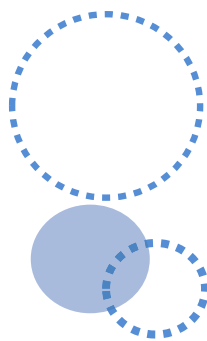




GDPR For B2B Executives and Sales Leaders

How to Make Sure Your Sales
Process Survives The Regulation



The GDPR Is Here: How This eBook Can Help You Prepare

The General Data Protection Regulation's (GDPR) enforcement on May 25th, 2018 ushers in new controls and privacy requirements on personal data. In fact, the GDPR has already earned a reputation as the most serious privacy law to date. It will impose strict rules for companies (and other organizations) that offer goods and services to people in the European Union (EU), or collect data on anyone within the EU.

Although the GDPR has far-reaching impacts, U.S. based executives are only now realizing the Regulation's full implications: NetApp's GDPR survey on global preparedness found that **39.7% of U.S. businesses were slightly concerned, 24.2% were concerned, and 12.5% were extremely concerned** about meeting the deadline.



The main problem for many executives and sales leaders is that they did not think their business would be affected. In addition to that, because of the Regulation's complexity, many did not understand *how* their business would be affected. As a result, more than half of U.S. business got a late start in preparing themselves, their teams and sales processes for the GDPR.

The GDPR Is Here: How This eBook Can Help You Prepare

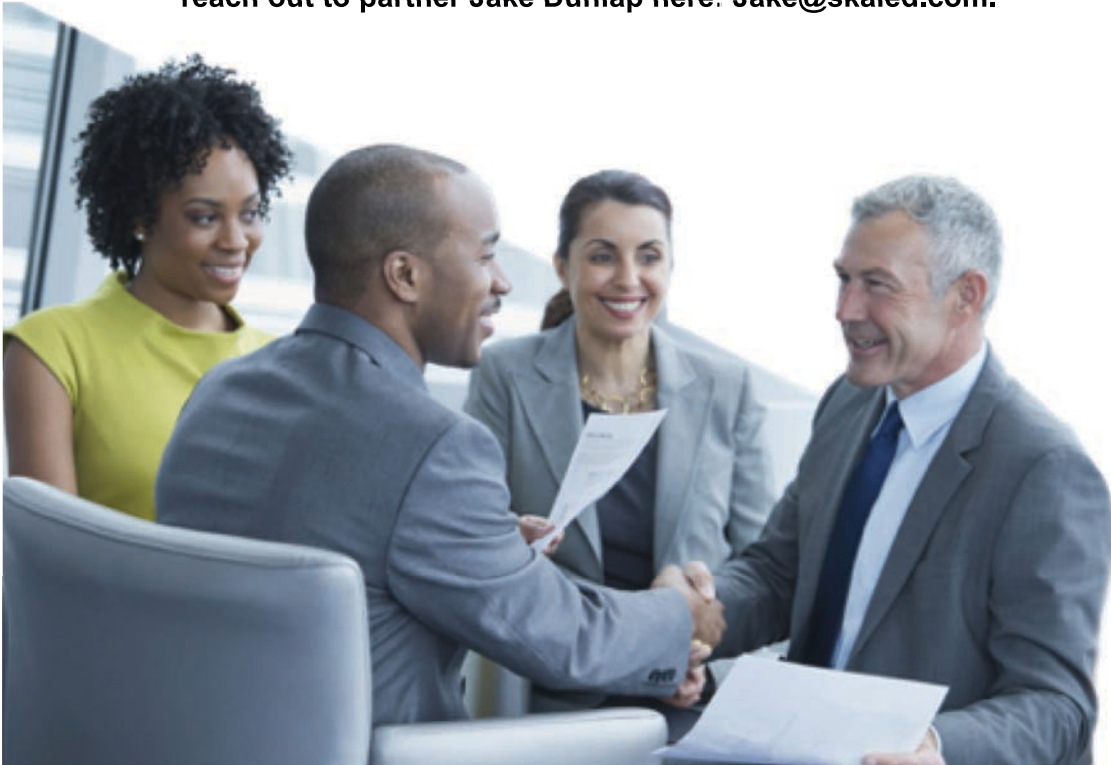
If you are unsure whether this applies to you or are curious how to get started, now is the time to take action towards preparing your employees, processes, and technology for GDPR compliance to keep your sales and marketing strategies running smoothly.

