



General Data Protection Regulation



Are you ready for it?

October 2017

What is the GDPR?

The GDPR is the biggest shake up of data protection laws in the last 20 years. It will have a significant impact on any businesses in the UK that handles customer data. It impacts both data controllers (those who own the data) and data processors (anyone who handles it on your behalf).

The GDPR aims to put control in the hands of the customer and gives them far greater rights over who hold their data and how it is used.

Any breach of the GDPR can be met with a fine of up to €20 million or 4% of a business' turnover – whichever is larger.

It's a complex area with significant implications, and it's vital that you are prepared for it. We've put some guidance together which we hope will make it all seem a little less daunting.

"A FINE OF UP TO €20M OR 4% OF TURNOVER..."

6 Key Points

Although the full regulations are much more in depth – and we'd recommend you read them at the ICO website [here](#) – there are 6 key points that we feel are important for our clients to consider.

- #1 *Companies must have a valid justification for Direct Marketing*
- #2 *Customers must be able to easily withdraw their consent*
- #3 *Customers have 'The Right to be Forgotten'*
- #4 *Companies must appoint a Data Protection Officer*
- #5 *Customers can opt out of automated decision making and profiling*
- #6 *Customers have the right to freely request a copy of all information you hold about them*

Key Point 1

You must have a valid justification for direct marketing

Under GDPR, you need a lawful basis to process data – including for marketing purposes. Acceptable bases are -

- Consent of the data subject
- Processing is necessary for the performance of a contract with the data subject or to take steps to enter into a contract
- Processing is necessary for compliance with a legal obligation
- Processing is necessary to protect the vital interests of a data subject or another person
- Processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller
- Processing is necessary for the purposes of legitimate interests pursued by the controller or a third party, except where such interests are overridden by the interests, rights or freedoms of the data subject

As far as direct marketing is concerned, this means you have two options -

1. Consent of the data subject

If you rely on consent, it must be opt in, rather than opt out.

More importantly, if your existing customers didn't give their explicit consent, they will need to be contacted again to give their permission.



This may mean that you need to deliver a comprehensive resolicitation campaign, think about how you can best do this – what channels and communications can you use? How can you make it easy for your customers to give their permission? Remember that they're likely to be receiving similar communications for other companies – so you're going to need to ensure you stand out from the crowd.

2. You can justify it as a legitimate interest

The other option is to justify your marketing as a 'legitimate interest'. To do this, you need to be able to justify that customers should legitimately expect to receive marketing from you – as long as it doesn't override any of their rights. You'll need to consider for how long it is reasonable to market to your customers or prospects.

If you choose this option, you will need to advise all your customers of this and reissue an appropriate Privacy Policy, as well as giving them the chance to opt out.

So again, there's a need for a customer communications plan, to ensure you are compliant with the new regulations.

Key Point 2

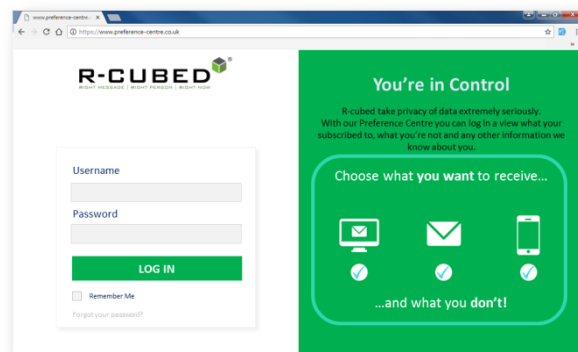
Customers must be Able to Easily Withdraw Their Consent

Customers have the right to change or withdraw their consent at any time – easily and immediately.

Publicity around GDPR is likely to increase the number of requests you receive from customer. Consider how you are going to achieve this. Can you cope with making the changes manually? How quickly can you do it?

Or would a Permissions Centre be more effective, where customers can change their preferences themselves? This puts the customer in control of their data and reduces your resource requirements.

R-cubed will be launching their Customer Permissions Platform soon. Contact us to see if we can help!



Key Point 3

Customers Have 'The Right to be Forgotten'

Customers will have the right to be 'forgotten' by your business. This means all information that identifies that customer must be removed – not just suppressed or given a 'do not mail' flag – but deleted entirely.

You can still retain non personal data – e.g. the details of the transaction, for accounting purposes.

So, For example, you can retain the information that a family of four booked a two week holiday in Greece - but not the identity of who booked it.

Do you have a strategy for removing personal details while keeping the transactional data? Can your database retain information if it's not tied to an individual customer?

Also think about whether there are instances where you would not remove the customer details – for legal reasons, or to fulfil a particular service, for example.

Key Point 4

Companies Must Appoint a Data Protection Officer

Any company that is dealing with large quantities of customer data will need to appoint a Data Protection Officer to ensure that the business is, and remains, compliant.

Companies may choose to appoint a specific DPO, add the role to an existing job, or outsource it.

The DPO will be responsible for auditing the business, ensuring staff are aware of their obligations and be the contact point for both regulators and customers.

If you don't currently have a DPO, now's the time to start thinking about your options.

Key Point 5

Companies Can Opt Out of Automated Decision Making and Profiling

Customers will have the right not to be subject to automated decision making or profiling.



Customers can opt out of automated decision making, if 'it produces a legal effect or a similarly significant effect on the individual'. This will particularly impact businesses such as insurers or financial services companies, where automated decision making is the norm.

If it affects you, you will need to consider how to respond to customers who request this – do you manually review their application, or do you decline them altogether?

Key Point 6

Customers Have the Right to Freely Request a Copy of All Information You Hold About Them

Customers already have the right to the information a company holds on them (a Subject Access Request or SAR), but companies will no longer be able to charge a £10 fee.

The lack of a fee, plus the media coverage that the new regulations are likely to get, could result in a significant increase in these requests.

Do you have the systems and resource to deal with a sudden increase in requests? Do you have a Single Customer View that easily pulls all customer data into one place? Or is it still a time consuming manual process?

R-Cubed can help you quickly and easily implement a Single Customer View, to ensure that you can fulfil Subject Access Requests at the press of a button.

What Next?

Depending on how your business is structured, the GDPR could mean changes to systems, consent wording and privacy policies.

You may also need to resolicit large numbers of your customers to ask for their consent to continue to receive direct marketing.

If you are an R-cubed client you can expect a call from your Account Manager or Director soon to help you prepare.

If you are not a current client, the best place to start is with an audit. We can run a GDPR workshop with you to help understand where you are now, including;

- What permissions do you have for your customers?
- Do you have all customer data in one place?
- Can you prove how and when customers came on board?
- Do you have a valid basis on which to continue to market to your customers?
- Do you have a Data Protection Officer?
- How can you easily fulfil Subject Access Requests?

Then we can help you look at how to make sure you're GDPR ready for May 2018!

It may seem like May 2018 is a long way off but there really is no time to lose.

Call us now 01273 220510 or contact us via the website here www.r-cubed.co.uk/contact-us

In the meantime, just to refresh...

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About R-cubed

R-cubed's data scientists are experts at knowing what to say to who and when to say it for maximum results. We can translate millions of customer interactions on different channels and devices into a multi-channel contact strategy that will transform your marketing performance.

Call us today on 01273 220510 or email performance@r-cubed.co.uk.

