

Retail Requests for Postal Codes and other personal information

Has a merchant asked for your postal code when completing your purchase? Maybe they offered to enter your name in a prize draw in exchange for that morsel of data.

Why do merchants want your postal code? Merchants like to know as much as they can about their customers, and asking for home phone numbers and postal codes is the easiest way to identify customers' income, age and other demographics. Most shoppers don't ask *why* they're being asked, and assume there must be a valid reason. But they might be unwittingly giving permission for that information to be used in ways they'd never approve of or expect.

What's the risk in asking? Many of us wear two hats: we're asked for personal information, or we ask others for their information. Either way, the practice can be risky business.

If you're a merchant and you receive customers' personal information, you're obliged under Canada's privacy laws to safeguard that information. Canadian privacy laws are intended to protect "personally identifiable information," which includes home phone numbers and home addresses — and the postal code is a necessary part of any address. Failing to protect the personal information could result in a breach investigation — which often comes with media attention and reputational damage.

If you're the customer, it's important to remember that there's probably no obligation to provide any contact information. Don't be fooled into divulging your personal information if the clerk says the reason is *because it's store policy*: that's not a reason.

It's often "store policy" to ask for a driver's license before the clerk will complete a credit card transaction. Remember that the Privacy Commissioner of Canada has made it clear that merchants may ask to see your driver's license to complete a credit card transaction, but in many Canadian provinces and US states it is illegal to record information from the ID presented to complete a transaction.

What use is a postal code? Having your postal code along with the transaction details is enough for a retailer to learn a lot about you. With just your name and postal code or phone number it's easy to identify your household income, your spending habits, and where you live. So consider if you really want to help retailers to be able to draw a detailed portrait of you and others in your household. And consider how they might use any information that you volunteer.

How can you find out? It's your right to ask *why* the merchant wants your personal information, and how they plan to use it. Sales clerks are usually trained to be effective in obtaining your information, but you might have to ask the manager to find out how the store uses and safeguards your information. You're also within your rights to ask what's required to have your personal information removed from the merchant's records.

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