

Succeeding In The Data Privacy Era

A CCPA Strategy Guide

CONTENTS

4

Are You Explaining
How You Are Using
Customer Data?

5

Are You Managing
Opt-Outs and Individu-
al Rights?

6

Are You Creating
the Right Messaging
Around How You Use
Data?

7

Are You Efficiently
Capturing Consent?

8

Are You Segmenting
& Synchronizing Your
Customer Databases?

9-10

Are You Partnering
With CCPA-Friendly
Third-Parties?

11

Your Next Steps

INTRODUCTION

We get it: The CCPA deadline is scary. It's why most companies have gone full-force in their preparations for January 1, 2020. But what happens afterwards? CCPA is an opportunity for companies to build better relationships with their customers based on value and trust—and that's where marketers will play a critical role.

CCPA, Simplified:

The California Consumer Privacy Act (CCPA) is by far the toughest privacy law in the United States, that expands the rights of consumers, and makes it mandatory for companies to be significantly more transparent about how they collect, use, and disclose personal information.



The CCPA affects any for-profit company that does business in California and fits into one or more of these categories:

- Generates a gross revenue of \$25 million or more
- Shares or receives personal data of more than 50,000 individuals
- Earns at least 50% of its yearly revenue by selling the data of California residents

So, what should your marketing team be doing to prepare?

Map out what personal information you collect, including all those cookies and trackers on your website, and ask:

What information do you collect? Where do you collect it from? Where and how is it stored? What do you do with the information? How long do you keep it, and why? Who do you share the information you collect with, and for what purpose?

Explore the guide to gain insight on life after January 1. Learn how your team can use CCPA to create a strategy for protecting user data to build more meaningful customer experiences long-term.

Are You Explaining Why You Are Using Customer Data?



Are You Explaining Why You Are Using Customer Data?

For starters, let's quickly cover the types of data that are protected under CCPA:

- **Name, address, email and ID numbers**
- **Web data including location, IP address, cookies and tags**
- **Health, racial, ethnic, political and biometric data**
- **Geolocation**
- **Purchasing histories**

The takeaway: Whether your team runs weekly tests on the type of language that decreases opt-out responses or offers rewards in exchange for data, to succeed companies will need a plan for testing the kind of data users are willing to provide and the circumstances under which they give access.

If you're using any data from the list to fuel communications (marketing, customer success, third-party partnerships, etc.), you'll need to explain why you need it and how users and customers will benefit from letting you have it.

Communication is key in any relationship. And when it comes to customer relationships after CCPA? This is especially true. Marketers should continually test how messaging resonates with customers to ensure fewer opt-outs after January 1.

Are You Managing Opt-Outs and Individual Rights?

Marketers often focus above the fold, but the CCPA is changing things up. After January 1st, companies doing business in California must include a clearly visible footer that allows users to opt-out of data collection.

Specifically, users have the option of deleting all or part of a company's data collection, at any time, and can choose what (if anything) gets shared with third-parties. Plus, marketers should take note: So, what is the main takeaway for marketers? That your data must be highly structured, categorized, and, at the customer's request, easily deletable.

Pro tip: Take note of the trends across your site, email lists, and other properties to see where you're gaining or losing access to the most customer data. To understand which messages are generating the best (and worst) responses, try a tool like DataSwitch to generate high level reports on customer consent by segment & channel.

People will have the right to receive all data a company has collected on them within the last 12 months of a request.



The takeaway: Your data must be highly structured, categorized, and, at the customer's request, easily deletable.

It's equally important to remember with the CCPA that consumers have a right to receive equal service and price whether or not they opt-out of data collection. However, a company CAN provide incentives to consumers if they agree to share their information. Make sure your audience understands the benefits they will receive if they agree to share their data. The name of the game now is trust. Be open with customers on how you use their data, and find a way to make it worth their while to share it. You will be surprised at how far you will get if you are up front with your customers, and you properly communicate what they can gain from the arrangement. After all, in a study by Marketing Land, six out of ten consumers state they will share personal data under the right circumstances such as whether or not their trust has been earned, or if they have been given compensation—and this number should only go up when further trust is earned.

Of course, even the best messaging or most enticing offers may not be enough to stop some users from opting-out of data collection. When they do, you'll need to ensure they are automatically removed from any existing company databases.



Six out of ten consumers state they will share personal data under the right circumstances such as whether or not their trust has been earned, or if they have been given compensation.

Are You Creating the Right Messaging Around How You Use Data?

Standing out from the crowd will be about balance and communicating value. After all, if how you explain your approach data is too sparse, users may assume that your lack of detail means that you're not being honest and opt-out for security reasons. But getting too technical isn't good either. If your language is overly complex, users may opt-out altogether for the sake of convenience.

The takeaway: Competitive analysis is key to learning how your audience responds to your data messaging. Continually monitor how other organizations are communicating their opt-out policies to ensure your own approach stands out. Plus, take note of best-in-class campaigns that give users a reason to share data to better inform your marketing efforts after CCPA.

“To stand out, clearly explain what users will gain from allowing your company to use their data.”



Are You Efficiently Capturing Consent?

The CCPA works under an “opt-out” system, unlike the “opt-in” system of the EU’s GDPR. While it is not explicitly necessary under CCPA to capture consent (with the exception of consumers under the age of 16), it is important to keep opt-in capabilities top-of-mind. Why? Other states are right behind California in creating data rights bills, and these may require active consent in the future. So, what can you do to effectively capture consent?

