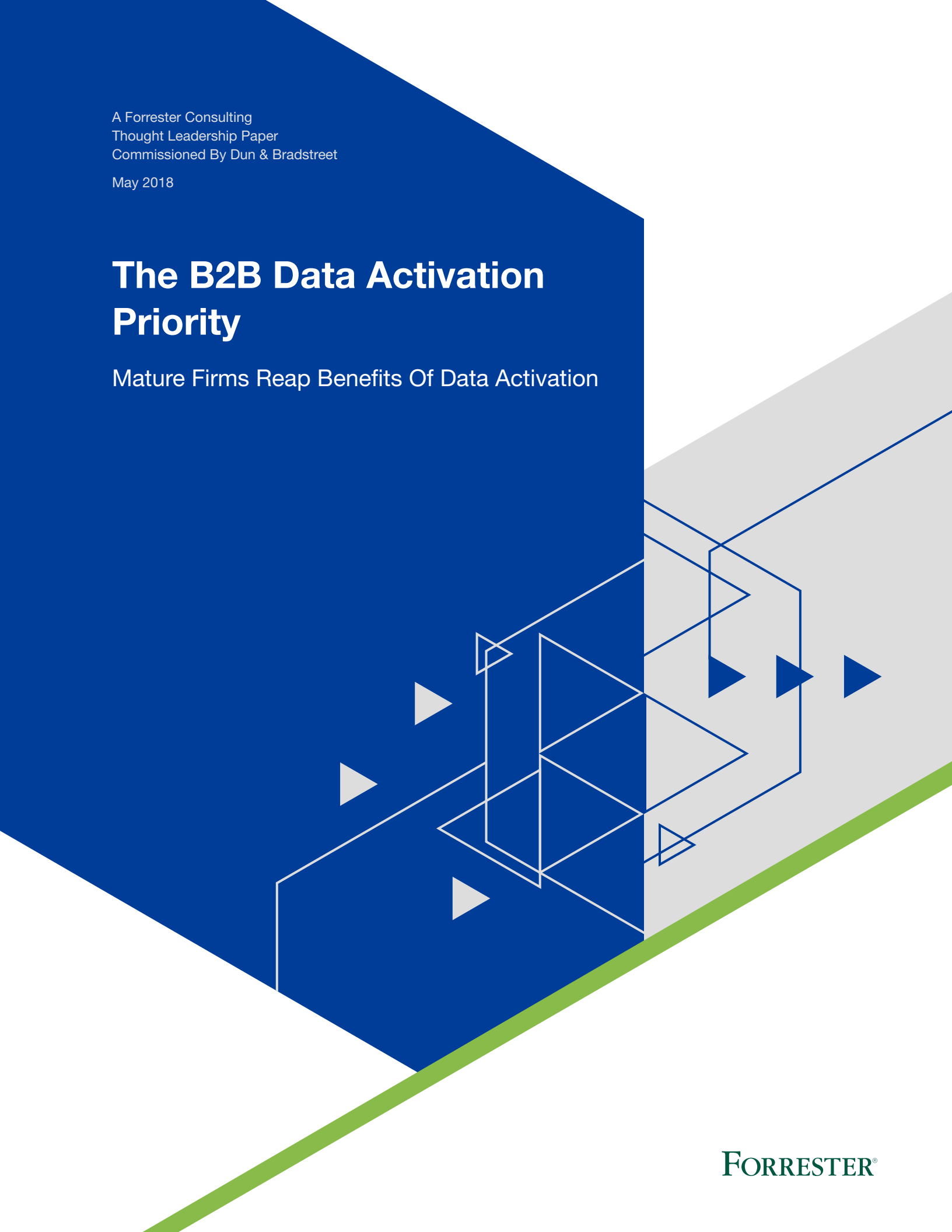
A Forrester Consulting
Thought Leadership Paper
Commissioned By Dun & Bradstreet

May 2018

The B2B Data Activation Priority

Mature Firms Reap Benefits Of Data Activation



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Executive Summary

Today's B2B buyers expect fast, consistent, and personalized experiences. At the same time, their buying journey is nonlinear and inclusive of many different stakeholders along the way. To manage the complexity of serving the modern B2B buyer, marketers and sellers must turn their data assets into actionable recommendations. While there is no shortage of data or attention to this matter, marketing and sales decisions are still just as likely to be made on gut feeling as on data and analysis.

