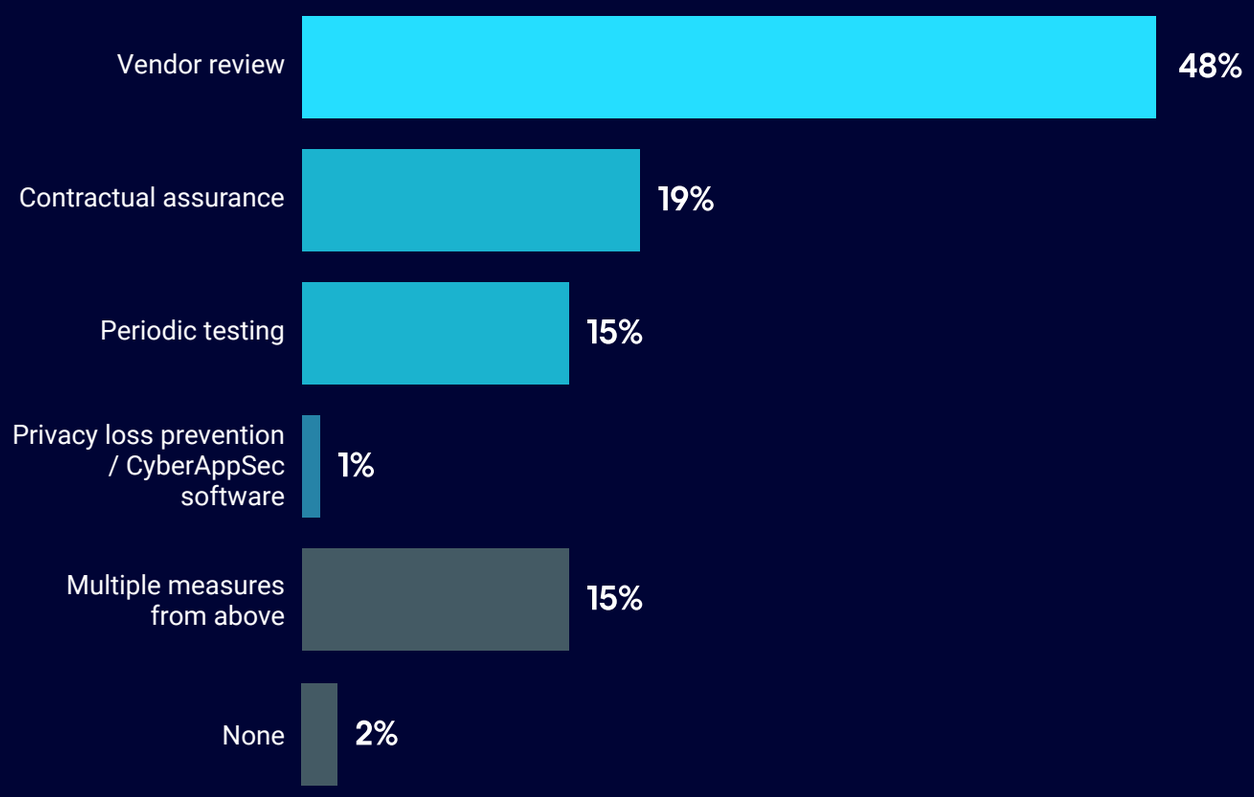
Do you have the ability to detect privacy and security problems when third-party scripts change or update on your website?



