

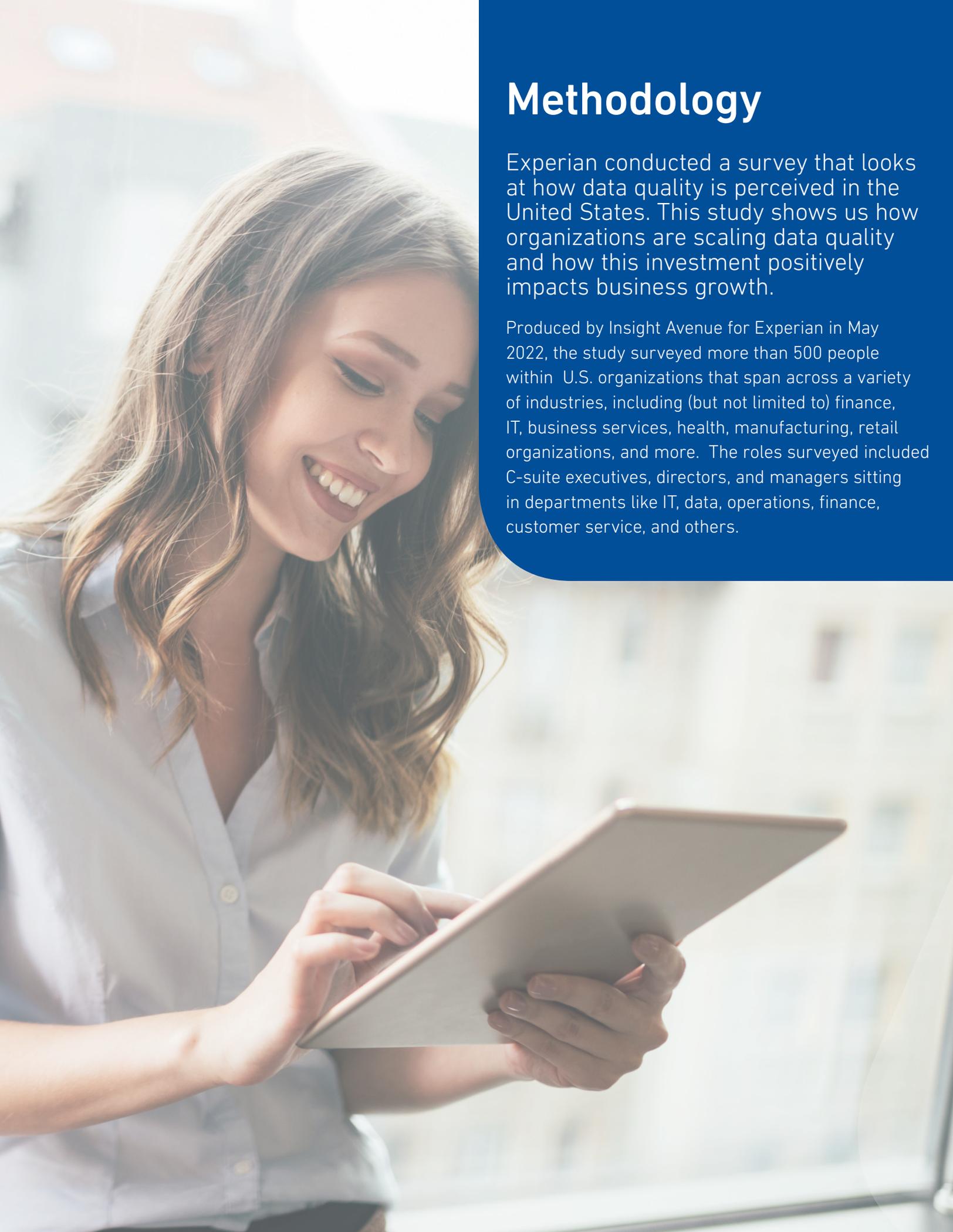
White paper



The data quality imperative

How leaders are realizing the importance of data quality





Methodology

Experian conducted a survey that looks at how data quality is perceived in the United States. This study shows us how organizations are scaling data quality and how this investment positively impacts business growth.

Produced by Insight Avenue for Experian in May 2022, the study surveyed more than 500 people within U.S. organizations that span across a variety of industries, including (but not limited to) finance, IT, business services, health, manufacturing, retail organizations, and more. The roles surveyed included C-suite executives, directors, and managers sitting in departments like IT, data, operations, finance, customer service, and others.



