


# TURN GDPR TO YOUR ADVANTAGE

*Comply with regulations, act like a human, and gain a competitive edge*



**selligent**



**DATA PROTECTION.** It's critical for many, and is truly a top-of-mind topic for businesses now that the regulation will come into effect in May 2018.

The General Data Protection Regulation – or GDPR – is a European Union (EU) law that protects the rights of individuals with respect to their data. Adopted as an EU law in April 2016, organizations that hold data about any resident of the EU must be compliant by May 2018.

With attention-grabbing fines of €20 million or 4% of global annual turnover, GDPR commands attention at the highest levels. And despite the “legalese” that compliance suggests brands utilize, the brands that balance legal compliance with a human approach will turn GDPR to their advantage.

This white paper provides a series of actions you can take to make the most of GDPR to both enhance your customer relationships and mitigate risk.

# The GDPR Challenge

GDPR is a common-sense based regulation. It requires that an organization be open and transparent about the customer data it collects, how it uses that data, and how safe that data is from theft.

## GDPR IN A NUTSHELL

GDPR applies to any organization that holds data from EU citizens. Organizations must explain to customers, in plain language, what data they plan to collect, for how long it will be held, and how it will be used. That includes verifying where and when the customer gave their permission.

**Customers must give permission** for organizations to collect both explicit and implicit data, and can withdraw permission at any point.

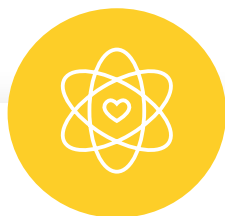
**Customers must be informed** of any breach in the security of their data. Fines can be 4% of global turnover or €20 million.

But how should a company best approach this GDPR challenge? Businesses failing GDPR could face serious consequences. With threatened fines of €20 million or 4% of global annual turnover, leadership is taking notice.

Many corporate heads will turn to legal, compliance or IT teams for guidance, asking them to lead a task force with two objectives:

1. to ensure that data is stored and managed in a compliant way
2. to ensure that customer permission is valid against all data held

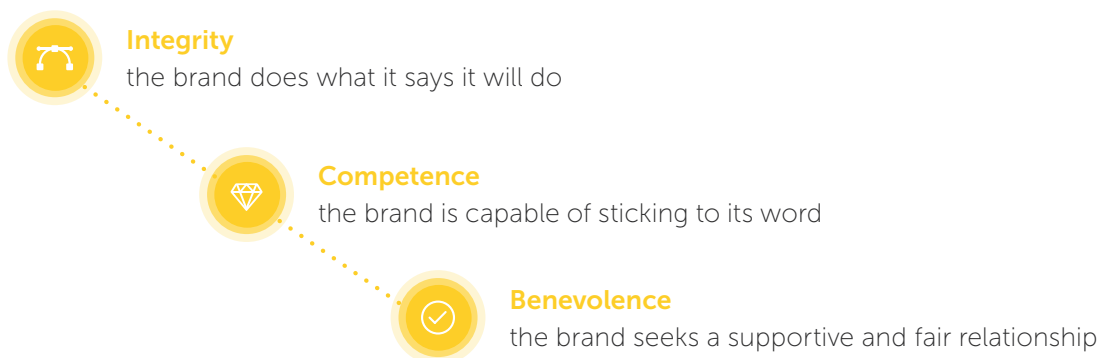
It seems unlikely that marketing will be asked to lead, or be involved in, this work stream. We'd like to see that change. This white paper concentrates on winning strategies to request permission to collect, hold, and use customer data.



## Data Sharing Relies on Trust

Trust is a prerequisite for any long-term trade-based relationship. It's not a one-off, rational decision, but an emotional connection built up over time. For a customer to share their data willingly, they must trust the brand.

That trust is made up of three components:



Get these steps right, and you will succeed in building trust while still collecting the customer data you need to strengthen the customer relationship. Get it wrong, and you fail, potentially losing permission – and your customers. By being human about the way data is collected, you are more likely to build customer trust and permission. Replicating human behavior and language across the customer journey builds trust and the emotional connection that encourages data sharing.



# Bring in The Marketing Team

GDPR encourages organizations to be explicit about what data they collect and how they manage it. Because this is a regulation, there will be pressure from leadership for data collection points to be legalistic.

Anyone who has read a typical privacy policy online will testify that lawyers and compliance teams are not the best at motivating customers. Privacy policies are so littered with “legalese” and sub-clauses to avoid

misunderstanding that most readers find the documents incomprehensible. This creates a sense of confusion that reduces the very trust brands need to win permission to collect customer data.

It will be up to the marketing team to avoid the legal small print and to ensure that the conversation requesting data and permission feels natural, and really does motivate the customer.



## Switch from capture to entice

Many marketing teams have not given much attention to enticing customers to give up their data. This will need to change with GDPR. Successful marketers will deploy the creativity they use to sell products to encourage customers to happily share their data. But, these successful marketing teams will need internal cooperation to avoid over-legalistic language and jargon, and steer instead towards laymen’s terms, language, and behavior.