Most don't have the control or confidence to know what user information is shared

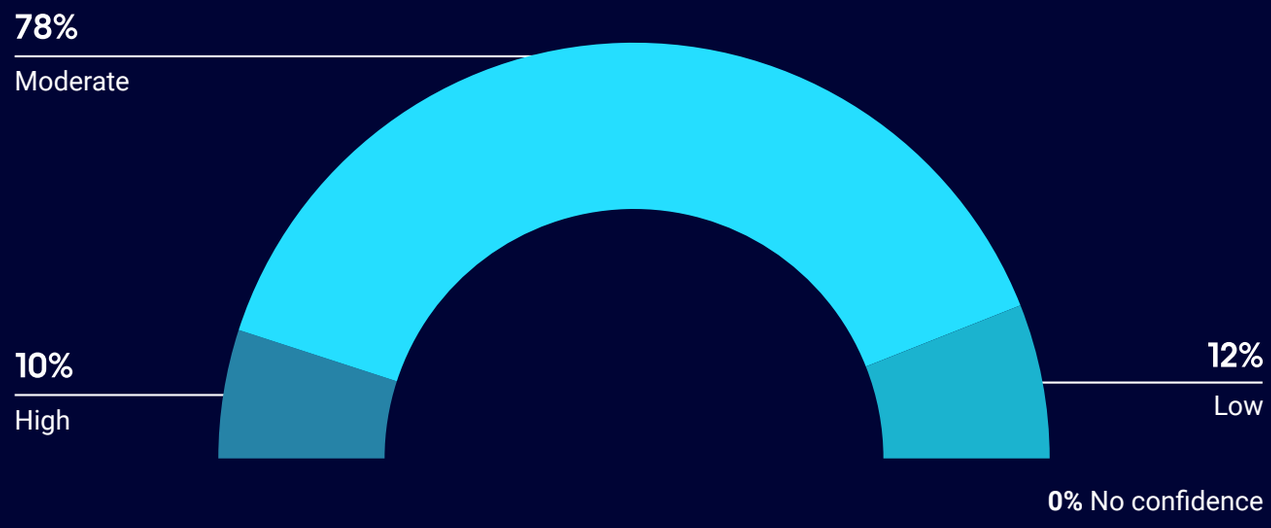
Almost half (48%) of executives have vendor review, while 19% have contractual assurance, to monitor and restrict the types of user information third parties can access from their scripts.

What controls do you have to monitor and restrict the types of user information third parties can access from your website via their scripts?



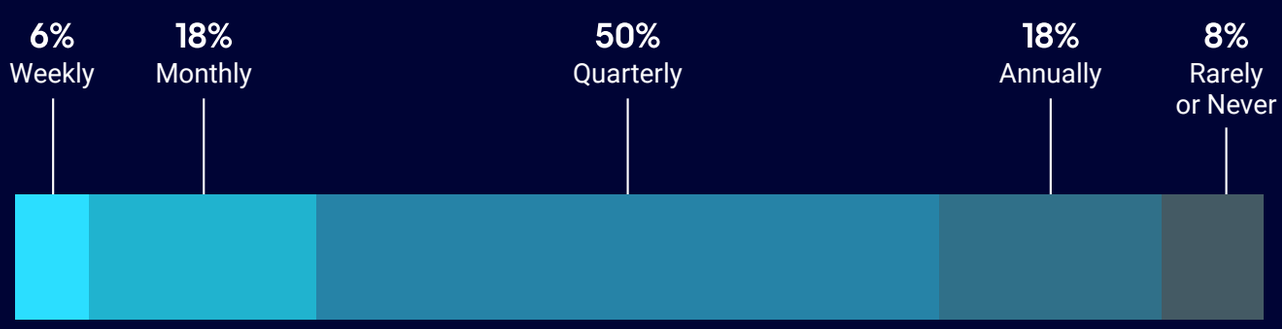
Over three-quarters (78%) of respondents are moderately confident that they know how much personal information is being shared about their web visitors.

What is your level of confidence that you understand exactly how much personal information is being recorded, extracted, and/or shared about your web visitors by third and fourth parties via your website?



50% of executives discuss website privacy risk assessments quarterly with their legal counterparts.