Table of contents

Introduction.....	5
The state of trusted data.....	6
Scaling data.....	8
Growing business with data.....	11
Conclusion.....	13

The data quality imperative

Report highlights

Section 1: The state of trusted data

The digital landscape is growing which means the volume of data is increasing. This leaves organizations with more data than ever to manage, qualify, and protect.



Section 2: Scaling data

To keep up with the data in an everchanging market, organizations believe data automation will enable them to be agile and fill the skills gap we see with data literacy.



Section 3: Growing business with data

With greater investment in data maturity, organizations are realizing that data quality is fundamental to business operations. In turn, they are seeing positive impact to business growth.

Introduction

The last several years have exposed both organizational strengths and weaknesses. In such a volatile marketplace, business leaders have needed to capitalize on their wins and learnings, pivot quickly, and use data to actively anticipate where they believe the market is going. Our research finds that the most successful organizations are the ones that realize that being data-driven goes beyond the database.

This year, we uncovered 91 percent of leaders who say investing in data quality has positively impacted business growth, and another 87 percent who believe that data quality is fundamental to the core of their business operations. Data is foundational, and the quality of insights ensures that the information at-hand is actionable across the business.

Business priorities have remained the same over the last few years, despite the market experiencing rapid change and a range of opportunities and threats. While customer experience and workforce development have remained at the top of the list, business leaders know that data quality is imperative to stay in sync with consumer buying trends, retain skillful employees, and sustain agility.

Knowing that data is fundamental to business strategy and operations, business leaders are looking to scale their data governance programs, now. In the fast-paced market we are in today, automation has become a necessity, especially for quality control. Our research finds that 85 percent of leaders say they need to automate their data quality activities to overcome skill shortages, reduce effort, and speed up data analysis. With business planning and strategies needing the utmost attention to sustain success, automating data quality becomes a key resource to save time, reduce costs, and avoid risk associated with human error.

In this report, we will take a deep dive into the state of data across organizations today, how it is being scaled, and how these data-driven efforts support business growth.

1. The state of trusted data

To know where to go, it is important to know where you have been. This digital-first world has been scaling for decades, with each year comes new innovations that continue to frame consumer behavior and business strategies.

As digital strategies take priority, businesses are realizing the importance of high-quality data. Our research shows that almost three quarters of leaders think the overall quality of data in their organization has improved in the last year, while a quarter says the quality of their insights has remained the same.

With so much data at our fingertips, businesses who can sustain success in an unstable situation are often the ones who are investing in data management and reaching for optimal data maturity. In other words, these organizations have found a way to embody a data-driven culture and manage countless streams of data. In this section, we will look at how business leaders perceive their data today, and how their data programs may be impacting their growth.

How data is collected

As consumers ourselves, we can consider what personal information we knowingly provide, through what channels, and to what companies. The competition is fierce and consumer data is not only being collected at all points of the customer journey, but it is also informing the business strategy to communicate with consumers on marketing activities, product innovations, and so on. That's a lot of data.

Today, businesses rely on top channels like email (72%), face to face (55%), social media (55%), and phone (55%) to reach customers. And they are collecting contact data through online applications or form fills (69%), followed by over-the-phone (43%), written form (42%), and online application or shopping cart (38%). Balancing multiple digital and in-person outlets, some of which are at risk for human error, organizations are faced with the challenge of ensuring their consumer data remains verified and accurate.

Organizations are managing several databases at one time. Without data-skilled professionals or a system to verify data, organizations can be challenged with unreliable data, leaving decisions to gut-feelings. Our research finds that 92% of leaders experience challenges with maintaining good quality data.