In December 2017, Dun and Bradstreet commissioned Forrester Consulting to evaluate data activation among B2B sales and marketing teams. To explore this topic, Forrester conducted an online survey of 500 respondents with responsibility for or influence over their customer and prospect data strategy or management. We found that while all firms face significant challenges in converting their data into actionable insight, a portion of respondents who are using more mature data practices are seeing significant impact across marketing, sales, and customer goals.



Sixty-seven percent of B2B firms listed increasing their use of data and analytics as a critical priority over the next 12 months.



Organizations with more mature data activation practices reap greater marketing, sales, and customer benefits.

KEY FINDINGS

- **While increasing the use of data is a priority, only half of B2B marketing and sales decisions are made using data.** Despite the vast amount of data available and firms' commitment to data priorities, the opportunity to use data for marketing and sales decisions remains largely untapped. Variation in data quality and consistency overall and across departments are common problems that erode trust and make decision makers gun-shy about using their customer data over their own intuition.
- **Data activation maturity is a competitive differentiator.** While challenges with data management, insight sharing, and actionable insight development were problems all respondents identified with, a portion of them — the ones more likely to describe their firms as effective across key people, process, and technology considerations — report better outcomes than the rest. These data activation leaders say they're good at using their data to make decisions like accurately attributing campaign success or personalizing experiences. They are also more likely to report increases across key marketing, sales, and customer metrics like sales cycle speed, return on marketing spend, and customer loyalty.
- **Investment in data and analytics services can help all organizations along their data activation maturity journey.** Data activation leaders are using advanced analytics techniques and are organizing their insights teams for success. But they also recognize that partners can help them fill internal data, technology, and expertise gaps and extend their data activation efforts further and more quickly than would be possible on their own.

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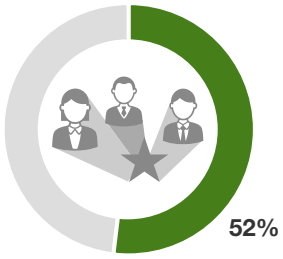
Firms Struggle To Activate Data

As B2B firms set their marketing and sales priorities for the next 12 months, increasing their use of data and analytics is at the top of their list for meeting objectives in revenue growth, customer experience (CX) improvement, and cost reduction. Data activation — defined for this study as the process of unlocking value from data through the development of insights that inform actions — is key to meeting those sales and marketing priorities. In surveying 500 B2B professionals about their data strategy and management, we found that:

- **Only half of marketing and sales decisions are based on data.** Our study found that, on average, B2B marketers and sellers are making 48% of decisions on intuition or personal/company experience, rather than on quantitative information and analysis (see Figure 1). Their reasons for trusting their personal experience over data analysis vary. For example, a US-based director in pharmaceuticals felt that account-based selling is relationship oriented, so intuition and experience made more sense to him. A UK-based finance director said his firm "lacks the culture and confidence to rely on fact-based marketing." These sentiments were echoed by many survey respondents.
- **B2B marketers and sellers lack complete and accurate data.** B2B marketers and sellers need data that is consistent across activities and technologies and that they can convert to insights quickly to meet customer needs. However, data gaps are a problem, as a US VP in financial services highlighted, "We don't have enough data to fully make decisions." In addition, less than half of firms say they are executing on their data governance practices very or extremely well (see Figure 2). That holds firms back from using their customer data to activate marketing and sales initiatives at scale.
- **B2B customers expect more than ever.** Forty-seven percent of firms said that improving customer experience is their top business priority in the next year. However, meeting customers' rising expectations is harder than ever. B2B marketers and sellers must use data to deliver rapid fulfillment and to provide greater product and service knowledge in the right ways and at the right times. In addition, firms must account for the increase in the number of purchase decision makers and increasingly nonlinear buying paths.