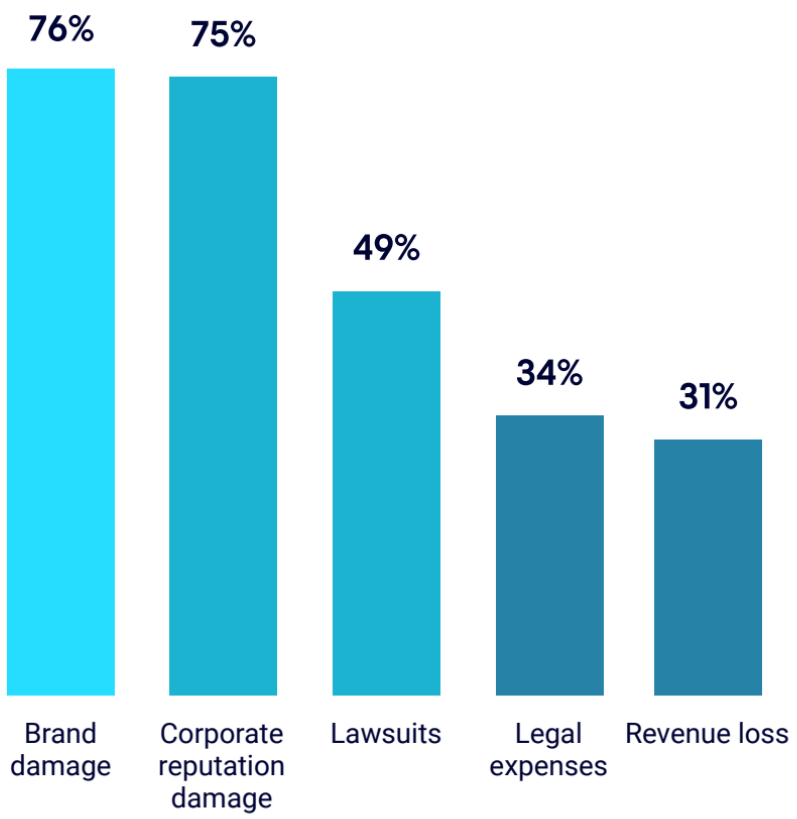
How often do you discuss Website Privacy Risk Assessments with your legal counterparts?



Privacy loss events can damage organizations' reputation

Executives say that brand damage (76%), corporate reputation damage (75%), and lawsuits (49%) are the 3 most costly consequences of a major privacy loss event.

What are the 3 most costly consequences of a major Privacy Loss Event?

