Does your CRM strategy meet business expectations?

Don't let data quality be the missing link

Experian™
Data Quality

Preface

This eBook is a follow-up to an earlier report titled 'The true impact of inaccurate CRM data across the organisation'. If you haven't had a chance to download the report you can still access it today by clicking here ➡

Poor data quality is one of the biggest challenges CRM system users face today. It can be a major risk to the successful implementation of a CRM project and can stop your organisation from making the most out of its CRM investment.

Download the report by clicking here

In this eBook we will:

1	**Chapter 1:** Explore the impact of poor quality CRM data

2	**Chapter 2.** Provide you with 5 key guidelines that any organisation should consider as part of their CRM strategy

3	**Chapter 3.** Share our own experience of a global CRM migration project

Written exclusively by business leaders from across our organisation, this eBook is a collection of their insights about data management and processes to help your Sales, Marketing and Services teams get the most out of your organisation's CRM application.

Contents

"Over 51% of organisations today deploy a CRM system[1]"

Chapter 1
Poor quality CRM data – the impact on the organisation

David Serrano Lopez
Lead consultant

David is a lead consultant in our Professional Services team and is responsible for designing, building and implementing data quality solutions for our customers. He was worked with numerous organisations across a range of business verticals, and has first-hand experience of the types of challenges that organisations face with their CRM data.

First I would like to take a step back and look at Customer Relationship Management, a key business priority for all organisations today. Gartner the leading information technology analyst firm recently published the results of their 2014 CEO Survey[2] and unsurprisingly top of the list of Executive's priorities is growth driven by a combination of investment in technology, winning customers and strong interest in data-driven decision making.

This matches with our own findings, in that more organisations are gradually creating and appointing new data driven roles, such as Data Quality Managers and Chief Data Officers. Overall data is increasingly considered an important corporate asset, yet the true value of data lies in its accuracy. How does the CRM system fit into this equation? Your CRM system is the supporting technology that can really drive forward this upside from data together with growth from an improved customer experience. Let's take a quick look at the role that the CRM system plays and how various users across an organisation can be affected by its outputs.

The CRM system sits at the heart of an organisation. Plugged into it are multiple technologies and applications that extend the capabilities of the CRM. Increasingly, data enters this environment from multiple channels and sources including your websites, call centres and social platforms. Our 2014 global report found that the average number of channels through which contact data enters the organisation today sits at approximately 3.4.[3]

Data then travels downstream into the CRM system and feeds into all linked applications and plug-ins such as your marketing automation systems, invoicing tools and reporting functionality. If the data entry points are not safeguarded then the quality of the data entering the CRM system will be compromised as will the efficiency of CRM system. Poor quality data in your CRM system can then go on to impact business
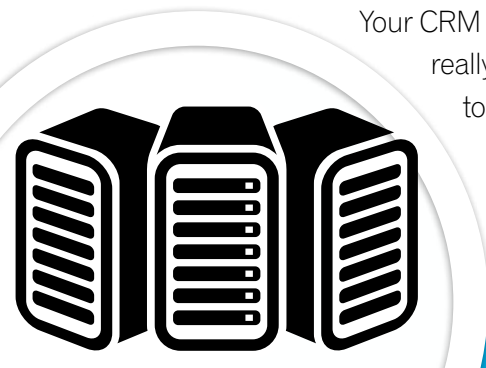
functions all across the organisation including your Sales Reps, Marketers, Customer teams and the business as a whole. It also means over time users of the system can become disillusioned and withdraw their support. More importantly the monetary value to the business as a whole can be significant, analyst firm Ovum, estimate that business are losing at least 30% of revenues as a result of poor data quality.[4]

