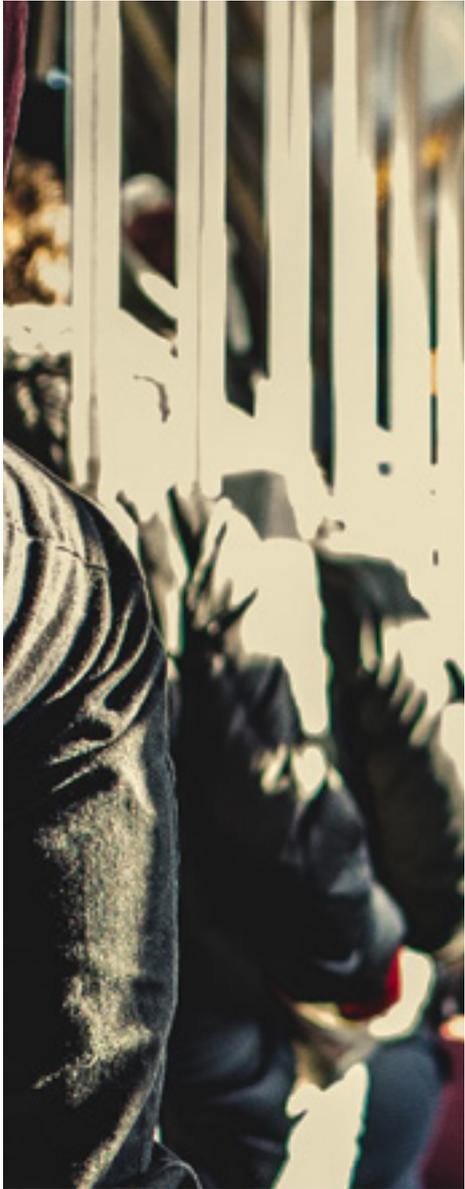




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Get more from your customers by embracing **GDPR**



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A white paper from Nile

The last time data protection laws changed significantly was in 1995: Mark Zuckerberg was 11, Google wouldn't be founded for another three years and the Nokia 2210 – with its cutting-edge ability to send text messages – was as smart as phones got. By the end of that year, only 0.4 percent of the world's population had internet access.

In May 2018, the General Data Protection Regulation (GDPR) will finally drag the rules on how organisations handle information into the 21st century of search engines, social media, mobile marketing and biometrics. As our guide to the legislation makes clear, this isn't a tickbox exercise. Instead, it's a chance for companies to strengthen their customer relationships and totally rethink their attitudes to data.

At the heart of the regulation is a requirement for organisations to practice 'privacy by design'. In other words, data protection principles should be embedded into the everyday culture of the business rather than seen as an afterthought. Dr Graham Hill, an associate with specialist business consultancy Ctrl-Shift, says the big GDPR compliance questions are:

“What data do I need to provide customers with better services? And how do I get their consent to use their data?”

In this new regulatory environment, organisations have an obligation to obtain explicit consent

from consumers, meaning an end to pre-ticked checkboxes and ambiguous wording in privacy statements. This is good news for businesses, as consumers who are aware of how and why their data is being used are more likely to be happy handing it over. The outrage caused by UK charities found using donor information irresponsibly last December demonstrates how damaging a lack of transparency can be – both to reputations and finances.

Needing explicit permission to use data won't impact all industries uniformly. Heavily-trusted institutions such as those in healthcare and financial services are already familiar with

robust data protection requirements. They will now be required to gain more active consent in order to store an individual's sensitive information.

Meanwhile in the marketing industry, flashy stunts will need to be replaced by more considered, long-term relationship building programmes. As Omaid Hiwaizi, global head of brand experience at

augmented reality company Blippar, puts it:

“GDPR is a big step in making sure the value locked in data is more equitably shared between people and organisations.”

Understanding the connection between value and trust will be more important than ever in the opt-in world of GDPR. Companies must demonstrate that the data they collect is used to noticeably



improve the experience of their customers. Service design companies like Nile are uniquely qualified to help firms deliver on that promise, identifying benefits and building an awareness into the consent process.

In the past, hoarding information for the sake of IT often proved an ineffective strategy. Under GDPR, it can become a fineable offence too. For organisations that want to develop a more transparent relationship with their customers, however, it's an easy win. Going beyond the minimum requirements to ensure that customers can easily download their data – and request that it be removed – will be the hallmark of a truly trustworthy company. Ailidh Callander, senior solicitor at law firm Anderson Strathern, says:

“Organisations that embrace data protection can build up a more trusting relationship with clients, customers and service users.”

Getting into shape for GDPR will be particularly challenging for the healthcare and financial sectors, where safeguards must be more stringent. There's a big opportunity to develop tools to assist with the data portability and 'right to be forgotten' requirements of the legislation. That's something we're actively pursuing at Nile, though it's still difficult to predict exactly how those rights might be exercised.

One of the biggest risks comes not from external hackers but from laxness within. Ensuring that staff treat data responsibly is therefore central to the successful implementation of GDPR.

While the regulation carries the threat of significant fines (up to 4 percent of global

turnover) for data breaches, there's an even more costly risk. Stories like the recent revelation that the NHS lost over 500,000 pieces of confidential patient data demonstrate how it can lead to short or long term reputational damage. This should provide motivation to ensure stringent data protections are on the agenda.

Organisations that wholeheartedly embrace this legislation will gather better quality data, improve interactions with customers, and be able to work with service designers to develop propositions that tap into unmet needs. Getting compliance right means mapping out where and how data is stored, but also rethinking the way marketing is designed. Firms must identify where the value lies for consumers so the right experience can be developed and communicated to them.

The challenges introduced by the new regime are significant, but they're matched by the size of the opportunity. Companies can't avoid GDPR, but they can make it work for them and their clients.

THREE TIPS FOR GETTING AHEAD WITH GDPR:

- 1 Carry out an information audit to review what personal data is held and why.
- 2 Approach rewriting terms and conditions from a marketing perspective as well as a legal one – statements need to make sense to the average person.
- 3 Do as much as possible to establish legitimate interest as a basis for data processing before moving on to obtaining positive consent.



ABOUT NILE - SERVICE DESIGN WITH AMBITION

We work with blue chip companies on transformation and adoption programmes, bringing the necessary insights from all levels of an organisation to ensure successful changes in the way firms operate. Get in touch to discuss how we can help you make the most of GDPR — hello@nilehq.com.

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