Over the last three months, the Skaled team has been dissecting the new law to understand how this Regulation will impact U.S. sales and marketing teams and why GDPR is different from anything we've seen in the past.

Our goal in this eBook is to help you figure out where you might face risks or blind spots, highlight how you can keep growing your core business and improve sales efficiency while preparing for the GDPR.

Disclaimer: Please keep in mind, we are not a law firm; the information you'll find in this eBook will not replace sound legal advice and you should consult your lawyer to ensure you are fully compliant.

For more information on how Skaled can help you optimize your sales and marketing strategy to empower your Sales teams to drive results in the GDPR-age reach out to partner Jake Dunlap here: Jake@skaled.com.





The GDPR Is Here: How This eBook Can Help You Prepare

GDPR Basics For Executives and Sales Leaders

What is The Regulation's Main Purpose?

A Few Essential GDPR Definitions

What Does the GDPR Mean For Sales and Marketing?

Revising How You Collect Sales and Marketing Data

Data Collection Under The GDPR

Inbound Lead Generation Under The GDPR

List Building Strategies Affected by the GDPR

How to Help Your Sales Strategy Thrive post-GDPR

Rethinking Your Sales and Marketing Strategy

Outbound Sales and Marketing Best-Practices

Four Ways to Rebuild Your Mailing List

Improving How You Store and Manage Data

Updating Your Sales and Marketing Tech Stack

GDPR Enforcement and Costs of Non-Compliance

Costs and Consequences of Non Compliance

Concluding Remarks

GDPR Basics For Executives and Sales Leaders

What is The Regulation's Main Purpose?

Any modern B2B business would have to agree - data is a valuable resource. Until now, the B2B world remained somewhat immune to privacy laws; this will change under the GDPR.

As it becomes easier to get ahold of personal data, individuals want to know what their information is used for, who has access to it, and how to get it back if they want it deleted.

To address this, the GDPR transfers ownership of personal information to individuals themselves; companies, on the other hand, become data holders.

As of now, the U.S. lacks a single, comprehensive federal law to regulate data use and collection. Meanwhile, countries such as Canada and Japan have already moved towards new privacy controls compatible with the E.U.'s GDPR. This signals a changing data landscape, and sooner or later you can expect the U.S. to adopt similar Regulations in one form or another.

Until this officially happens, the GDPR (which builds on the 1995 E.U. Data Protection Directive) **applies to anyone processing personal data of people located within the E.U.**, no matter where your business is based.

Before we get into the details of how the GDPR affects your Sales and Marketing operations, let's go over some of the most frequently used language within the Regulation.



GDPR Basics For Executives and Sales Leaders

A Few Essential GDPR Definitions

Without a doubt, the Regulation's most important definition covers personal data. In this context, it includes anything that can directly or indirectly identify a “**data subject**” or their device; names, IP addresses, location data, and cookies. It also covers physical, physiological, genetic, economic, cultural or social characteristics of an individual.

Other terms you'll want to be familiar with? (Here “entity” applies to your company.)



Data Controller: The entity that determines what, why and how personal data is collected and processed.



Data Processor: The entity responsible for processing personal data on behalf of a controller. The processor decides how the data is stored, transferred, retrieved and deleted when necessary.



Consent: When a data subject freely and explicitly gives permission by statement or action (such as checking a box) for using their personal data.



Privacy by Design: Including data protection within a system's design (rather than as an addition later on).



Right to be Forgotten: (Or data erasure). A data subject has the right to ask the data controller to erase his/her personal data, stop passing the data to third parties, and potentially request third parties to stop processing the data as well.



Right to Access: Refers to the data subject's right to access information about any personal data a controller holds about them.



Data Protection Officer: An assigned expert on data privacy who works independently to ensure data controllers/processors adhere to policies and procedures.

[You can find a full list of definitions here.](#)

What Does the GDPR Mean For Sales and Marketing?

Simply put, gathering data about a target audience is key to generating leads and driving sales. Moreover, a successful sales strategy in today's B2B landscape calls for a personalized approach at every phase of the funnel. This requires capturing detailed personal and behavioral data about prospective clients.