When we uncover why these challenges arise, our respondents say that it is a lack of data quality monitoring (37%), number of databases (35%), significant data duplications (35%), poor data collection or consolidation capabilities (34%), and data tool incompatibilities (33%). Put simply, businesses are seemingly exceeding the volume of data that is realistically manageable, proving that more is not always better. Without the proper tools, resources, or strategy, too much data can hinder an organization's ability to innovate and successfully deliver a unified customer experience.



of organizations say that they are **collecting contact data through online applications and form fills**



of organizations say **email is the top channel that they rely on** to reach customers

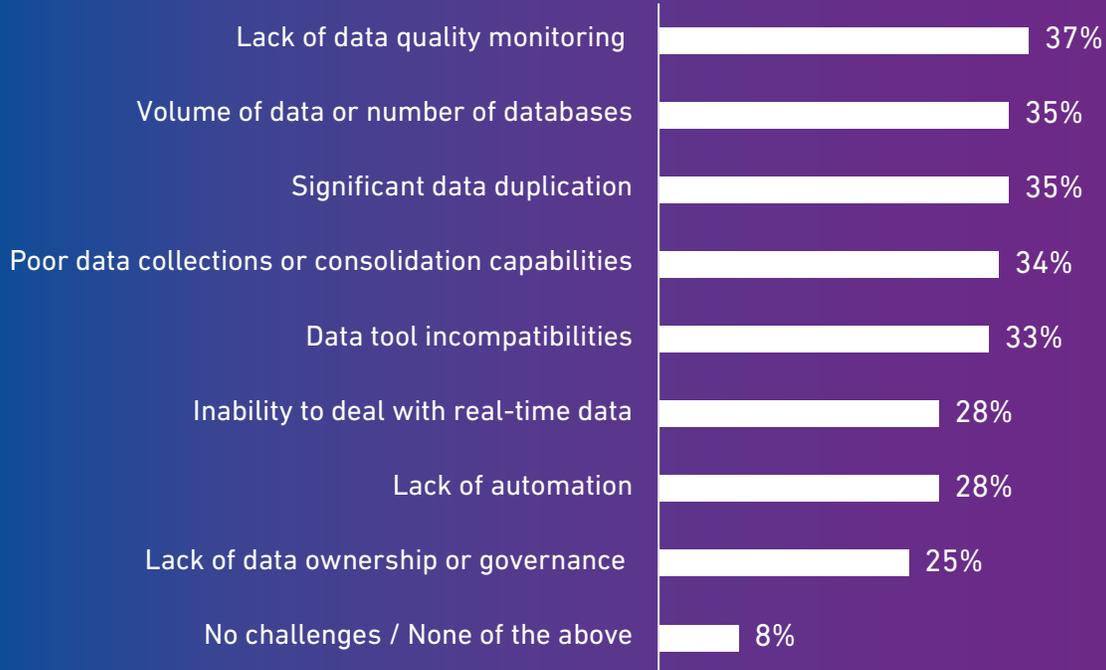
How data poses business challenges

Too much data can result in inaccuracies, which means that leaders may be relying on bad data for important business decisions. We find that 94 percent of respondents see poor quality data impacting the organization, and only 50% see their CRM/ERP data being clean and leverageable.

In a market where consumers are on-the-go, synced with their phones, and hooked to online browsing, unverified data inputs could negatively impact top priorities like customer experience and workforce development as a result of bad insights.

Key impacts of poor-quality data include wasting resources or additional costs (42%), damaging the reliability of analytics (40%), and inhibiting the ability to understand customers and deliver a personalized customer experience (40%). Most importantly, 85 percent say poor quality contact data negatively impacts business processes and efficiency. Data is proven to be fundamental to core business operations, this is only true when data is accurate, protected, and maintained.

Top challenges of maintaining good data quality



2. Scaling data quality

In order to keep data up to speed with an everchanging marketplace, businesses are investing in technology and developing the data skills of their employees. Striving for efficiency and effectiveness, 85 percent of leaders say they need to automate data quality activities to overcome skill shortages, reduce effort, and speed up analysis.

Scaling data programs through automated technology and development, enables the entire business—from data pros to marketers to operations, finance, and so on—to embody a data-driven culture, drive competitiveness, and business agility.

Eighty-two percent of organizations say that they have plans to improve their data programs in the next 6 months. These days, organizations realize the importance of data quality as they collect and manage more data than ever before. To get the most out of their insights and ensure they are actionable, business leaders are considering ways to invest more into their data programs and democratize data across their business. Below, we will dive further into how technology, automation, and skill development play a key role in data programs.

