



International Distribution Institute

GDPR and CRM: How to Manage Customer Data in 2018

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- ❖ GDPR was first adopted in May 2016 with a 2 year transition period to give organizations time to bring themselves into compliance. Since last May 25 it is now in full force and it applies to all organizations handling personal data of EU citizens.
- ❖ Personal data can be a name, email, address, date of birth, personal interests, unique identifiers, digital footprints and more.
- ❖ Typically, this is the kind of data you store in your CRM system mostly used for prospect and customer data and to record information on and communications with real identifiable people.



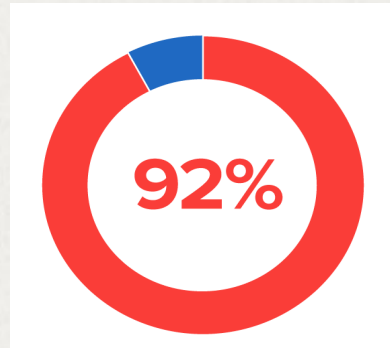
GDPR and CRM: How to Manage Customer Data in 2018

The good news is that GDPR and CRM have a lot in common as both GDPR and CRM are about building deeper trust and loyalty with new and existing customers through the professional handling of personal customer data.

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According to a survey from the Global Alliance of Data-Driven Marketing Associations (GDMA) **92% of companies use databases to store information on a customer or a prospect.**

Percentage of companies that use a database to store customer information



Therefore, **GDPR impacts businesses of all shapes and sizes.**



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- ✓ GDPR has a big effect on how businesses collect, store and secure personal customer data.
- ✓ This means that GDPR impacts marketing, it changes sales prospecting and it requires change in customer service departments as all personal data needs to be handled in a more professional manner.

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- Marketing and its approaches have thus to be reviewed and quickly to ensure data, processes and activities are in compliance or close enough to GDPR rules and not to be at risk from complaints and fines.

- GDPR encompasses some key areas marketing must address and consider:
 - Opt in consent
 - Rights to use data and what for
 - Length Data can be kept
 - Right to be forgotten



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Traditionally, consent was often obtained via an opt in tick box on a web form for example, potentially a catch-all option (i.e. we and partners can mail you about anything), at times even pre-ticked, the default being you are opting in unless you untick.

Data was also used to send content years after receiving the 1st 'opt-in'!

Now for the changes!



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- ❑ Firstly, GDPR mandates that consent must be ‘freely given, specific, informed, and unambiguous’. You will no longer be able to have a pre-ticked box and opt-in based on inactivity. You need to gain consent and store that proof clearly.
- ❑ Second, roles and responsibilities need to be clearly stated amongst Data Controllers and Data Responsible or, in the event international cross borders transfers need to occur, specific agreements containing EU clauses need to be put in place.



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- ❑ Most companies use CRM systems in their distribution networks allowing them to collect, elaborate and share the data between all the members of the network worldwide: where two or more controllers jointly determine the purposes and means of processing, they shall be joint controllers, determining in a transparent manner their respective responsibilities for compliance with the obligations under GDPR.



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Non GDPR Compliance is not an option

So for a marketer, there is a job ahead. Firstly, to comply with the legislation, you need to understand it. Marketers need to be set up to react quickly and appropriately to requests to view, amend or destroy data. There is a need now to change the approach to data collection, database building and data management.

Non GDPR Compliance is not an option. GDPR has some grey areas and nuances for sure, but relying on these to protect you will not be acceptable. Marketers need to be starting their GDPR journey now, ensuring legal and valid consent is stored and documented and that data and processes are reviewed and polished.

Basic principles to be kept in mind

Purpose and minimisation

- Respect the principle of purpose and minimisation when collecting personal data
- Focus on the principle of purpose and minimization in free text areas

Transparency and exercise of rights:

- Focus on consent
- Focus on the rights of minors
- Focus on the right to be forgotten

Knowledge and application of the data retention periods

Application and respect of security principles :

- Privacy by Design principle
- Focus on the security measures to respect

Respect of the rules in case of data transfer

- Control data transfers to service providers
- Raise awareness in teams working with service providers
- Control data transfers within the Group

Experienced matters

- Preliminary request to obtain extension of the data retention time for profiling activities.
- Joint controllers and data transfer agreement
- The “case of a customer”
- Classification of data subjects: Data controllers and data processors

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