The Regulation places unprecedented restraints on how sales and marketing teams collect data about prospects, contact consumers, store and manage personal data, and how your sales and marketing technology processes information. Needless to say, B2B Sales and Marketing teams will need to know how to operate within these new parameters.

In the next section you'll find out how to prepare your sales and marketing strategy for compliance.



Revising How You Collect Sales and Marketing Data

The cornerstone of any sales process is building a solid prospecting list – which usually begins with data collection. The GDPR changes how you collect and store data on anyone located in the U.K. or E.U. Let's take a look at how your data collection process changes under these new requirements.

Data Collection Under The GDPR

Any time you collect personal data, you will now **have to ask for permission**. This falls under the GDPR's requirement for consent, the Regulation's most talked about article.

For example, if you want to add someone to your prospecting list, you will need to:

- Ask for permission to use their email, phone number (or any other personal data) – consent for one communication channel does not imply consent for other channels
- Phrase your request in clear and simple language
- Explain your purpose for obtaining the data and detail how you plan to use it
- Be able to prove you received the individual's consent

Beyond that, consent must be unambiguously affirmative – meaning, no pre-checked boxes or settings switched on by default.

Once you obtain consent, the data owner still has the right to withdraw it or request for you to erase their data. In practical terms, this can mean adding an unsubscribe link in your emails, along with a link to edit and manage data preferences.

In short, you should make sure sales and marketing work closely together to ensure **compliance at every personal data entry and outreach point**.

In terms of your existing database, most companies will try to re-opt in users before the deadline, but **many expect a 20-60% decline in their mailing list**. Understandably, this can cause a real blow to your sales efforts, so in the next section you'll find out how various list building strategies will be affected and different ways to rebuild your pipeline.

Inbound Lead Generation Under The GDPR

List Building Strategies Affected by the GDPR

Three common list building strategies many sales and marketing teams use to capture personal data are lead forms, webinars and social media. Keep in mind, these only serve as a few examples and do not cover the entire spectrum of data collection, but they will give you a good idea of how to think about the process.

1. Lead Forms

Whether you offer a white paper, eBook or video training, chances are you're asking for at least an email address in exchange. B2B businesses tend to take it a step further and request more details, such as position, company name, size and phone number.

Under GDPR there are a few things to keep in mind here.

You already know the first – you will need consent to use the information. For example, if you plan to use the data for marketing purposes, it must be clearly stated and consent must be obtained separately from other activities – you can't bury it in the T&Cs.

In addition to that, the data minimization requirement also applies. That is, personal data you request must be **relevant and necessary**; asking for someone's phone number might seem useful, but if you only plan to send an email it won't be considered *necessary*.

A good question to ask yourself is whether that piece of data is needed to achieve your goal – if not, stay on the safe side and don't request it.

As mentioned before, you cannot opt-in someone as the default either.

2. Webinars

Like lead forms, webinars are an excellent way to engage with your target audience by providing value in exchange for contact information – and they're becoming increasingly popular in the B2B space.

Many of the same requirements for consent and data minimization will apply. What's more, when someone signs up for your webinar you cannot simply add them to your mailing list.

Instead, you'll have to **gain permission to send marketing emails** and let them know what they can expect to receive from you.

3. Social Media

Admittedly, this is where the GDPR gets a little fuzzy. Clearly, mining email addresses from social media channels to use in unauthorized email campaigns or data processing activities will be considered a violation.

But for now you will still be able to generate leads through these platform by delivering tailored content directly through InMail or through sponsored posts.

LinkedIn in particular is deemed to be a good way to conduct outreach because users give implied consent when they agree to the network's terms and conditions. However, the GDPR gives users more control over how their data is used for ad targeting.

Moreover, personal data such as audience email addresses stored in your LinkedIn Campaign Manager will **delete automatically in 90 days** if not used or edited.



How to Help Your Sales Strategy Recover After The GDPR

Believe it or not, the GDPR does present an opportunity to upgrade your sales strategy.

Rethinking Your Sales and Marketing Strategy

For example, it could be a good time to move towards an account-based approach to focus your campaigns on a target audience genuinely engaged with your brand. For your company, this could mean **getting the right technology in place to align your sales and marketing teams**.

Once sales and marketing teams are aligned, they become much more effective not only in growing business opportunities, but also in managing data. Integrated marketing and sales tech makes data visible in both directions, so the two teams have a centralized way to view and update data, plus they are better able to support and learn from each other's initiatives.

