

Consent – Home Businesses, Retailers, Manufacturers, Pharmacists, Retailers, Home Businesses



The best way to manage your privacy risks is to let your customers know why you're collecting their personal information and ask them for their permission.

Express Consent

Some information, like banking details for a credit check, is particularly sensitive. When you collect sensitive information, you should always make sure you get express consent from your customer. In other words, you must ask the customer directly if they consent to you collecting the information and/or disclosing the information to another company. For a credit check, you can do this by having the customer sign an application form that states that you will disclose the information to a credit reporting agency and that the customer consents to this.

Implied Consent

There are times when it's obvious your customer knows why you're collecting the information and consents to it. For example, when a customer hands the cashier a payment card, he or she knows your business will record the card number and pass it onto the bank so you'll be paid. The customer's consent to the use of the card number for the limited purpose of payment can be implied from the circumstances.

Opting-Out

When you've collected personal information for a purpose other than the original sale or transaction, you can't assume the customer will consent to it being used for something else, like marketing or customer relationship management. In these circumstances, you have to give the customer an opportunity to tell you they don't want you to use their information for that purpose. This is called an "opt-out".

Opt-outs must be clear, easy to understand and easy for the customer to do. You can have an opt-out box on a paper-based or web application form, for example, that tells customers that if they don't want to receive promotional material in the mail, just check here. You may want to let the customer know what they'll be missing – special deals and new product information, for example – but don't minimize, hide or obscure the opt-out. And don't make it complicated, like requiring the customer to write a letter to a specific address within a specific time frame. The point is to let the customer decide.

Tied Consent

It is important to remember that you can't refuse a sale if the customer refuses to consent to the collection of information that isn't necessary and legitimately needed to complete the transaction. This is called "tied consent" and it is against the law.

Consent – Home Businesses What It Is and How to Get It



Special Cases – Contests and Returns

Contests and returns often cause problems for companies that haven't thought through the whole question of consent.

If you collect personal information for a contest, you can assume the customer consents to you using that information to notify him or her if he or she wins. But if you want to use the information for marketing purposes, you will either need to provide the customer with a chance to opt out, or ask for express consent.

Some companies collect personal information from customers who return products in order to reduce the possibility of fraud. It is not good practice to record driver's licence numbers in this situation. Driver's licence numbers are personal information. They are also sensitive information, since an identity thief can use them to commit fraud. Although you can ask to see identification from a customer to process a return, do not record the number.