Technology

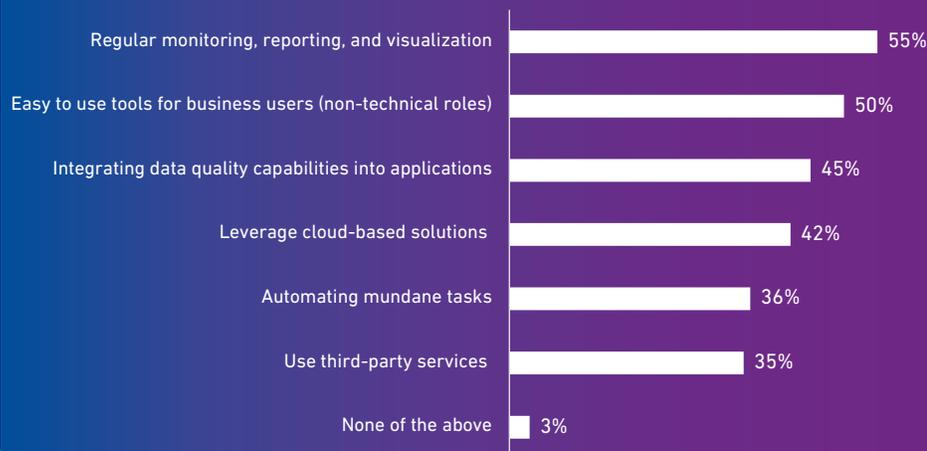


Investing in technology is a key component to innovating data quality within a business. While organizations are looking for sophisticated platforms, they know that software needs to be user-friendly to ensure true democratization of data-driven reports and analysis. Furthermore, organizations are constantly looking for tools that can integrate with one another, enabling easy-use and management of various platforms across a business.

To scale data quality initiatives, our research finds that over half of organizations are looking for tools with regular monitoring, reporting, and visualization. Not only can monitoring databases help identify anomalies but it can also allow verified data to become actionable for users, whether they are c-suite executives, data professionals, or business users.

Our survey also finds that half of the organizations are looking for easy-to-use tools for business users. This is a key strategy for data democratization, defined as the ability to get data into a wider range of roles. To equip business users with data and insights, they need to be able to directly access, manage, and share their department's data. And when technology allows data to be available to a wider range of roles, it's vital to equip those who are using the tools with the skills to uphold the quality of the data.

Tech solutions planning to scale and innovate data quality initiatives



Data skills



Our research shows that business leaders are focused on investing in the skills of their data professionals and business users or hiring new data professionals. In fact, almost half of organizations are improving their data quality initiatives by hiring and developing data professionals. These roles include data quality analysts, operation analysts, data engineers, and more.

When democratizing data, a key component is developing data skills for business users, which over a third of organizations are doing in their plans to improve data quality. To reap the benefits of a data-driven culture and see a higher return on investment, it's vital to equip those who are using the data the most with the skillset necessary to read, write, and argue with data, and with best practices.

Eight out of ten respondents are improving their data quality by establishing data best practices or creating a centre of excellence. Best practices become essential to a company trying to drive a data-informed culture. Why? When several teams are hands-on with data, it's important to have standard procedures that equip users with the information needed to manage and uphold the quality of insights. This way, there is continued confidence in the insights and teams are speaking the same language.

As data programs scale across the business, leaders need to consider how to integrate technology that seamlessly and routinely manages and shares data. Enter data automation.