Getting the right tools in place for closer sales and marketing alignment

Marketing automation, Sales Engagement and CRM platforms are three of the most important systems that, when integrated, can support this kind of collaboration and goal alignment, but they are not the only options. Depending on your operational model, others might include:

- Business intelligence/analytics
- Email tracking apps
- Content management system
- Account-based tools
- Social media management/marketing

Ideally, your marketing automation, Sales Engagement platform and CRM will share lead and customer data in both directions. This will inform your teams when someone opts-out of communications so leads don't get contacted by sales or marketing once they've already asked to have their information deleted.

Not only will this **make GDPR compliance much easier**, but SiriusDecisions suggests that companies with tightly aligned sales and marketing departments see 19 percent faster revenue growth and **15 percent higher profitability**, on average.

(For more information on how account-based marketing can transform your business, download our eBook Sales and Marketing: Bridging the Account Based Gap.)

However, aligning your teams may not be enough. You'll also need to make sure to follow best practices across all of your sales and marketing strategies.

Outbound Sales and Marketing Best-Practices

The Regulation restricts how your sales teams contact people using email and cold calling -- making outbound outreach more difficult. This section will take a look at these two common strategies in B2B sales and how to keep your team compliant.

Email Marketing Best Practices

Moving forward, you should follow these guidelines to add someone to your email list:

- Request authorization to use their email and implement a **double-opt in process** (not a GDPR requirement, but definitely a good idea)
- Express your request in **simple language**
- Explain your purpose for obtaining the data and how you plan to use it
- **Maintain proof of consent**
- Include clear instructions on how users can opt-out or delete information
- Differentiate between how marketing and sales plan to use the information and **get permission for all of these uses**

Most importantly, even once you obtain consent, the data owner can withdraw their data or request that you erase it *at any time*. This means you're required to provide clear opt-out procedures, which you can do by making sure your emails contain an unsubscribe link, along with a link to edit and manage data preferences.

Cold Calling Best Practices

While the GDPR specifically requires opt-ins from users to receive email, **cold calling will remain "opt-out"**.

Individuals who register with the Telephone Preference Service (TPS) automatically opt-out of all marketing related calls. This means you will need to double-check whether the individual or business is registered with the TPS or Corporate TPS before calling them. In addition to that, you must always say who is calling and allow your number to be displayed.

However, the **same rules do not apply to automated calls**, fax or SMS: you will need prior consent for these forms of outreach.

Now that you're up to speed on email and cold calling best practices, let's move on to rebuilding your lists once the GDPR comes into effect.

Four Ways to Rebuild Your Mailing List

A Hubspot survey carried out in Europe found that 51% of executives expect their marketing lists to shrink, and 33% anticipate a decrease in lead conversion rates. Granted the impact will be stronger in Europe, U.S. based companies should have a plan in mind to leverage other strategies and channels in case you need to rebuild your mailing list.

Direct mail

Since GDPR Regulations do not require companies to gain explicit consent for postal mail, direct mail marketing could make a comeback. Although you will still need to show that the person receiving the mail has a legitimate interest in your materials and “would not be likely to object.”

Physical and Online Events

Businesses will have to get even more creative to attract new, engaged users. For many, organizing online or physical events will be a good strategy to gain more leads. Online events, such as webinars, offer a valuable way to capture leads as do physical events including exhibitions, trade shows, and conferences.

With online events, you'll want to make sure your registration forms are GDPR compliant; request only the data you need and specifically ask attendees to opt-in to marketing emails. In both cases, even if you obtain someone's information, you have to clearly explain what purpose it will be used for.

Cold Calling

As explained in the previous section, calling will remain “opt-out” rather than “opt-in” which means call channels will heat up again and become an even larger part of an outreach strategy. **However, the medium may become saturated and quickly lose effectiveness.**

Social Networking Sites

Networking sites such as LinkedIn and Facebook include ‘implied consent’ covered by their T&Cs. Although GDPR gives users more control over how their data is used for ad targeting, for now you will still be able to generate leads through these platforms. For example, you can use LinkedIn to identify individuals by their interests, job titles, industry, or other factors to deliver tailored content directly through InMail or sponsored posts.