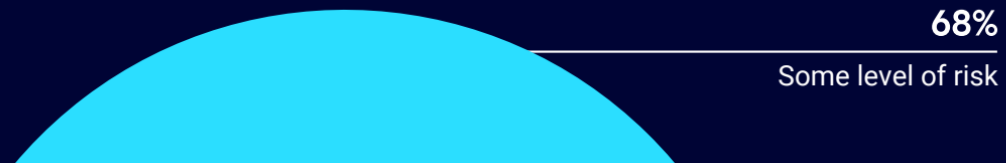


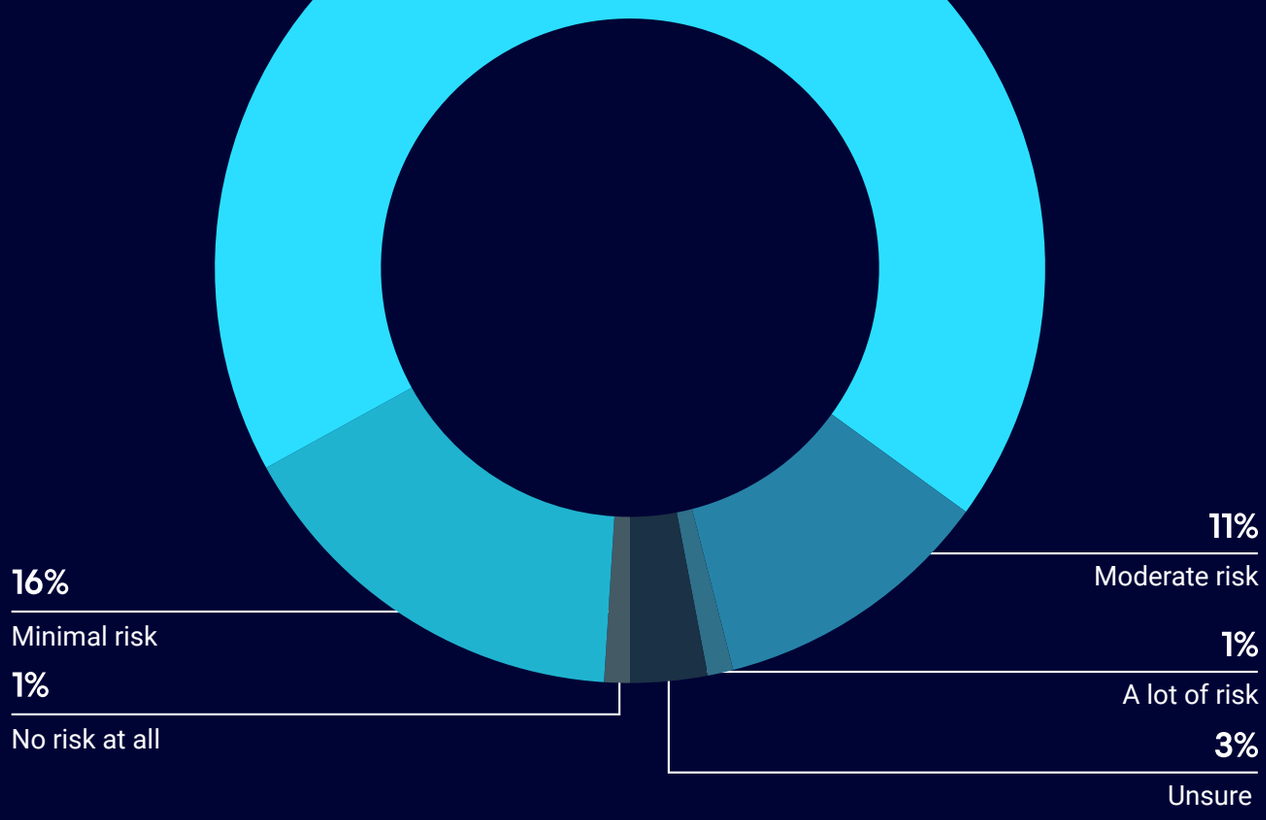
24% Regulation fines
16% Share price drop
1% Other

Most lack the tools and budget to address web privacy risks—and most plan to address them in the future

79% of executives say there is some to moderate risk of web privacy that third-party scripts present at their company.

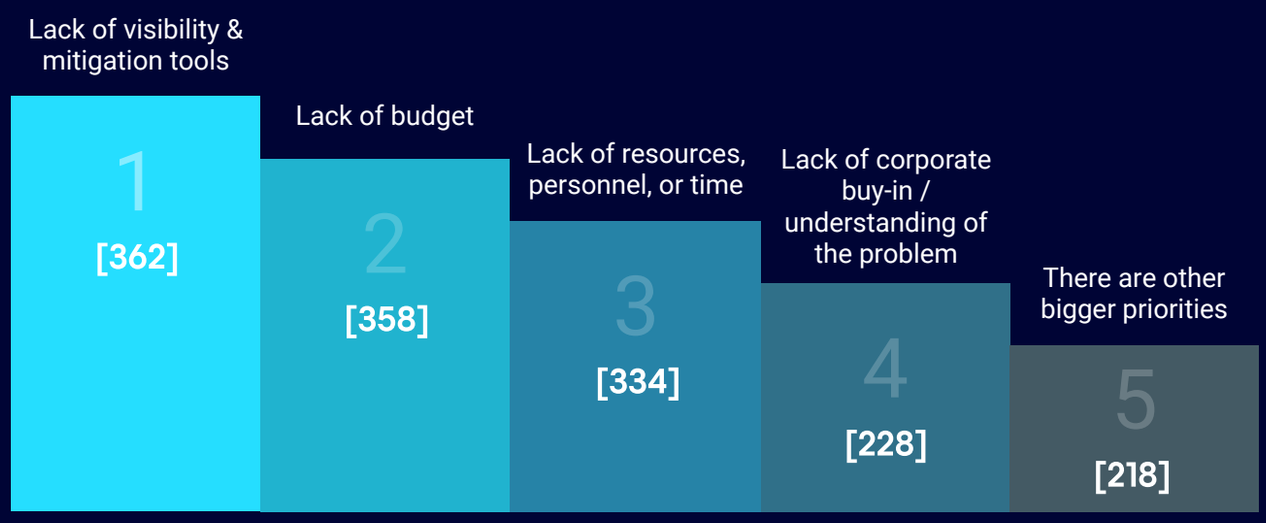
How would you characterize the level of web privacy risk third-party scripts currently present to your company?





