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## **85% of firms struggle to comply with GDPR by deadline, but opportunity exists for organizations who get it right**

*39% of consumers have increased their spend by as much as 24% with firms that are protecting their personal data*

**Paris, May 17, 2018 – With GDPR coming into effect in just over a week from today, 85% of firms in Europe and the United States will not be ready on time. Additionally, one in four will not be fully compliant by the end of this year, according to a new report today from [Capgemini's Digital Transformation Institute](#). "[Seizing the GDPR Advantage: From mandate to high-value opportunity](#)" surveyed 1,000 executives and 6,000 consumers across 8 markets to explore attitudes to, readiness for, and the opportunities of GDPR.**

### **A race against the GDPR clock**

With the May 25<sup>th</sup> GDPR deadline fast approaching, there is a mixed picture across Europe when it comes to readiness. British businesses are the most advanced, despite only 55% reporting they will be largely or completely compliant. Spain (54%), Germany (51%) and the Netherlands (51%) are close behind, with Sweden having the most work to do: just 33% of Swedish firms will be largely or completely compliant on time.

The research suggests that some companies are overlooking the business opportunity of GDPR. Nearly one-third of firms are focusing on compliance only: 31% report that the focus of their program is to comply with the mandate rather than gain competitive advantage. Furthermore, although non-compliant organizations face fines of up to 4% of annual revenue, nearly 19% say ensuring they are prepared is not a priority for them.

### **A missed opportunity for boosting the top line**

The research suggests that firms who have got ahead of the deadline, and invested in compliance and data transparency with consumers, are starting to reap the rewards. Of those consumers that are convinced an organization protects their personal data, 39% have purchased more products and increased spend with that individual firm as a result. This increased spend is substantial, with these consumers spending as much as 24% more. In addition, 40% have transacted more frequently with the organization, either a few times or on a regular basis. The benefits go beyond spending too: 49% say that they have shared positive experiences with friends and family, bolstering a firm's reputation among potential consumers.

### **Empowered Individuals**

GDPR is also empowering consumers to take action over their own data. Across Europe, 57% of individuals say they will take action against an organization if they know a firm is failing to adequately protect their personal data. Of these, more than 70% will take actions such as reducing their spending (71%), stopping doing business with them (71%) or sharing negative experiences with family and friends (73%).

To help counterbalance this, the report highlights that firms need to make sure they recognize the level of trust their customers have in them. Right now this is not the case: almost three quarters (71%) of executives



believe that consumers will not take any significant action, such as to have their data removed. In addition, eight in ten say customers trust their organization with the privacy and security of data, but just 52% of consumers agree. This misperception means businesses are missing out on the potential bottom-line benefits previously highlighted and only 11% are centering their GDPR compliance efforts on customers' needs.

*"Executives now have a great chance to use GDPR to create a customer-first privacy strategy. That business opportunity is significant,"* said Willem de Paepe, Global GDPR leader at Capgemini. *"Beyond gaining consumer confidence and increased spending, knowing exactly what data is held allows firms to use analytics more effectively and improve operations. Firms will also know which files they must delete, freeing up valuable storage space and reducing some of the [\\$3.3 trillion](#) it will cost to manage data globally by 2020."*

A copy of the report can be downloaded [here](#).

### **Research Methodology**

The results in this report are from two groups: private individuals and executives of large companies. Capgemini's Digital Transformation Institute (DTI) questioned 1000 executives from organizations with revenue of over \$1 billion across eight countries: France, Germany, Italy, Netherlands, the UK, the USA, Sweden, and Spain. In addition, the DTI spoke to 6000 consumers (aged 18 and above) across seven European markets that come under GDPR: France, Germany, Italy, Netherlands, the UK, Sweden, and Spain.

The survey was conducted in March-April 2018.

### **About Capgemini**

A global leader in consulting, technology services and digital transformation, Capgemini is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

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### **About the Digital Transformation Institute**

The Digital Transformation Institute is Capgemini's in-house think-tank on all things digital. The Institute publishes research on the impact of digital technologies on large traditional businesses. The team draws on the worldwide network of Capgemini experts and works closely with academic and technology partners. The Institute has dedicated research centers in India, the United Kingdom and the United States.