Of course, your investment into these strategies will depend on how much of your mailing list opts-out and how prepared you are once GDPR enforcement comes into full effect.

Now that you have a better idea of how to review your data collection and list building strategy, read on to find out what to keep in mind about storing collected data.

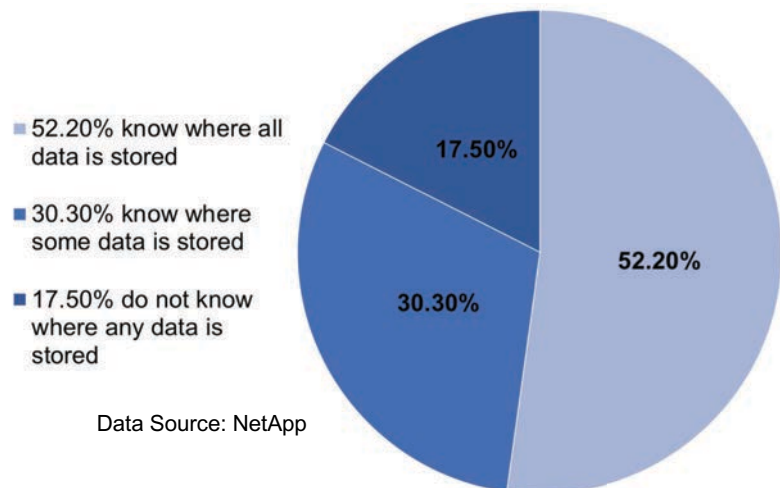
Improving How You Store and Manage Data

Not surprisingly, privacy is one of the main concerns people have when it comes to their personal data. The biggest consideration businesses must take into account alongside obtaining consent for data collection, is making sure the data is stored securely to minimize the risk of data breaches.

Under the GDPR, **businesses are responsible for technical and organizational measures** to ensure the data is protected against loss, disclosure or alteration, but the data shows that nearly half of U.S. businesses are unprepared.

Do You Know Where Your Data Is Stored?

The bad news? A recent survey by NetApp found that the majority of U.S. business cannot confidently say where their data is stored. Moreover, 40% of salespeople keep customer data in Excel or Outlook which makes it more difficult to keep Sales and Marketing in sync or update requests from data subjects to delete or modify information.



What's more, you cannot retain data once it is no longer needed for your stated purposes, which means a degree of data cleansing and governance is also required.

Now would be a good time to reevaluate how you organize and store collected information and think about investing in more secure sales and marketing technology. The good news, is that many MarTech vendors are moving towards implementing new security measures within their solutions with end-to-end privacy by design frameworks.

A good place to begin, is to formulate a data storage management policy. Start by **taking an inventory of data you currently hold**, what you plan to collect in the future and how you will use it. If you have a service provider, make sure they offer excellent technical support and are willing to walk you through their security measures and procedures in case of a breach. Working with your security and privacy counterparts in IT is also critical.

In the next section you'll find out what technology can help your business meet GDPR data privacy requirements and get your teams working more closely together.

Updating Your Sales and Marketing Tech Stack

Arguably, every sales and marketing application you use to collect and hold data can present potential risks for non-compliance. Even so, you should select platforms that take GDPR compliance seriously. Of course, the technology you need will depend on the size of your business, along with a host of other factors - this can be confusing given today's vast sales technology landscape with more than 700 solutions on the market.

GDPR-Friendly Sales and Marketing Tools*

Marketing Automation

Marketo



Pardot



Secure Sales Engagement Platforms

SalesLoft



Clearslide



Customer Relationship Management

Salesforce



HubSpot



Sales Intelligence

DiscoverOrg



You can start by taking an inventory of all systems where you currently hold data on EU residents (or where you will hold the data in the future) and assess whether they perform the key capabilities outlined in this section.

Here are some general functions your **sales and marketing tech stack should be able to handle**:

- Track consent and give data subjects the ability to manage their settings, transfer and delete personal information.
- Monitor which vendors, services and agencies are GDPR compliant with Data Processing Agreements (DPA) in place.
- Control the flow of E.U. data out of your sales and marketing technology through data permissions and policies.
- Maintain detailed reporting on data transfers to third-parties.
- Keep personal data encrypted adhering to privacy and security best practices.

