

# White Paper

# Why GDPR Can Be Good News for Travel Companies

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#### The Facts

The General Data Protection Regulation (GDPR) comes into force on 25th May 2018. GDPR affects all businesses globally that deal with customers based in the EU. It is the biggest shake-up of data protection laws in years and replaces the current 1995 Data Protection Directive. It gives EU citizens the right to access their personal data and to know what their data is used for as well as the right to withdraw their personal data at any time.

This means that travel companies must be able to show their customers what data they hold on them and how they're using and protecting that data. They will also need to remove this data from email archives, databases and paper-based filing systems if the customer requests this or if there is no longer a legitimate or statutory reason for retaining this data.

When opting for consent as the legal basis for marketing activities, companies will no longer be able to gather personal data for marketing purposes without explicitly asking for consent. In other words, offering a pre-ticked opt-in option for marketing campaigns won't work anymore for consumers that have not purchased from them. Companies will also need to make sure that when consent is given individuals need to be made clear what they are actually giving consent for. When asking for consent for marketing purposes, it can't be bundled together with any other terms and conditions. Consent needs to be well documented and it must be easy for individuals to withdraw it at any time.

Fines of 4% of global annual turnover or up to €20 Million could be levied against companies that fail to comply with the new regulation. And not just that, there is the possibility that individuals could make compensation claims for damages suffered, not to mention the brand's reputational damage companies could suffer resulting in loss of trust.

## The Opportunities

Many travel companies see GDPR as a headache at best and a considerable threat to their ability to market to their customers at worst.

It is true, complying with GDPR will indeed force companies that deal with existing and prospected customers based in the EU to have a look at their contact database and change some of their processes around collecting, storing and using customers' data. However, if done properly, then implementing these very changes can help companies improve their marketing activities, streamline their operation and eventually increase sales.

• As mentioned before, GDPR will force many companies to change some of the processes they have currently in place around collecting, storing and using data. Besides new data, legacy data will also need to be compliant, so the new rules also need to be applied to existing customer databases. Most businesses have built up a customer database over many years and some of those customers may not have bought anything from them for quite some time but are still included in direct marketing campaigns. If this applies to your business, then not only are

you likely sending unwanted emails, but those recipients will probably flag your emails as SPAM. This can cause SPAM filtering services to filter out your emails from some customers who do want to receive them.

Thus, removing inactive customers from your database as required by GDPR will actually improve the effectiveness of your marketing.

 Many companies have customer data spread across a variety of computerised systems, data bases and/or paper-based files. Now is the perfect time to take stock of the data you hold and where you hold it and to explore ways to dispense with paper-based filing systems and consolidate your customer data into a single and centralised location.

Not only will this help companies be compliant with GDPR, but it will also enable staff to find customer information immediately thus saving time and providing better service.

 GDPR is not only about gathering and using data, it is also about protecting individuals' data against loss and data breaches. Consumers are becoming more aware of the risks of identity theft and related cybercrime. Some of the very issues GDPR is aiming to help address.

By demonstrating commitment to GDPR compliance to customers, like installing fire-walls and anti-virus software, creating back-ups and limiting access to data, they will trust brands more than their competitors who do the bare minimum to deal with the GDPR "headache". Ensuring their data is safe in a company's hands, will ultimately lead to securing their custom.

Our goal is to not only to tackle the challenges that the GDPR is bringing but also to exploit the opportunities that arise. We're endeavouring to help our customers do the same with several GDPR related enhancements in our software products so that things like securely storing customer data, tracking marketing consent, and satisfying customers' "right to access" and "right to erasure" will be a lot easier for them. Every disadvantage has its advantage and as far as we're concerned, so does the GDPR.