



Complying with the PDPA is in line with MasterCard's corporate mission to make payments safe, simple and smart, says Mr Derek Ho (left), senior counsel for privacy and data protection at MasterCard Asia-Pacific, Middle East and Africa.

#### CHALLENGES

MasterCard's data protection and privacy policy was in place before the PDPA came into full effect, but it had to review its processes and ensure employees understand their data protection obligations

#### STEPS TAKEN

- Took part in PDPC's public consultations to understand policy principles
- Reviewed data protection and privacy policies
- Organised staff training

#### BENEFITS

- Builds consumer trust
- Contributed to successful marketing campaign
- Built smaller databases and avoided risks and costs associated with over-retention of data

# PRIVACY BY DESIGN

**Building a culture of privacy has been the cornerstone of MasterCard's data protection efforts**

“The cornerstone of our brand is trust, and that's critical because consumers now expect us to handle their personal information properly. We can't break that trust.”

Mr Sam Ahmed,  
group head of marketing at  
MasterCard Asia Pacific

When MasterCard was conceptualising its Priceless Singapore programme, its marketing teams were well aware that they should not collect personal data beyond the needs of the programme.

“We knew that we should only collect personal data for the purpose of allowing cardholders to redeem offers and experiences, and nothing else,” says Mr Derek Ho, senior counsel for privacy and data protection at MasterCard Asia-Pacific, Middle East and Africa.

Such guiding principles have been internalised by employees at MasterCard, where a culture of protecting personal data is prevalent across the organisation.

“We embed data protection principles throughout our product

lifecycles, whether we are planning a marketing campaign or building a mobile app,” Mr Ho says.

He adds that this ‘privacy by design’ approach - a key feature of MasterCard's global Privacy and Data Protection Program - makes it easier to identify data protection issues early on, rather than after a product or campaign is launched.

“The success of the Privacy and Data Protection Program is due to the close collaboration that we have with product and marketing teams in the organisation,” he says. “They help us better understand proposed uses of personal data so that we can apply our data protection principles to those uses.”

## How MasterCard uses data

As a payment technology company that processes electronic payment transactions, MasterCard collects data such as credit card account numbers, merchant names and locations, as well as the date, time and the total amount of transactions.

The primary use of the information captured in MasterCard's transaction payment system is to process and complete electronic payment transactions.

Transaction data is also used for processes related to those transactions, such as resolving cardholder disputes, detecting and preventing fraud, and addressing account data compromise events, including data breaches at merchants.

"Importantly, we do not receive the cardholder's name or other contact information. Nor do we receive information about the type of merchandise or service that is purchased," Mr Ho says, adding that all data, including personal data, is protected and secured according to MasterCard's data protection policies and controls.

## Meeting PDPA obligations

More than a year before the Personal Data Protection Act (PDPA) kicked in, MasterCard reviewed its existing data practices to determine if they complied with the new data protection law.

These included the introduction of product and campaign specific privacy notices instead of relying on its global privacy policy to inform individuals of MasterCard's data processing practices for programmes like Priceless Singapore.

That was because MasterCard had noted that PDPC's Advisory Guidelines had recommended that organisations might need to provide more specific and clear descriptions of how an individual's personal data is used.

After reviewing its contractual arrangements, MasterCard also modified its agreement templates and introduced requirements for its service providers to comply with data protection rules, Mr Ho says.

Meanwhile, it conducted training sessions before and after the PDPA came into effect to raise awareness of the new law. These included online training, videos and providing staff with easy reference documents which MasterCard calls "Privacy at a Glance", plus desktop reminders of key privacy principles.

"In the lead-up to the implementation of the PDPA, we also conducted a series of events during the international Privacy Awareness Week for our employees in Singapore to raise their awareness of data protection," Mr Ho says.

## 'Data protection incredibly contextual'

While MasterCard did not face major hurdles in complying with the PDPA, Mr Ho says one of the common challenges that any organisation may face is that data protection is "incredibly contextual".

Mr Ho says: "What may be an appropriate use of data in one context may not be appropriate for another, and what may be an acceptable collection of data to one person may not be acceptable to another.

"The way we generally approach and overcome the challenge is to make an effort to understand the context in which data is being collected and used, and to apply the legal rules and principles appropriate for the situation, be it in marketing, human resources, sales, information security, technology, or government relations. All this requires collaboration and partnership with the business."

Mr Ho adds that understanding the PDPC's position on what it believes to be an acceptable practice as described in its advisory guidelines will also enable organisations to craft solutions appropriate for their businesses.

## Looking beyond compliance cost

While Mr Ho could not reveal the cost of MasterCard's PDPA compliance efforts, he notes that the Privacy and Data Protection Program has delivered value way beyond the cost of the program.

For example, by only collecting data that is required for the business activity, MasterCard is able to ensure that smaller databases are built, hence reducing the associated costs of maintaining large databases. Data that is no longer required for legal or business purposes is deleted to avoid the risks and costs associated with over-retention of data.

Complying with the PDPA also dovetails with MasterCard's corporate mission to make payments safe, simple and smart, and in earning and maintaining the trust of its employees, cardholders and customers.

Indeed, that trust was instrumental to the success of MasterCard's New Year's Eve marketing campaign, where its marketing and privacy teams came together to develop an effective and transparent way of ensuring individuals understood how their information would be collected and used.

Mr Sam Ahmed, group head of marketing at MasterCard Asia Pacific, says: "The cornerstone of our brand is trust, and that's critical because consumers now expect us to handle their personal information properly. We can't break that trust."