I wanted to share with you an interesting example of how a customer I recently worked with turned their CRM data quality around to deliver significant value back into their organisation.
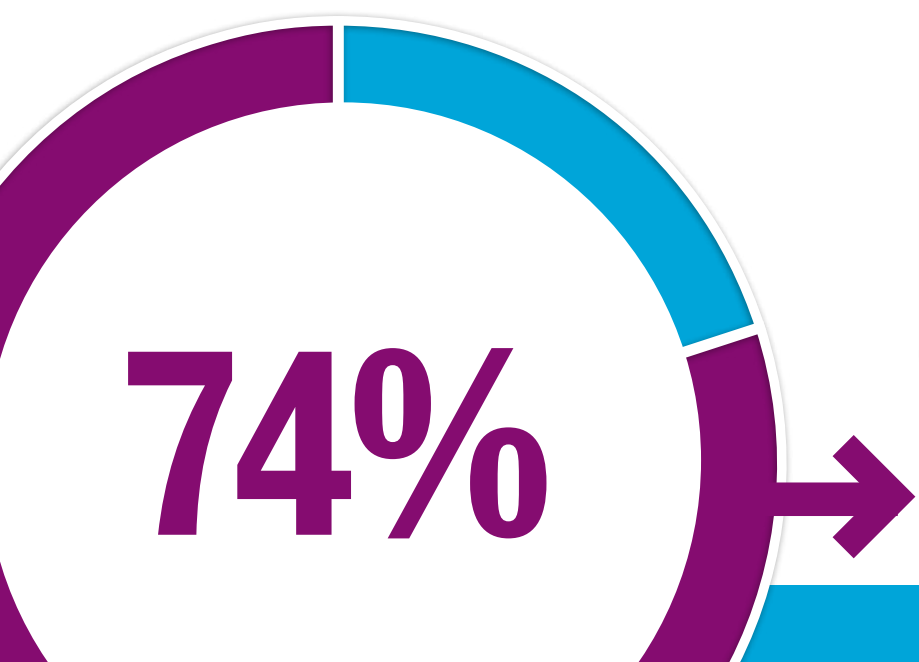
The organisation

The customer - a large international retailer, with the traditional offline offering, expanding quickly through a variety of new online channels.

Challenge overview

A few years earlier this organisation had implemented a new loyalty card scheme. However with no strategy or tools in place to monitor customer registrations to the loyalty scheme, they were unable to stop customers from creating multiple accounts and signing up for duplicate cards. Yet more importantly they were unable to identify the real impact and value of the loyalty scheme after it had been in place for some time.

Solution

The solution involved an initial assessment of the state of the CRM data and a data cleanse to validate inaccurate customer contact details within the CRM system, of which nearly 27% of contacts were duplicates. The long-term preventive measure involved installing a fully integrated data quality firewall into the CRM system that recognises duplicate records and stops them from entering the system in the first place.

Result

Not only did this retailer eliminate all duplicate customer records from the CRM system, they were finally able to quantify the value of existing loyalty card members and translate their purchasing behaviour into actionable insights for both members and non-members, which lead to an overall improvement in the customer experience.

74%

74% of organisations believe that bad data has hurt customer loyalty schemes and engagement[5]

Chapter 2 - Sales & Marketing and the CRM system
5 guidelines to transform your CRM data and processes

David Struth
Head of Marketing

David Struth joined Experian Data Quality from IBM 4 years ago and now as the Head of Marketing, he leads a team of marketing professionals tasked with engaging clients and prospects across multiple channels. Interestingly David has held a number of marketing and sales-based roles in B2B technology businesses and really understands the common ground that marketers and sales teams share and the importance of the CRM system in driving this common ground.

Marketing and Sales are predominately the two key power users when it comes to all CRM platforms. Without their effective engagement with the system any application transformation or implementation project is doomed to fail. CRM data is also used to drive many strategic decisions that affect Sales & Marketing. For example, new product development opportunities, the allocation of marketing budgets on preferred customer segments, as well as the annual sales and marketing plans. Inconsistent and inaccurate data however means that the day to day tactical initiatives as well as the strategic decision making may potentially be flawed affecting the long term success of Sales & Marketing.