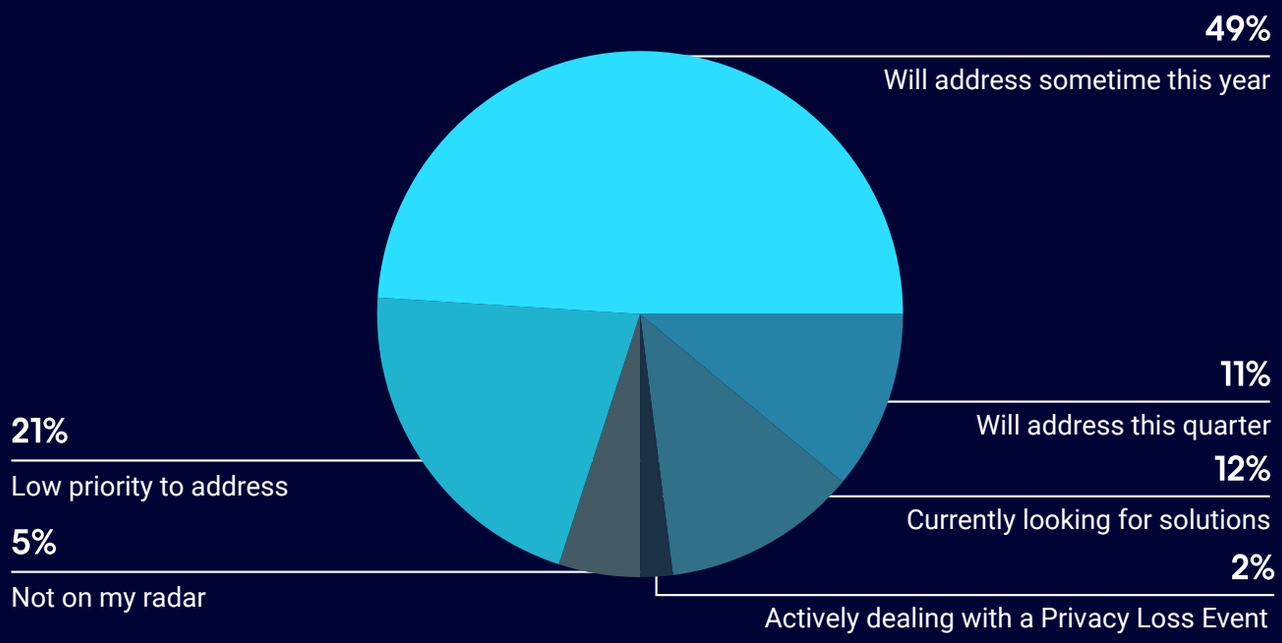
Executives rank lack of visibility & mitigation tools; lack of budget; and lack of resources, personnel, or time as the top 3 challenges that impact their ability to mitigate the web privacy risks posed by third-party scripts on their website.

Please rank the challenges below from MOST to LEAST impact on your ability to mitigate the web privacy risks posed by third-party scripts present on your website.