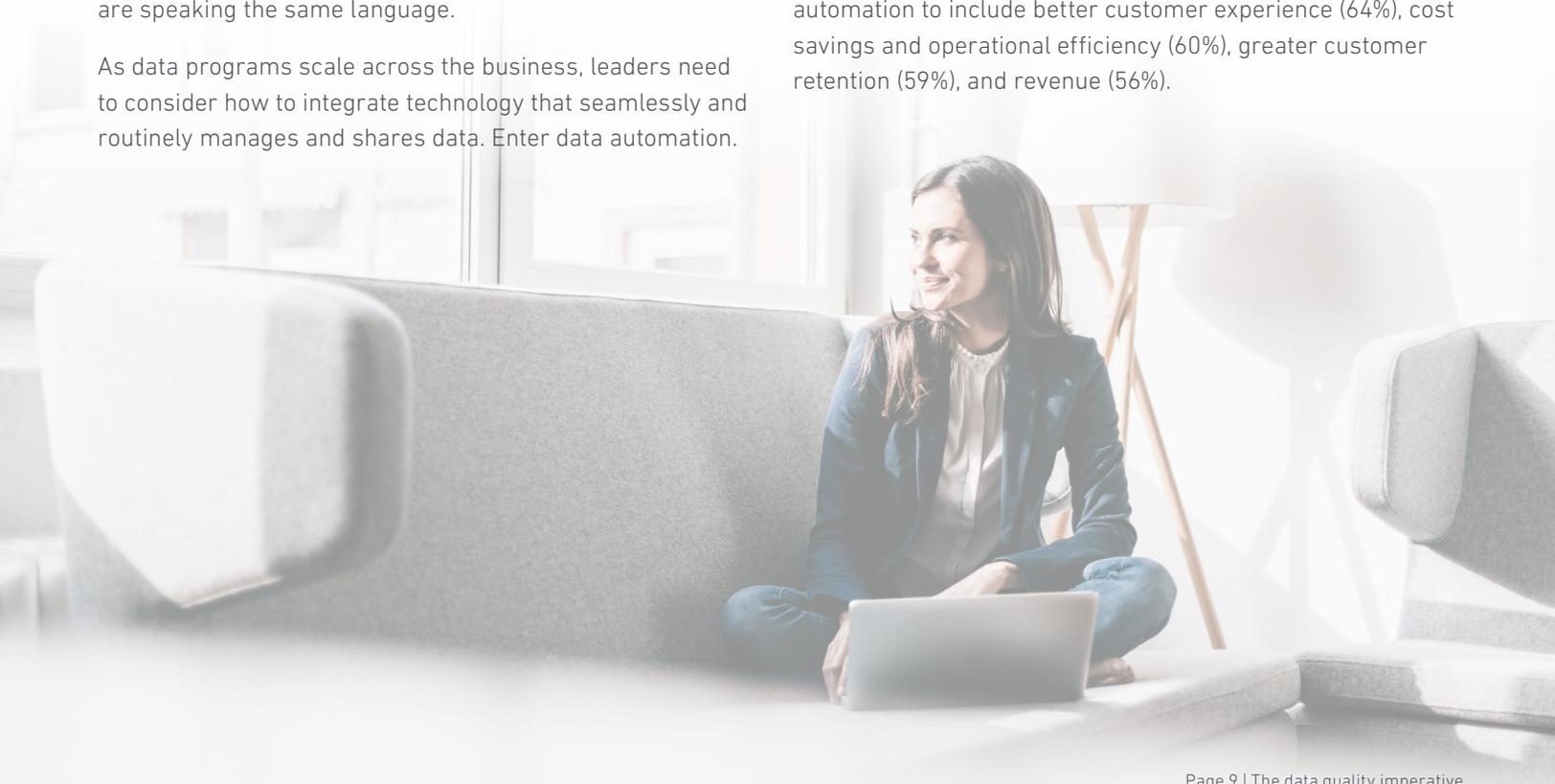
Automation



In times like these, businesses need to act swiftly. To do that, they need the right technology and resources to be agile as they respond to the market and pivot where the data is pointing them. This is where data automation comes into play. Our research shows us that 85 percent of organizations say they need to automate their data quality activities to overcome skills shortages, reduce effort, and speed up data analysis.

When it comes to automated technology, our survey also finds that almost half of organizations are looking to integrate data quality capabilities into applications. Think of existing applications like e-commerce forms, CRM or ERP database forms. Data quality integrations enable an organization to be efficient by limiting their tech stack, de-risking human error at the point-of-entry, and empowering business users with data accuracy, all while improving the customer experience, workforce development, and data security. We can also argue that integrations play a vital role in automated processes across the business.

When data verification, monitoring, processing, and reporting are automated, an organization can focus their time and energy on more revenue-generating decisions. Once integrated, leaders expect improvement through data quality automation to include better customer experience (64%), cost savings and operational efficiency (60%), greater customer retention (59%), and revenue (56%).





Expected benefits through data quality automation



3. Growing business with data

Eighty-seven percent of leaders say that data quality is fundamental to the core of their business operations going forward. In a rapidly transforming market, leaders can stay agile and successful when they are confident in the data and insights that are guiding their decisions. Further, when data is invested in, and technology and skills are put into play, an organization starts to reap the benefits. That is what drives business growth.

