



POINT OF VIEW

# Are You GDPR-Ready?



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## The General Data Protection Regulation (GDPR) comes into effect on May 25, changing the global landscape around data privacy.

The GDPR has a far-reaching impact because not only will it affect organizations located within the European Union (EU), but it will also apply to companies outside of the region if they are offering goods or services to, or monitoring the behavior of, people in the EU. The goal of the GDPR is to give customers control of their data, and breach of GDPR rules will result in fines of up to 4% of total global profit or 20 million Euro, whichever is higher. Even if you don't currently do business in the EU, it's important to understand the GDPR and the implications.

### What Is the GDPR?

The GDPR is a piece of EU legislation that was approved in April 2016. Companies had 2 years to comply. The main focus of the GDPR is “privacy by default”—fundamentally changing the way that companies think about data collection and storage shifting data ownership from companies to the individual. **This includes the following:**

- Companies are no longer allowed to use vague statements to get consumers to opt in to provide data
- Companies are no longer allowed to bundle consent for different things together
- Companies must collect the minimum data necessary and delete records after use

- Companies must notify their data protection authority about a data breach within 72 hours of becoming aware
- Companies must make it as easy to revoke consent as they do to give consent (eg, one field opt in must have a one field opt out)
- Consumers will have control of their data; they will be able to access the data shared by companies and find out where and how it is being used, request for their data to be transferred to a competitor, and request for it to be deleted if desired

### Who Is Affected?

Any organization that holds or uses data of people inside the EU, regardless of where the company is based, is directly affected. For example, if a US company launches a website with the intent to announce news to the EU, that website would need to be GDPR-compliant. It is believed that programmatic advertising and social media will be the most severely impacted, as businesses will need to obtain consent from consumers any time they want to use personal data for ad targeting purposes. Currently only 5% to 20% of consumers opt in for third-party data sharing, so it's believed that up to 95% of users will be excluded from any EU-based programmatic advertising campaigns moving forward.



### **GDPR HIGH-LEVEL CHECKLIST\***

- Does your website pursue EU resident users?
- Do you accept the currency of an EU country?
- Do you have a domain suffix for an EU country?
- Do you offer shipping services to an EU country?
- Do you provide translation in the language of an EU country?
- Are you engaged in monitoring the behavior of EU residents online?

If any of the above apply to your product or company, you should assess if you're ready for GDPR rules.

Visit <https://www.eugdpr.org> for additional information on the GDPR rules.

\*Should not be considered legal advice

### **How Is Data Collection Impacted?**

Companies can still collect data, but only with an individual's consent to store and process personal data. The request to acquire data should be clear and written in plain language. Consent language cannot be hidden in general terms and conditions. Additionally, companies will need to pay more attention to the security of personal data. Consumers can ask for their personal information to be deleted at any time, and companies must prove they are handling data correctly with the hiring of a data protection officer.

### **What Actions Do Companies Need to Take?**

If your company or product has a global Internet presence, selling or marketing products over the Web, you may be subject to the GDPR. Use the high-level checklist to see if you're impacted.\*

### **Next Steps**

The EU is leading the way in digital privacy regulation. It is believed that regulations in other countries, including the United States, could follow. All companies, regardless of where they are located, should use this opportunity to audit their data collection process and move toward a more customer-centric data collection and privacy strategy. Evoke recommends all companies and brands conduct a Data Privacy Assessment (DPA) to identify and minimize data security risks. If you're interested in conducting a DPA for your brand, please contact your Evoke Account Lead.