74% of respondents are currently addressing or will address the privacy risks posed by third-party scripts on their website.

When it comes to privacy risks posed by third-party scripts on your website, how would you characterize your prioritization of ongoing inspection and mitigation of these risks?



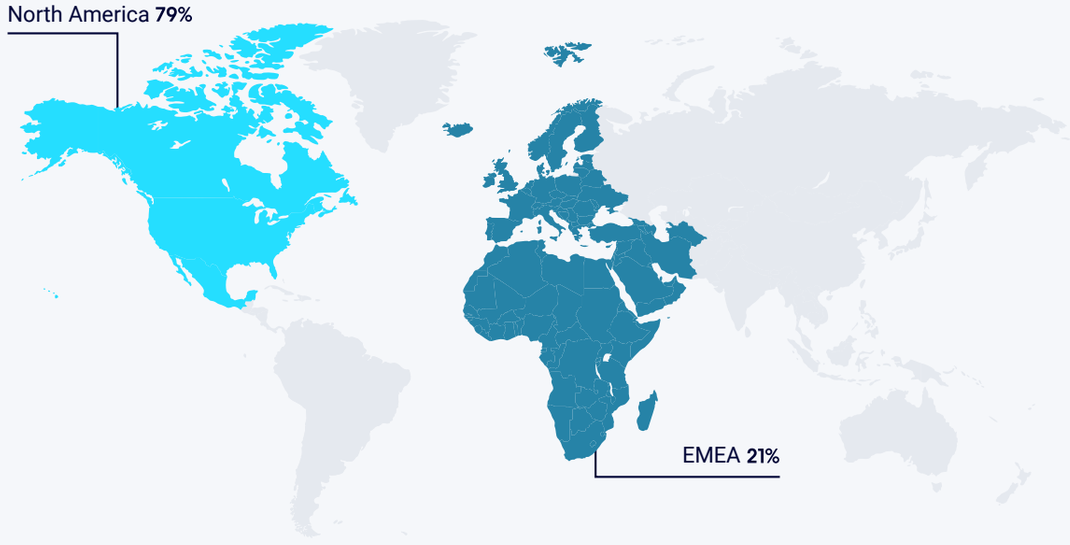
U.S. Federal Privacy Regulation will increase web control capabilities over third-party scripts

81% of executives say U.S. Federal Privacy Regulation will increase their prioritization of web privacy control capabilities over third-party scripts and applications.

How likely is U.S. Federal Privacy Regulation going to affect your prioritization of web privacy control capabilities over third-party scripts and applications?

Respondent Breakdown

Region



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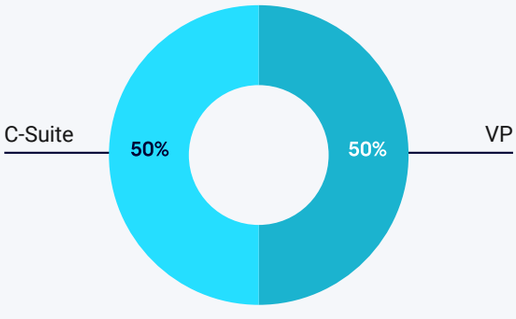
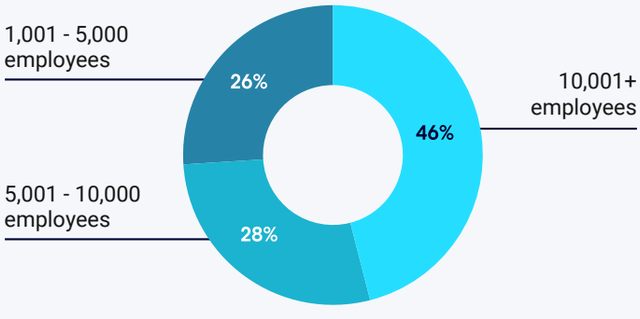
Company Size