Is data quality impacting your response rate?

Leverage data to make your marketing fly

An Experian discussion paper

Experian™
Data Quality

Data gives your marketing wings

Use your data to make campaigns fly

Essentially, there are two sides to the marketing equation - the solution you provide and the prospects and customers you target: being blessed with a fantastic range of the former won't get you far unless you invest time in understanding the latter.

Great marketers know that success depends on understanding customers and prospects in depth. Fortunately, this level of insight is possible for those organisations smart enough to harness the huge amounts of data that consumers now provide.

These organisations don't see data as a burden, but a business opportunity. The key is in investing time and resources to optimise your customer and prospect data to enable your business to take a targeted and relevant approach to marketing communications.

This white paper will help you to understand the barriers to overcome and how to develop a data strategy that calls upon software tools to help you ensure you're engaging with the right customers, with the right messages, to really make your marketing fly.

Accuracy   Compliance   Budget   Insight

Barrier

The cruel and frustrating reality is that asking the basic question of how reliable your data is can be like opening a can of worms. Data stored in CRM (Customer Relationship Manager) systems is usually shared across the business, which often leads to a lack of accountability around the accuracy of the data within it. With no ownership, databases decay and the insight they could provide rapidly evaporates. The longer this goes on, the more unreliable data becomes and the less confidence you can have that your messages are reaching the intended audience.

But this is something that needs to be addressed because reliable data is vital for effective marketing communications. In a recent survey nearly 50 per cent of consumers said that inaccurate data annoyed them* - and annoying customers leads to less engagement, less loyalty and ultimately less profitability.

Build

Know your data: knowing where the problems lie is the crucial first step to creating a strategy to tackle data issues. Test your data by asking yourself some questions: Do you trust your data? How often is your data cleaned? How does data enter your organisation? It is important to understand where you are. Most data quality providers in the market will work with you to help you understand what your data looks like today and will be able to provide you with an idea of the possible uplift data quality can provide. Knowing where you are today is a key component of building your business case.

Get buy in: data affects every part of the business, from finance to HR departments to marketing. So, before you start any major data projects, secure buy-in from other parts of the business. Achieving this will be much easier if colleagues understand how accurate data will help them in achieving their day-to-day and longer term objectives. Investing time and thought into sharing this understanding will pay dividends.

Invest in tools: investing in data quality tools, which can help you capture your data correctly and clean your existing database, within a data strategy takes away manual data processes, saving you valuable time whilst ensuring that everything that is entered into your database is correct. Make sure that you make tools part of your data quality proposal and strategy and leave the hard work behind.

Boost

A long term data strategy will allow you to keep your data clean and up to date over time. This will ensure that all the communications that you send out to your customer are reaching their intended destination. Benefits hit all of the sweet spots, including customer engagement, costs and ROI.

*Reference: Caring and Sharing Consumer Research 2013, Loudhouse.

Barrier

Data compliance can be a headache but it needn't be if you know what you are looking for and have the correct processes in place.

Compliance is not something you can afford to get wrong. Let's take the Data Protection Act (DPA) as an example. As marketers we can forget that a database isn't just 'data'; it's personal information about customers - people just like us.

The rules are in place to protect us all. Failing to meet them has huge consequences not least in terms of bottom line and reputational cost. If a customer believes that you don't treat their data with respect then they can safely assume that you don't respect them either and they're likely to find a company that does. The Information Commissioner's Office (ICO) can prosecute leading to fines of up to £500,000 and even imprisonment for breaching the DPA. It covers a range of activities from spam texts, to sending information to the wrong recipients, to confusing your customer records.

Build

By creating a data quality strategy you will be ideally placed to take control of your data. In addition, this will make it far easier to plan and implement ongoing data governance policies for your data so you can always be confident in the resources you hold.

