Big Data for Marketing & Sales:
Data Accuracy to Business Impact

An IDG Connect survey of marketing, sales and research personnel
in 300 US enterprise organizations.

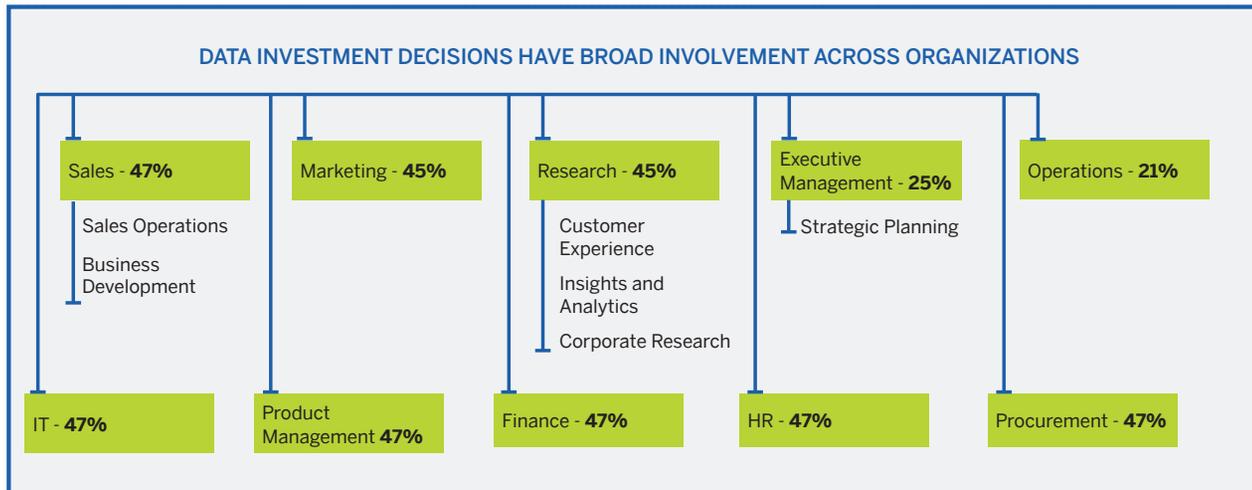Decisions   Usage   Planning   Catalysts

Data Ownership in Today's Enterprise

The focus on data for marketing and sales isn't a new one — but the explosion of efforts to harness the benefits of Big Data is rippling throughout organizations large and small across virtually every industry. For professionals in marketing, sales and research, data has always been key to performance. But the marketplace at large is transforming as a result of technology trends like Mobile, Social, Cloud, the consumerization of IT, and Big Data. The promise of Big Data to improve decision making, efficiency and effectiveness presents both challenges as well as opportunities across the enterprise. Organizations are finding that they must really give thought to not only the "what" of data, but also the "how" in order to make it actionable. Over the past couple of years, the job of 'Data Scientist' has become one of the hottest new roles talked about in conjunction with Big Data. The role is a key indicator of how organizations recognize the need to invest in making sense of data in order to drive business value.

DATA INVESTMENT DECISIONS HAVE BROAD INVOLVEMENT ACROSS ORGANIZATIONS

Sales - **47%**
Sales Operations
Business Development

Marketing - **45%**

Research - **45%**
Customer Experience
Insights and Analytics
Corporate Research

Executive Management - **25%**
Strategic Planning

Operations - **21%**

IT - **47%**

Product Management **47%**

Finance - **47%**

HR - **47%**

Procurement - **47%**

Marketing and sales are most involved throughout the purchase decision process. Yet functions which held the most overall influence during the purchase decision process are **Sales** (25%), **Business Development** (18%) and **Insights & Analytics** (11%). The majority of respondents across marketing, sales and research believe their personal involvement is at its greatest during the **Final Decision Stage** (77%). Increasingly, business functions are driving the investment decisions, and IT is not controlling the process or the outcomes. Organizations need to answer some key questions to manage the cross-enterprise interest and requirements.

> Any enterprise CEO really ought to be able to ask a question that involves connecting data across the organization, to be able to run a company effectively, and especially to be able to respond to unexpected events. Most organizations are missing this ability to connect all the data together.