Our research also shows that 87 percent of businesses say improving the quality of their contact data is a priority this year. Of our respondents, we've found that improved customer experience, and greater business agility, and business growth are top benefits of further investment in data quality.

Improves customer experience



We find that 90 percent of organizations say improving data quality has had a positive impact on customer experience. Year over year, customer experience has been a top business priority, and year over year, we find the data quality is a key element to guiding a successful and seamless buyer's journey.

Reliable consumer information is a necessity at every point of the buyer's journey—from brand awareness through delivery. In today's digital world, it's key to connect with consumers through multiple channels so you can engage while they are on-the-go. As we shared earlier, our research uncovered that almost three quarters of businesses are relying email to reach their customers, in addition to more than half of respondents who are relying on face-to-face interactions, social media, and phone to connect. This shows us that while email continues to be the top channel year over year, businesses are also focused on a multi-channel approach to engaging with customers.

Greater business agility



Last year, we found that data agility is a vital component to business agility, and the ability to respond quickly to rapid market changes. This year, we find that 89 percent of leaders agree that implementing data quality best practices have improved business agility.

In a steeply competitive market that changes by the day, trust in data and analytics to inform accurate decision-making is essential. This way, businesses can confidently stay in lockstep with trends, economic waves, and digital acceleration.

Data quality equals business growth



Our research uncovers 91 percent of organizations that say investing in data quality has positively impacted business growth. That is because we also find that when a business is focused on their data quality, they see a stronger competitive differentiation, and improved customer experience as well as business agility. All of which have a direct correlation to revenue-generating activities whether it be higher sales or increased market share. The point is that competitive or customer-centric decisions based on reliable information are more likely to enable a business to exceed targets and goals.

The difference between organizations who reap the benefits and the ones who do not, are more focused on their data maturity. In the next section, we take a deeper look at the data activities that the data-mature organizations are invested in.



87% of businesses say **improving the quality of their contact data is priority** this year



87% of leaders say that data quality is **fundamental to the core of their business operations** going forward



90% of leaders say **improving data quality** has had a **positive impact on customer experience**



91% of leaders say **investing in data quality** has **positively impacted business growth**



Conclusion

Across the United States, we continue to experience economic highs and lows resulting in the need for rapid market response. The businesses that have sustained growth and their competitive edge have realized a vital part of their operation: Data quality.

The importance of data has been evident for years now. The digital era has equipped us with vast amounts of data at our fingertips. Now, companies are focused on the quality of insights over quantity. We find that leaders across industries have learned that data quality is fundamental to a business operation because at its core, trusted information empowers better and faster decision-making. Equipped with relevant and reliable data, leaders can make strategic and gametime decisions that will result in competitive differentiation, loyal customers, compliance with regulations, revenue-growth, and so much more. As organizations increase their investment in data and improve the quality of insights, leaders enable their business to reap these benefits.

Key takeaways

Across this report, we have looked at key trends around data quality and how investing in data can enable an organization's ability to succeed in this rapidly transforming market. Here are a few of the key findings from the report:

Learning 1

Data is fundamental for business

Data is meant to be actionable, and when it sits at the core of the business, every data professional and business user alike is equipped with trusted information to put a plan into reality whether it's a marketing campaign, financial analysis, package delivery, and so on.

Learning 2

Data accuracy is more important than ever

In an everchanging market, accuracy becomes key to ensure confidence when reaching customers and planning strategically. Data is only as valuable as the quality of insights it can provide. That is why it is vital to verify, manage, and protect high-quality consumer records.

Learning 3

Data maturity equals revenue growth

Year over year, we find that increased investment in data enables business growth, from innovation, cost savings, to revenue generation. This year, we uncover data-mature organizations who have invested in their data programs and, in turn, are more likely to exceed their annual goals and targets.

Learning 4

Agility remains key

The nation's economy has experienced drastic shifts over the last several years, keeping businesses across industries on their toes. When an organization has a data-driven foundation, leaders equip their business to precisely predict growth areas and be more agile in market response.



Experian unlocks the power of data to create opportunity for consumers, businesses, and society. We empower consumers and our clients to manage their data with confidence, so they can maximize every opportunity. We gather, analyze, and process data in ways others can't. Leveraging data quality helps individuals and businesses alike to be innovative, make smarter decisions, and thrive, preventing identity fraud and crime.