Figure 1

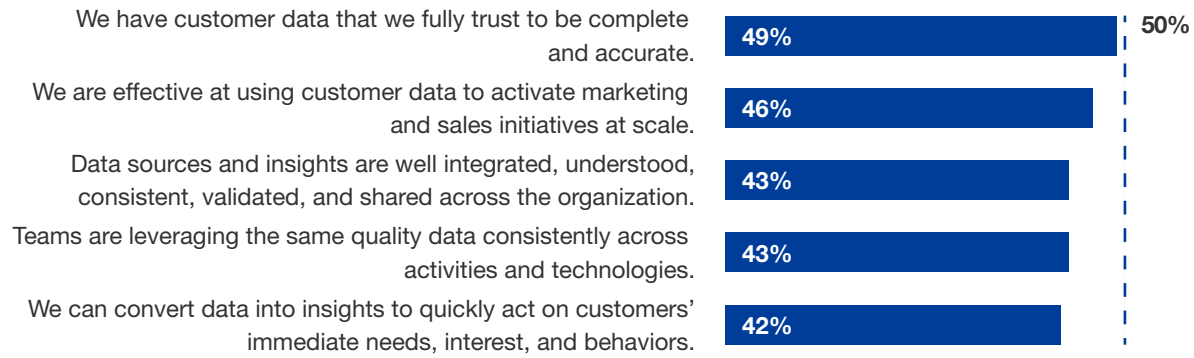
"Using your best estimate, to what degree does your organization base marketing decisions on quantitative information and analysis versus intuition, or personal/company experience?"



Base: 386 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

Figure 2

"Please indicate how well your organization is executing on the following."
(Percent who say their firms execute on the following "very" or "extremely" well)

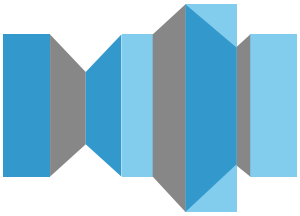


Base: 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

B2B Firms Have Made Progress, But They Must Make More

B2B marketers and sellers have made progress on some data-driven initiatives. Our study found that 60% of firms have implemented or are expanding their plans to improve their complete view of customers across channels, connect data across systems/teams for improved consistency, and change their culture to take more actions from data-driven insights. But more progress is needed, as firms still face many data activation challenges (see Figure 3). Our study found:

- **Poor data management stands in the way of firms' achievement of marketing and sales objectives.** Eighty percent of firms struggle to manage the volume, variety, and velocity of their data. Their data management challenges cause a ripple effect that blocks achievement of marketing and sales objectives: Firms fail to improve their abilities to develop actionable insights, create and implement one-on-one targeted engagement strategies, and provide personalized experiences across channels. For some companies that serve both customers and businesses, the use of data and analytics is concentrated on the B2C side of the house, as one US-based financial services VP describes: "Data and analytics are focused mostly on B2C; when not, data is difficult to aggregate as it resides in many different locations."
- **Data-driven initiatives require new ways of working.** B2B marketers and sellers today have access to more data than ever, but they don't have the processes in place to act on that data quickly and make real-time decisions to win, serve, and retain customers. Data activation requires alignment across teams and departments on specific, shared business outcomes. Without that alignment, teams struggle to identify what data they need.[1]