Sir Tim Berners-Lee
President & Co-Founder, Open Data Institute

• **What will be the process to get all the functional areas on the same page in terms of purchase imperatives?**

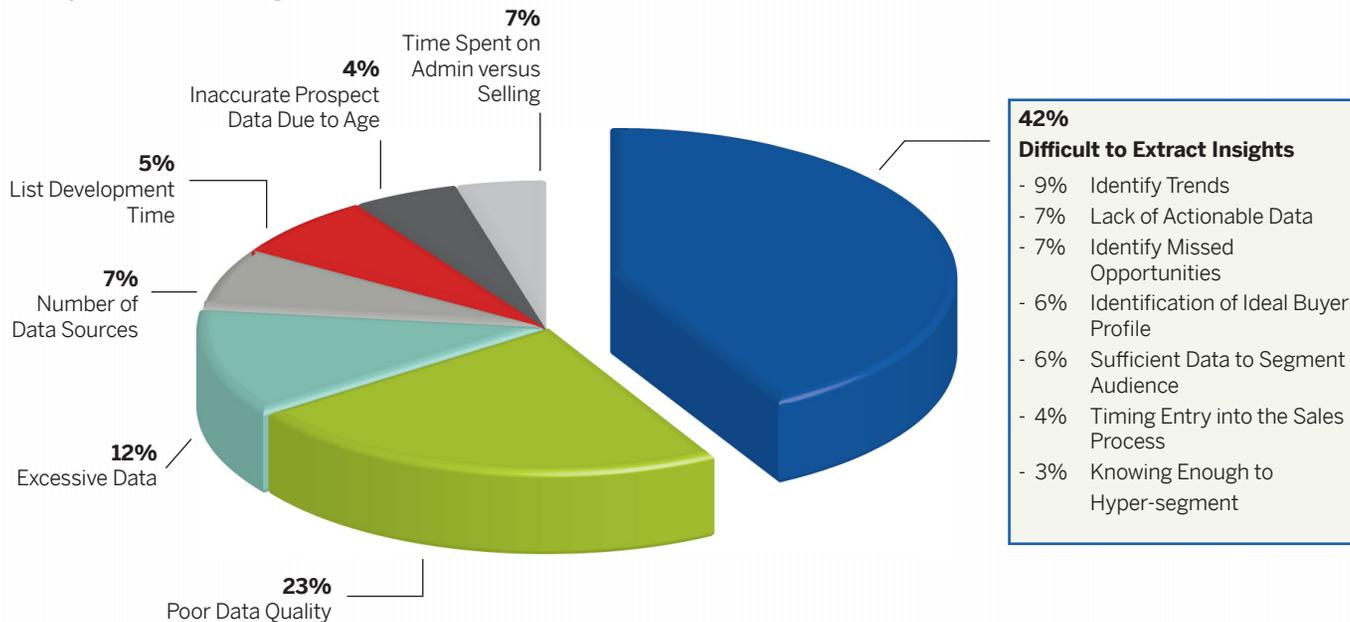• **What should determine who should have the greatest involvement and influence?**

Raising the Bar Beyond Data Accuracy to Achieve Business Benefit

Given the broad range of challenges organizations are having with the explosion of data, it can be hard to see clearly where the major impact areas are. Asked which challenge was the most important to address, respondents cited **Poor Data Quality** (23%). While this is clearly an issue across the enterprise, the reality is that data accuracy is the price of admission in doing business in today's markets. When you aggregate all the challenges that are about gaining business intelligence, the number jumps significantly — **Difficult to Extract Insights** (42%).

The biggest challenge is being able to actually use the data. Having accurate data is not enough to drive positive business outcomes. It is a base level requirement that needs to be addressed in a systematic, consistent manner. Why is data accuracy still such a big issue? One possible reason is a lack of investment in a defined data management process that includes ongoing, consistent data migration, data maintenance, quality control and governance. Too often data is held and managed in multiple organizational silos. This results in inconsistency, duplication, gaps and errors.

Multiple Data Challenges

7%
Time Spent on Admin versus Selling

4%
Inaccurate Prospect Data Due to Age

5%
List Development Time

7%
Number of Data Sources

12%
Excessive Data

23%
Poor Data Quality

42%
Difficult to Extract Insights
- 9% Identify Trends
- 7% Lack of Actionable Data
- 7% Identify Missed Opportunities
- 6% Identification of Ideal Buyer Profile
- 6% Sufficient Data to Segment Audience
- 4% Timing Entry into the Sales Process
- 3% Knowing Enough to Hyper-segment

WISH LIST FOR DATA BENEFITS

SALES
Increase Sales Quality Leads
Cleaner Lead Data
Decision Maker Engagement
Prospecting List Accuracy
Increase Account Coverage
Territory Planning
Win Rate