# Take Action

GDPR is a government regulation, but it doesn't need to be clinical in practice. By following these Action Steps, you can entice customers to give you their data by approaching permission requests in the same way as you would in a face-to-face conversation.

## #1

### Build the Case for Relatable Content

To defend customer relationships from over-cautious legal language, marketing teams should work out the opportunity cost. In other words, they should determine the financial risk of customers withholding permission to collect and use their data. This will include understanding the value of the data and the percentage of customers who are likely to withhold permission.

#### A) DEFINE THE VALUE OF THE DATA

The first step is to define the value of sales enabled by analytics. Determine the financial value of the customer data held:

- During purchase (i.e., conversion rates, add-ons, upsell, cross-sell)
- Later in the sales process (i.e., repeat orders, add-ons, upsell, cross-sell)
- The cost-savings enabled by more efficient targeting of customers (i.e., re-targeting, look-a-likes)

This process will help you provide an estimate of the total value of the data you hold.



Value of from existing and lapsed customers



Value of sales from channels that have been personalized based on previous behavior.



Cost savings enabled by efficiencies in being able to target customers

## B) DETERMINE THE RISK

Since different people have differing attitudes towards privacy, organizations should evaluate which of their customers are most likely to withhold permission. This will allow them to determine the level of risk the organization faces.

Most organizations collect both given (explicit) and observed (implicit) data from customers. Prior to GDPR, customer understanding of the permission they have already granted may differ. GDPR will encourage customers to re-evaluate and clarify the permission they wish to grant.

To understand which customers are most sensitive, it's worth starting with published research on attitudes toward privacy. Forrester Research<sup>1</sup>, a leading research company in the world of digital marketing, has looked at the US market to offer a useful segmentation on attitudes towards data privacy.



### **SKEPTICAL PROTECTIONISTS MAKE UP 22%**

Although digitally comfortable, they are older, likely to remember dial-up modems. They are not fully trusting yet, and about a half have cancelled a transaction because of something they read in the privacy policy



### **DATA-SAVVY DIGITALS MAKE UP 36%**

Digital natives, they are comfortable exchanging data for services or content...but will use technology or false data to confuse and block permission if they don't trust you



### **RECKLESS REBELS MAKE UP 31%**

These are likely to be younger, believing they have nothing to lose. They are not in a job yet, and are typically students. That may change once they start looking for work



### **NERVOUS NELLIES MAKE UP THE OTHER 12%**

This group is the oldest. They don't fully understand how data is used and how widely it is collected

These segment sizes are based on the US. Of course, each culture and nation is likely to be different. For example, statistics also show that German consumers tend to be more sensitive about sharing private data. And just as different cultures vary, so should each brand have its own audiences with unique attitudes to data privacy. Marketers should look at their own customers to see what percentage of their customer base is at

risk of withholding permission to collect and use their data. Combining the value of the customer data with the percentage of customers who may withhold permission will provide an easily digested single amount. This will make it easier to argue the case for marketing's control over the language used in data permission because that amount can be readily compared to the value of the threatened GDPR fines.

<sup>1</sup> Forrester Research,

Consumer Privacy Segmentation which is based on their Consumer Technographics North America Online Benchmark Survey (part 2) 2016



# #2

## Action 2: Be Human in How you Collect Data and Request Permission

Being human implies behaving across the customer journey as you would if you were talking to the customer face-to-face. Successful sales people will naturally enquire and listen, and will adjust their approach based on what they see and hear. Using this approach for data collection and permission in digital requires more than getting a UX designer to look at the data form.

### A) UNDERSTAND THE CUSTOMER'S ATTITUDE TO THE DATA

Most brands would not think twice about doing research into what customers think about various product attributes. It's time marketers felt the same way about the data they hold on customers.

Given the value of the data and the value of data-sharing permissions, take the time avoid making assumptions and really listen to how customers feel about their private data:

- How do they feel about sharing data?
- When do they feel more or less sensitive about sharing their data?
- What language do they use when talking about data?

This understanding will be helpful in a few ways in that it can identify:

- What data can be collected easily and what data will face more resistance?
- When and where it should be collected?
- How to go about asking to win customer permission?

Focus groups or one-to-ones would help provide your organization with effective guidance. In more complex areas, an ethnography, or the careful study of a particular cultural group to supplement your data can be useful.

## B) BE SENSITIVE ABOUT WHAT DATA YOU COLLECT

Be careful - brands often appear to forget the basics of customer service in this process and forget transparency. They erode trust by gathering customer information that they don't intend to use in the immediate service of that customer. And, they don't tend to explain how that information collection ultimately helps the customer get a better deal or service, or remind customers of their secure databases.

Take a cue from your person-to-person conversations: a consumer would never be asked in-store to provide a full address before grabbing a copy of a store's retail catalogue. And yet brands frequently request postal addresses just to download a PDF.