The takeaway: The consent pop up is your chance to showcase how your company handles CCPA—make it count! Work with a designer or third-party to create a thorough consent pop up and/or opt-out footer on your site covering forget me requests, email and advertising preferences, and more.

Your company needs a seamless interface for getting consent from users when they visit your site. Whether this is a custom pop-up or a full-screen take over, make sure you capture consent and offer opt-outs that are clear, bold, and easy for users to navigate.



Are You Segmenting & Synchronizing Your Customer Databases?

CCPA is a chance to clean your user databases and reorganize them. After all, the law requires that you make all customer data from the last year available to California residents upon request, and that any segment must be expunged from your database at a user's discretion.

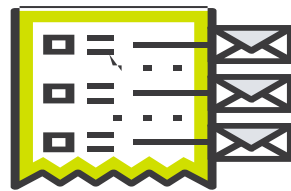
Companies will need tools like DataSwitch that automatically create and manage segments in terms of who's opted-in and out for company-wide use (inbound and outbound efforts). This makes it simple to pull data reports for those customers that request it, and have granular control over consumer decisions. For instance, if a person wants to provide their name and email for sale notifications, but wants their geolocation data deleted from third-party partners, you can do so quickly and easily.

Those same tools should be able to filter your CCPA segments in terms of standard metrics such as location and unique site visits for use in future campaigns.



Are You Partnering With CCPA-Friendly Third-Parties?

Want to prove that you care about your customers and their data? Partner with companies who value protecting your customers' personal information as if it were their own. Take note of potential partners' communication around CCPA, data practices, and even privacy notices to get a sense of their dedication to data safety.



Under GDPR, if brands work with non-compliant vendors, they are automatically considered liable for any data misuse. CCPA is a little different. With a very clear contract, a brand will not be punished if a partner or vendor is using data differently than the CCPA instructs. But, how do you know if your contracts are up-to-snuff?

First, let's clear some things up from the law. The CCPA applies to companies who "sell" the data of california residents. But what does this mean, exactly? The CCPA defines a "sale" as an exchange of data between a company and a third-party, or another company for personal information, data processing, or analytics.



Therefore, any brands who process data of California residents—whether from purchases or even in campaigns—are expected to be CCPA compliant. So, your contracts with third-parties must be extremely clear to protect your company from liability. Here are some areas of consideration:*

- Clearly defining what “sale” or “disclosure” of data means under the CCPA when working with a third-party.
- Understand who, exactly, is considered a service provider. CCPA defines service providers as a for-profit business that processes personal information on behalf of another.
- Make sure your third-party contracts explicitly prohibit third-parties from retaining, using, or disclosing customers’ personal information for any purpose other than performing the services specified in the contract.

Of course, clear third-party contracts and liability protection aren’t the whole story. Under the law, your company must provide an easy way for consumers to know which third-parties you’re sharing their data with and for what purpose. In terms of non-compliance, it is important to remember that you can be fined up to \$7500 per violation, and leave yourself open to class-action lawsuits. But, more importantly, you will lose customer trust, which has become an extremely valuable commodity. Making it easy for your customers to understand their place in the third-party data ecosystem will help build trust.

When identifying campaigns for channels or even identifying new vendors for marketing activities, you must be aware: some companies may classify themselves as something different than a “third-party.” Regardless of how a company classifies itself, however, the main way to protect against this is to include specific language in your contracts that prohibits whomever you work with from selling, retaining, using or disclosing the personal information of your customers for any purpose other than the services you need.

Quick Tip On Third-Party Safety: Users may be less likely to opt-out if you are transparent about who you work with to process their data. Comprehensive CCPA tools like DataSwitch give users access to “data maps” that allow them to see where their personal information is in the third-party data marketing ecosystem.



*Lineate is a technology provider, not a lawyer! While we’ve done the research in creating this guide, please consult a lawyer while drafting CCPA-compliant contracts.

NEXT STEPS



Ultimately, the CCPA is about building better relationships with consumers. Data collection is no longer a one-way street. It's a give and take in which companies will need to provide value to receive what they want in return. Be open with your customers. Communicate the value of sharing their data, and monitor what messaging keeps your audience from checking out.

INTERESTED IN CREATING A STRATEGY FOR CONNECTING WITH USERS AFTER THE CCPA?

Get in touch with one of our marketing data experts to learn more about the steps your marketing team can take to build consumer trust, as well as the technology your team should adopt to prepare for the CCPA and any future United States data laws.

On the technology side, be sure that the way you collect data is CCPA-ready. Include a clear opt-out section in the footer of your website, and allow your California customers a full list of options on what they can do with their data. Be sure to organize their data in a way that is highly segmented, and be sure that you keep this data for a full year. If you haven't started keeping user data organized in this way, you need to start NOW, because this 12 month rule takes place the moment the CCPA goes into effect.

Lineate (the author of this book!) specializes in creating customer data platforms that allow companies to collect, organize, and use data in a way that aligns with data laws from GDPR to CCPA. In fact, in addition to organizing data as outlined in the law, our Consent Manager platform connects to most marketing channels—allowing you to launch campaigns with data that you can be sure is CCPA-safe.

About Lineate

Lineate is a software development company that builds custom tech solutions for brands like The New York Times, eBay, OkCupid, and more. Lineate's data orchestration platform, DataSwitch, helps businesses run better cross-channel campaigns, activate GDPR-related data, and gain enriched insight into qualified target audiences.

THANK YOU

[Lineate.com/contact](https://lineate.com/contact)