MARKETING
Time Savings
Targeted Content
Increase Marketing ROI
Information Currency
Return on CRM
Increase Conversion Rates
Increase CRM Adoption
Enhance Prospect Targeting and Timing
Overall Prospect Engagement
Conversion Rates and Revenue
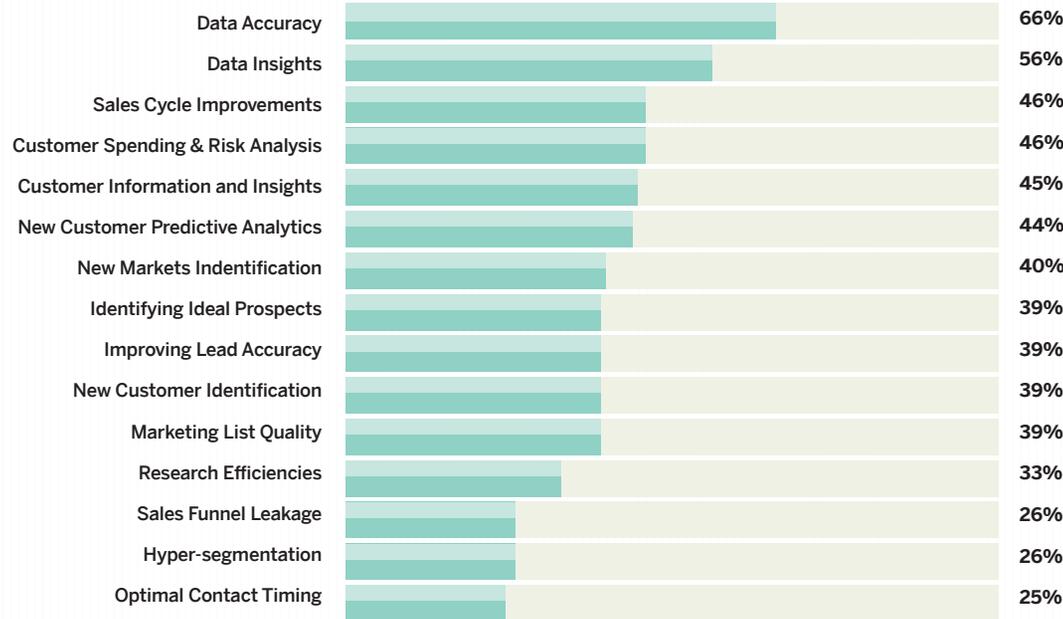
RESEARCH
Risk Analysis
Trend Identification

i The true value of Big Data is in the ability to leverage it for development of an informed strategy. Organizations need to move beyond a focus on just managing data to extracting trends and insights that will drive business outcomes.

Developing a Data Strategy

To drive data transformation, organizations need to look beyond the data accuracy imperative to focus on delivery of business impact. Deriving the greatest benefits from Big Data requires a strong, articulated data strategy. An important first step is to learn which topics are going to be the most relevant to the strategic direction of the enterprise. Respondents shared their topical priorities and demonstrated the need for strategic information to drive better decision making. Given the current dynamics of business data ranging from traditional structured data resources (corporate, financial, contacts, industry) and Big Data structured and unstructured resources (social media, digital media, website data mining) a different approach is required to gather and interpret business information.

KEY TOPICAL AREAS

Topic	Value
Data Accuracy	66%
Data Insights	56%
Sales Cycle Improvements	46%
Customer Spending & Risk Analysis	46%
Customer Information and Insights	45%
New Customer Predictive Analytics	44%
New Markets Indentification	40%
Identifying Ideal Prospects	39%
Improving Lead Accuracy	39%
New Customer Identification	39%
Marketing List Quality	39%
Research Efficiencies	33%
Sales Funnel Leakage	26%
Hyper-segmentation	26%
Optimal Contact Timing	25%

STEPS FOR DATA STRATEGY DEVELOPMENT

1. **Data Assessment & Inventory**
   - Customer Related
   - Social Data
   - Performance Data
   - Business
   - Operational
   - Technical
   - Financial
2. **Create Map Of Data Relationships**
3. **Identify Data Risks And Bottlenecks**
4. **Business Requirements Gathering**
5. **Business Initiatives Data Needs**
6. **Define How Data Types Will Be Used**
7. **Define Data Priorities & Investments**

The data stakes are getting higher every day. 90% of the world's business information was created in the past two years. It is estimated that the world generates 50 billion gigabytes of data every ten minutes. Relevancy has never been more crucial or more difficult in extracting meaning from business information. To complicate things further, traditional industry codes don't exist for many new markets (for example, cloud computing, sustainability). This raises the level of challenge in gathering and assimilating data as well. The reality is how that data is gathered, managed, integrated and analyzed needs to become a core competency for organizations that want to be competitive, proactive and profitable.