It's worth looking at the data you want to collect, remembering that every time you ask customers for data, there is a cost in terms of the customer experience, and the risk that you have gone too far.

Modern marketing tools, like marketing automation, should let brands ask only relevant questions and avoid asking the same question twice.

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## C) USE THE CUSTOMER JOURNEY TO IDENTIFY WHERE AND WHEN TO COLLECT THE DATA

Just as with sales, the timings and location will dictate the level of permission you have. The customer journey is ideal for helping brands map out the sales and support processes, but also in helping brands map out how best to build trust and how best to ask for data.

### IT CAN HELP IDENTIFY:

- Critical moments in the relationship when the customer seeks reassurance
- Opportune moments when the brand is seen to be adding significant value
- Moments of delight or stronger emotional ties

The customer journey planning process helps the team understand the mindset of the customer, which will identify and describe at which points customers are more likely to be willing to provide accurate information or permission.

The customer journey planning should include a wide team from customer support, front line staff, IT and distribution, and of course compliance. This process reveals all touch-points but can also focus and unify disparate teams, encouraging them to behave and use language that is more sensitive to the customer mindset at that moment.



#### D) INSPIRE THE CUSTOMER TO OFFER THEIR DATA

Once brands figure out what data to collect and where, have a look at creative involvement. In most online forms, it's clear that no one takes into consideration the emotional commitment and effort required to motivate a person to complete the form in the digital design.

This will have to change after GDPR comes into play. Brands that treat personal data as if it has no value to the customer, and assume that the customer has the time and desire to fill in lengthy forms, will find their database shrinking. The problem is not that the creative team can't create a delightful experience, but rather that it should not be the sole objective of this type of request.

Imagine how the motivation and thinking of the design and development team would change if the brief were changed to

“  
GET THE CUSTOMER TO  
BE HAPPY ABOUT SHARING  
THEIR DATA AND COMPLETING  
THE FORM  
”

#3

#### Action 3: Demonstrate Trust by Handing Back Control

GDPR requires that customers have access to see what data is held and when permission was given. Brands should make it simple and rewarding for customers to learn about the organization's approach to their data:

Providing an empathetic space for customers to explore what data is held and how it is used is also an ideal opportunity for the brand to explain how the customer benefits from sharing their data.

A decorative arrangement of seven yellow five-pointed stars. Three stars are in a top row, one is centered below them, and three more are in a bottom row.

# Summary

Under GDPR, organizations may revert to legalistic copy which can damage the trust and empathy needed for customers to willingly share their data. Marketing teams should create an environment that feels as human as possible to motivate customers to share their data. They can do this most effectively acting like real people in real conversations. Marketing automation makes this task much easier.

But for marketing teams to take control of the conversations around customer data they need to win internal permission inside their organizations, and to think differently about the what, the where, the why, and the how of data collection.





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## About the Author

Thomas Curwen is an imaginative strategist helping clients to build more effective relationships with their customers using technology. He has over 20 years of experience at top agencies such as Grey and Publicis. During that time he has worked on a wide variety of clients and projects, including launching the Euro and Oystercard and redefining the customer relationships for Renault, Allianz globally and HP EMEA.

His experience straddles retail, FMCG, travel, financial, automotive, government and charity. Whilst at Publicis he also Chaired the MC2 lobbying group to standardise barcode readers for mobile, and sat on the EMEA board of the Mobile Entertainment Forum.



# About Selligent

Selligent's relationship marketing platform, Engagement Sphere, empowers B2C marketers to engage with consumers using relevant insights. The company's technology is designed to put consumer needs at the core of all brand actions. With Selligent, B2C brands can bridge the gap between big data and real-time omnichannel campaign execution, creating interactions that become more relevant over time.

Built around a universal consumer profile that incorporates every relevant brand interaction, Selligent's natively integrated platform meets the needs of relationship marketers. Today's entitled consumer expects brands to deliver relevant and valuable messages in the moments that matter. Selligent's solutions make it possible to for relationship marketers do precisely that.

Selligent has built a large and loyal client base by marrying continuous innovation with dependability. Founded in Belgium in 1990 by two engineers with an idea to enable brands to better engage customers, Selligent pivoted from its CRM origins into marketing automation in 2007. Over the next several years, the company grew its platform capabilities and became a European leader in digital campaign management. In 2015, Selligent took its next big leap, acquiring Strongview – a US leader in contextual marketing solutions – to create Engagement Sphere, the integrated omnichannel marketing platform for brands around the world.

Today, more than 700 brands across retail, travel, automotive, publishing, and financial services rely on the Selligent platform to execute their marketing, including [Asda](#), [InterContinental Hotels Group](#), and [ING](#). With 10 offices across the United States and Europe and more than 50 agency partners, Selligent serves clients in over 30 countries and provides the kind of personal and local service that brands expect and deserve.

Learn more at [www.selligent.com](http://www.selligent.com).