This will help you to know with certainty those customers in your 'do not mail' contact pool. It means you won't inadvertently engage customers inappropriately, and inadvertently breach the DPA. And with 80 per cent of consumers seeing it as their responsibility to update businesses should their contact details change*, automated tools will ensure that when they make the effort to do so, your company shows them respect they deserve by capturing the requested changes correctly.
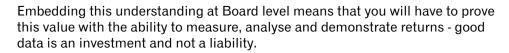
Boost

By managing your data effectively, you will enhance your reputation with customers. Creating and constantly maintaining accurate and complete customer records allows you to:

- avoid damaging breaches to regulation such as the DPA;

- eliminate duplicate or inaccurate mailings to avoid wasted budget and customer complaints;

- build and maintain brand reputation;

- understand precisely who is on your database for more accurate business and campaign planning; and

- stay up to date on changes in circumstances to ensure you only engage with contacts who can and will respond.

*Reference: Caring and Sharing Consurmer Research 2013, Loudhouse.

Barrier

Budgets are always under pressure, but today more than ever you need to show that every penny of your marketing spend earns its keep. You have to share the message that good data is good business and that it delivers value to your organisation.

Embedding this understanding at Board level means that you will have to prove this value with the ability to measure, analyse and demonstrate returns - good data is an investment and not a liability.

Build

Ensure that you market to a clean, targeted pool of contacts and you can expect a better response rate and improved ROI, with less waste on returned mail.

Having this insight and control over your data will demonstrate to those making decisions that you are spending wisely and have an awareness of how to make the most of what budget you have.

Contact validation exercises help bring your data up to scratch and can be carried out before specific campaigns. Prior to your communications, focus on validating the information that is important for the specific campaigns. If, for example, you're engaging with customers via email, then email addresses need to be a top priority.

Boost

Now with good data quality you are in a position to track and monitor your results effectively - knowing that all of your communications reach their intended recipients. This cuts waste and increases the efficiency of campaigns, whilst also improving the likelihood that those customers will be interested in and buy what you're marketing.

Happier customers, reduced costs and increased returns really do speak for themselves and are a powerful driver for future data accuracy investment. And, with accurate measurement now to hand, you will also be able to fine-tune future marketing campaigns based on hard facts.

Barrier

Finding new customers is always more difficult and expensive than keeping the valuable ones you already have. But retaining customers isn't easy - it demands deep insight into their likes, dislikes and possible behaviours.

Build

Profile: a good place to start is to define precisely what a valuable customer is to you. This could be based on revenue or your ability to grow the relationship you have with them.

If your data is accurate, you can overlay additional information sources and use segmentation tools to provide a deeper, richer understanding of your customers. Identify an individual's demographic and lifestyle characteristics to target, acquire and manage profitable customer relationships and improve business results.

Once you understand your customer in more detail by enhancing the record with a range of additional information like socio-demographic type, location and communication preference you can start to build up a picture of what your ideal customer really looks like and then actively target them in the right way. This is key to driving improved results with lower impact on marketing spend. Do less but make it more effective and meaningful for the customer.

Target: now that you can see individuals and not just contact points, think about adapting your marketing activities based on who you're talking to. Understanding your customers better means you can target them with offers that are more relevant to their needs and interests. Your marketing should be reflected in your investment (in terms of time and money) in these activities too.

Boost

An increase in customer satisfaction will deliver more engaged customers which in turn leads to an uplift in retention and acquisition.

Using data to inform a more targeted approach can demonstrate to customers that your organisation understands them. Consolidation of this trust can then greatly strengthen the ability to cross-sell and up-sell to customers with products or services that they actually need and are interested in.

Time for take-off

The bottom line is that good data makes your life as a marketer simpler. It may seem daunting and the first step can often seem the hardest. As a leading data specialist, Experian Data Quality is here to make that initial leap into space much easier.

We aim to provide you with the tools, processes and understanding to overcome the barriers you face.

About Experian Data Quality

Experian Data Quality has built up exceptional market coverage assisting customers with their unique data quality challenges. We provide a comprehensive toolkit for data quality projects combining our market leading software with a vast scope of reference data assets and services. Our mission is to put our customers in a position to make the right decisions from accurate and reliable data. The size and scope of data management projects varies considerably but the common factor in all ventures is unlocking operational efficiency and improving customer engagement. We see the potential of data. Whether it's in enabling ambulances to be sent to the exact location of an emergency or attributing charitable donations to the people who need it the most - data accuracy makes all the difference to service provision.

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