Based on my own experience, I would like to share with you my top 5 guidelines for overcoming data quality challenges that may exist within your CRM system.
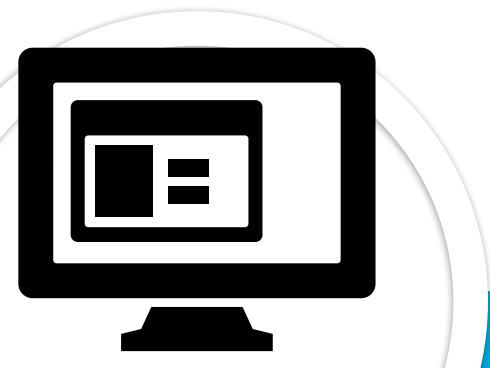
1. Understand the state of your CRM data

A frightening percentage of organisations just don't know where they stand with regards to the quality of their data. Before you do anything further, ask yourself whether your organisation has a good understanding of the current state of its data? Inaccurate data can go a long way in diminishing the effectiveness of your sales and marketing efforts including low campaign response rates, undeliverable content and duplicated sales efforts. Yet there are a numerous options that exist today to help you tackle this issue, including data health checks and assessments. Many vendors today will actually perform these services for free as part of their pre-sales efforts, depending on data volumes. So take advantage of these opportunities to help you build up a complete picture of the state of your CRM system data.

2. Understand your data quality processes

Understanding through what means information enters the CRM system is key and essential to driving ongoing success. The major purpose of this is to identify the root cause of dirty data. There are many technologies out there today, that perform data discovery and profiling functions to help you gain that better understanding of the areas you should be tackling first. It's also important to try to understand who or which business function in your organisation actually owns the data. Very often the lines of data ownership can be blurred, as one function believes it is the responsibility of another. Without clear ownership, you will find it difficult to make your data quality initiative a success.

5 guidelines to transform your CRM data and processes

3. Manage data across its full life cycle

It's all very well to have in place the right tools and process for the accurate capture of data, but that data will degrade over time. This is known as data drift. It is believed that data changes at a rate of 2% per month[6]. That means that nearly a quarter of the data acquired last year may now be inaccurate. What about legacy CRM systems that have been in place for 10-15 years? The quality of the data that sits within these systems can really be undermined unless regular data cleansing has been performed over time. Luckily CRM contact data management technology exists today that will create a firewall that surrounds and protects the quality of data entering and sitting within your CRM system. It will cleanse data on a regular basis, protect against duplicates and help suppress data that has become outdated overtime.

4. Enable your 'power users'

Like with any new technology initiative getting the people piece right is always the biggest challenge. To gain buy-in from your users, make sure you clearly highlight the benefits of your data quality initiative to them. With estimates from Gartner, which point to data quality impacting overall labour productivity by as much as 20%[7] the efficiency gains to users can be reasonably substantial. A well thought out training program can be an essential means in helping you get that knowledge across.

5. Create opportunities for customer segmentation

Holding accurate and reliable data within your CRM system really is Step 1. The upside from accurate and complete data comes when you enrich the data you hold in order to provide more sophisticated segmentation and cleaner customer insight. Data enrichment comes in a variety of shapes and sizes depending on the use cases of each business. Information can be appended at the point of contact or retrospectively to help you build a complete picture of your customers. This can include anything from geographic and demographic information right through to understanding communication channel preferences. For your marketers, enrichment can lead to highly targeted campaigns that result in better leads passed on to sales. For your sales teams this may mean newly identified cross-sell and up-sell opportunities that go some way in deepening the relationship with prospects and customers.

Chapter 3. Moving from a legacy CRM system to attain a single customer view
Q&A with our resident 'Customer Champion' Gemma Shallard

Gemma Shallard
Operations and Support Director

Gemma Shallard is the Operations and Support Director at Experian Data Quality and as part of that role she is responsible for the CRM system, Customer Excellence and Customer Operations and Support services. She's here to answer a number of questions about Experian Data Quality's own experience of moving from a legacy CRM system to attain a single view of the customer across all business units.