* Please keep in mind, this not a complete list of GDPR-friendly solutions. If you need help figuring out which tools are right for you, reach out to us here: Jake@Skaled.com

GDPR Enforcement and Costs of Non-Compliance

Yes, human error and blind spots might lead to violations, but there are ways you can reduce risks. With this in mind, here are the biggest barriers to GDPR compliance in the U.S. and what to look out for in your business.

Common Barriers to Compliance

- The law's complexity
- Shortage of tech tools
- Too little time
- Inadequate budget
- Lack of qualified staff

What's more, 42% of marketing professionals cite a lack of executive support as a roadblock in preparing for GDPR. Gartner recently reported that 46% of companies lack a formal governance strategy, and 39% percent do not yet have a budget in place for data governance. If any of this sounds familiar, you're at a greater risk of violating the Regulation.

How Authorities Evaluate Non-Compliance

Now let's turn to the next big question on everyone's mind: what will happen if your business violates the Regulation and how will authorities decide how bad it is?

Article 83 outlines factors authorities will consider most when assessing violations, these include:

- Nature, severity, and duration of the violation
- Categories of affected personal data
- Reporting of violation
- Previous violations
- Real harm done and efforts to mitigate damage
- The degree of responsibility of controller or processor
- Certifications and adherence to codes of conduct
- Cooperation (or lack thereof) with authorities

Keep in mind, authorities will also take into account whether the violation was intentional or accidental and if you reported any breaches within the required 72 hours.

Now, let's take a closer look at the implications of non-compliance.

Consequences of Non-Compliance

As an executive leader of your company, you will want to keep in mind how non-compliance can **impact your business' finances, reputation, and productivity**.

Let's break it down into three key areas, beginning with the monetary penalties.

1. Financial

Most significantly, your company would receive a heavy fine. The penalty would amount to 4% of your company's global annual turnover (of the preceding financial year) or €20 million, whichever is bigger. Less serious violations can lead to a fine of 2% of annual turnover, or €10 million, whichever is greater.

For example, if a data breach happens but your company fails to report it to a data regulator within the 72-hour window, depending on its severity and reason for failing to report it, authorities would then calculate the amount of the fine.

The best way to prevent this worst-case scenario? Appoint a Data Processing Officer, stay informed on the Regulation, and check in with your leadership team for updates on preparedness. Ideally, establish a clear process for reporting data breaches and violations across all teams.

2. Reputation

Needless to say, if your business is non-compliant or experiences a security breach, your customers and the general public will find out. This means your reputation and credibility will take a hit, **as will your clients' trust in your ability to keep their information safe**.

The best way to avoid damage to your company's reputation is to ensure compliance. Aside from preparing your IT, sales and marketing teams, it's a good idea to keep track of preparations you've made, when and what was put in place and how much was invested. This way, you have information showing effort made to ensure compliance which could reduce fines and minimize loss of trust.

3. Productivity Loss

Following the consequences outlined above, non-compliance will lead to a drop in your customer base. For your sales VP, this will present a significant blow to existing funnels, leads and sales outcomes. As you can imagine, alongside the fines and loss of trust, it will take significant time and money to rebuild them.