Marketing & Sales Leadership of Data Initiatives

Multiple needs are driving data-related initiatives. Given the fact that enterprise-wide functions all have a stake in the outcome, it can be challenging to identify and prioritize needs. Understanding the catalysts that are driving data initiatives, business information, and prospecting and enablement tools for sales/marketing can shed some light on where organizational-level priorities lay. The research suggests only 13% of those surveyed report that Data Quality or Data Currency is the priority catalyst for organizations. The remaining 87% of drivers/catalysts are about organizations initiating key goals to purpose data with analytics and insights. The need for better decisions, time savings, and go to market execution are driving the decisions.

> When asked to select the most important catalyst, the top three responses show a strong desire for movement towards strategic impact.
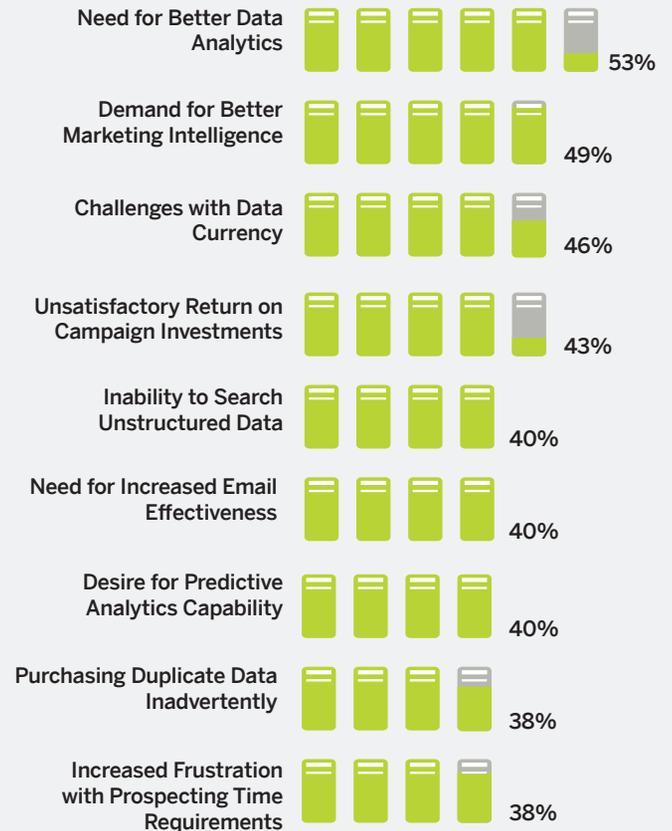>
> **TOP THREE CATALYSTS**
>
> 1. Demand for Better Marketing Intelligence - **19%**
> 2. Need for Better Data Analytics - **16%**
> 3. Desire for Predictive Analytics Capability - **13%**

The opportunity lies in focusing data initiatives on areas that deliver the most impact in terms of growth and performance. Identifying shared areas of "data pain" that cut across organizational functions is an important first step. This can be used to build consensus across stakeholders on key priorities. Getting to a shared view is crucial to investment selection that serves the organization as a whole, rather than the frequent occurrence of siloed projects that may duplicate or complicate efforts. To ensure a successful and impactful outcome, it is important to target key analytical insight areas most critical to sales and marketing that will deliver measurable benefit to the organization.

Finally, it's obvious that these types of projects need focused leadership. In considering the catalysts and drivers of data-related initiatives, it is clear that there needs to be a push for sales and marketing to drive the analytical discussion and priorities. This makes sense given their closeness to the customer, and their propensity to drive the short-term business results demanded by both organizational executives and shareholders alike. The imperatives that sales and marketing live by will help keep data investments focused on customer engagement, attracting and acquiring new business, and market expansion.

DRIVERS OF DATA-RELATED INITATIVES

Driver	%
Need for Better Data Analytics	53%
Demand for Better Marketing Intelligence	49%
Challenges with Data Currency	46%
Unsatisfactory Return on Campaign Investments	43%
Inability to Search Unstructured Data	40%
Need for Increased Email Effectiveness	40%
Desire for Predictive Analytics Capability	40%
Purchasing Duplicate Data Inadvertently	38%
Increased Frustration with Prospecting Time Requirements	38%

* Source: A survey of 300 enterprise organizations, conducted by IDG Connect on behalf of Avention in 2014.

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