Q. What role does the CRM system fulfil within Experian Data Quality? ?

A robust CRM system has always played a key role within our organisation, allowing us to communicate with our customers about the right things in the right ways. For example our Account Managers use the CRM to gain a greater understanding of their customer's account history. Our Marketers use the CRM data to feed into their marketing automation platforms in order to deliver targeted and segmented campaigns. Our Consultants use the CRM system to see exactly what kind of solution they're required to deliver. The CRM system is critical to our success and there are plenty of other use case scenarios, which I could tell you about here.

Q. What sort of changes are taking place around the CRM system? ?

Our organisation doesn't operate alone; we are part of the wider Experian family, an organisation that has grown significantly via a strong focus on acquiring businesses who fit well with its overall vision. This has however meant that each organisation has brought with it, its own customer data, usually in a variety of different formats, from CRM applications, databases, spreadsheets and rolodexes to name a few. Now we are looking to aggregate the information in all the various disparate legacy systems into a new comprehensive central CRM system, this includes an extensive data migration project which has presented an opportunity for us to analyse and improve the quality of all customer data held.

Q. What are some of the challenges you are hoping the new CRM system will solve?

We really wanted to look at the customer experience piece and for me this meant the end to end customer journey and giving visibility of this journey to all of the different parts of the business. We also wanted to ensure that the data populating the new system was as accurate as possible. For us the data migration provided a perfect opportunity to really examine the data that had been collected over time.

Q. What has the feedback been like so far?

Feedback from staff around the business has so far been really positive. Account Managers now feel they get the full picture of the work Experian as a whole is doing with an account or contact, this means they can have much more informed conversations with their customers after collaborating with their colleagues on the total solutions we can provide. From a financial perspective, we have already seen our marketing costs reduce whilst campaign conversion has increased as our customers are positively responding to the fact that we are taking their customer experience seriously.

Q. What is the current status of the project and have you had any significant findings?

We are currently under way with our CRM system migration project, it's early days but we are beginning to see some of the outputs. Within the first wave, we've migrated 1,400 internal CRM application users from disparate systems to the new central CRM system but more importantly we've been able to identify and remove duplicate accounts and contacts from these systems. This really is bringing us closer to achieving that single customer view and providing a totally seamless service back to our customers.

Q. What are you doing to encourage the adoption of the new system and processes amongst users?

As David mentioned earlier, power users are a really good resource to leverage in this type of situation. We also tend to rely on the combination of the carrot and stick approach to gain that user buy-in across our organisation. We offer numerous incentives to users based on usage stats and we track these via lead tables across the organisation. At the same time we also ensure that user input processes are also part of that user's objectives, with implications on commission or bonus payments for non-compliance.

The End

Thank you for taking the time to read this eBook. We hope the information presented in the eBook has helped you to:

Identify and quantify the impact poor quality CRM data may have on some of the key functions within the context of your organisation

Take the necessary next steps to start addressing these issues using the guidelines and tips provided

If you are thinking of starting a CRM data quality initiative of your own contact us today for a free data health check and we will help you understand the real state of your organisation's CRM data. Alternatively we can also talk you through the end to end data quality solutions that we offer for CRM applications such as Salesforce, Microsoft, SAP and Oracle that will ensure your data is fit for purpose.

References

1. Computer Economics (2012) Current Trends in CRM Adoption and Customer Experience

2. The Gartner CEO and Senior Executive Survey (2014) - 'Risk-On' Attitudes Will Accelerate Digital Business

3. Dynamic Markets (2014) Experian Global Data Quality Global Research 2014, Independent Market Report

4. Ovum press release, "Bad data costing US businesses $700 billion a year", Madan Sheina, 2010

5. Dynamic Markets (2014) Experian Global Data Quality Global Research 2014, Independent Market Report

6. Beth Eisenfeld, Gartner Group as reported by Adrian Mello, Enterprise, ZDNet.

7. Gartner (2011) Measuring the Business Value of Data Quality, October 2011

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