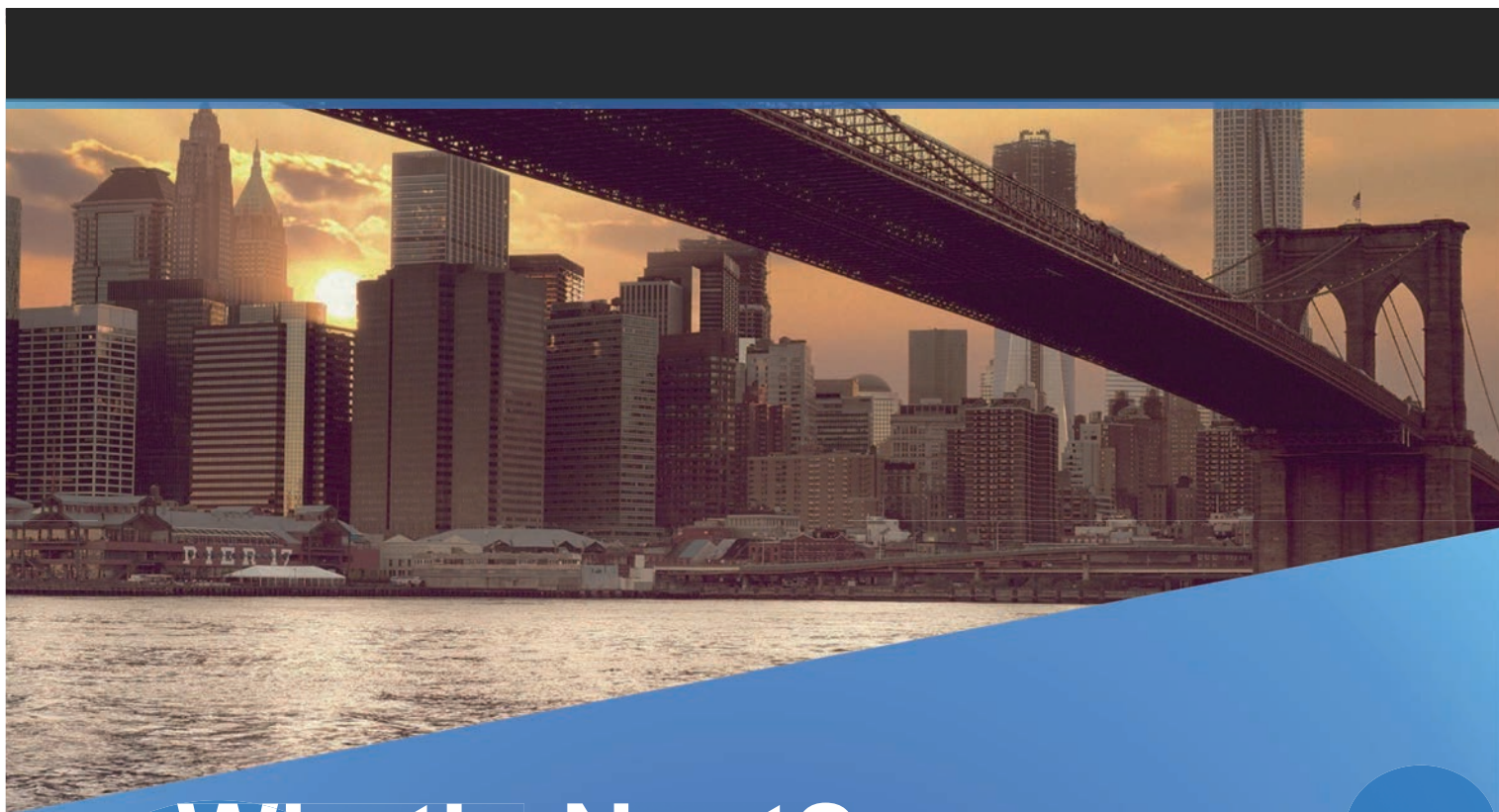
Concluding Remarks

Even if you do not handle information from E.U. residents, sooner or later U.S. laws may evolve to better protect personal data as well. With this in mind, now is the right time to prepare your people, processes and technology to avoid risking GDPR non-compliance, and strengthen your business along the way.

Although it requires investing both time and resources, you will be able to move towards a more targeted sales and marketing approach. The right technology will also help you segment and personalize your communications. In the long run, your business will become more efficient and profitable, with a more engaged client-base.

Skaled is not a law firm and the information you found in this eBook is not meant to replace legal advice. Instead, we hope it helps reveal areas of concern for your business, how GDPR will affect your sales process, and areas where you might need extra help.

If you'd like more information on how Skaled can help you improve your sales and marketing strategy, empower your Sales teams and drive results in the GDPR-age, **get in touch with partner Jake Dunlap here: Jake@skaled.com.**



What's Next?

We believe in continuous education and sharing content that answers your questions.

Make sure to [sign up for our newsletter](#) and check out our [blog posts](#) for new articles every week. You'll find information that expands on our eBooks to help rapid-growth companies align their strategies to become the modern sales organizations they strive to be.

You've come to the end of *Sales and Marketing: The GDPR Guide for B2B Executives and Sales Leaders*, but did we miss something? Do you have some expert know-how that has helped you get your business ready for the GDPR, or integrate your sales and marketing teams into one powerful aligned machine? Are you ready to turn these processes into actionable steps in your sales team today? I'd love to hear from you!

Jake Dunlap

CEO

jake@skaled.com

Follow us



Skaled



Skaled