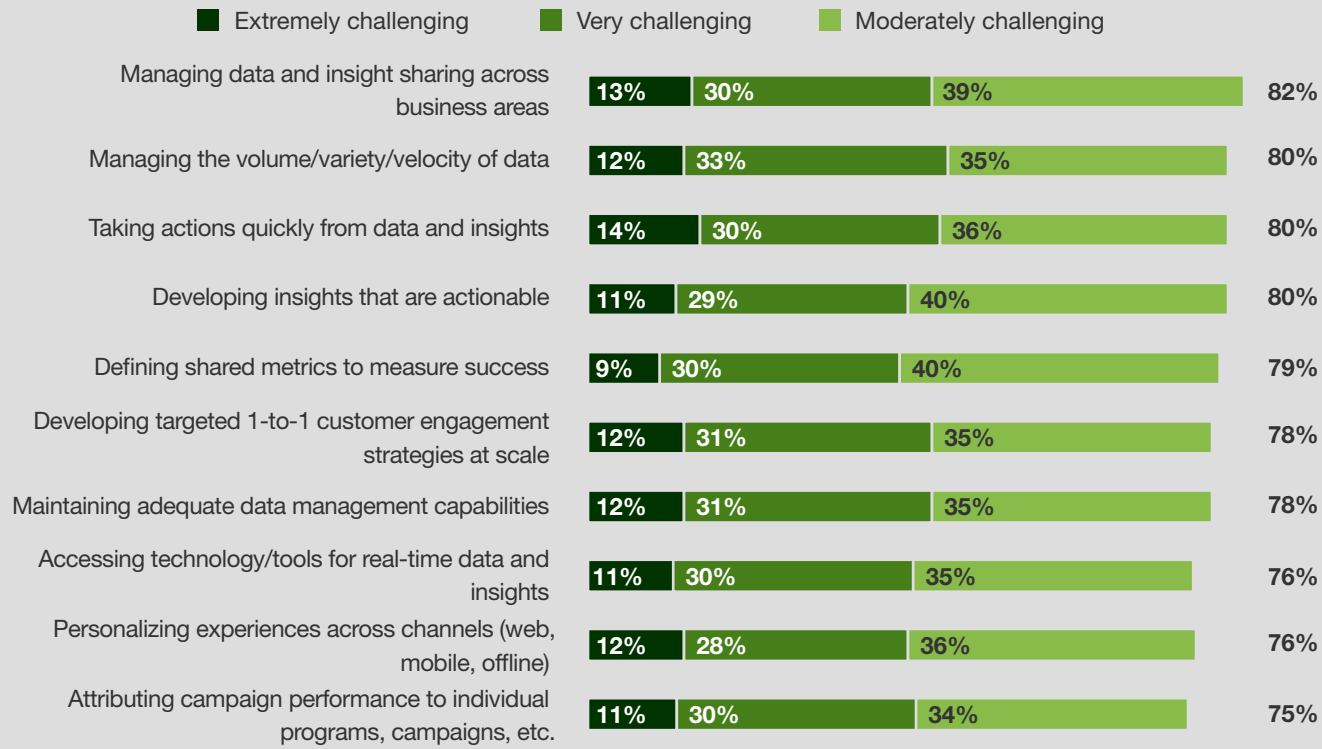


Seventy-two percent of firms said managing multiple CRM systems across geographies/ technology silos is moderately to extremely challenging.

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Figure 3

"How challenging are the following for your organization in achieving your marketing and sales objectives?"



Base: 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

- **Lack of executive sponsorship and mature data analytics capabilities hold firms back.** Support from the top is critical, and only half of firms reported that their company's top executives view data and analytics as a strategic capability and primary area of focus. In addition, only 43% of teams leverage shared, quality data across activities and technologies, and just 53% have implemented more mature analytics, such as predictive modeling. B2B marketers and sellers that haven't embraced mature data activation techniques like these will struggle to compete. Forrester predicts that insight-driven businesses will increase their collective revenue to $1.8 trillion by 2021. They'll also grow eight times faster than global GDP. These firms are coming for the customers of their less data-savvy competitors.[2]
- **Firms need data they can trust.** Only 49% of B2B marketers and sellers said their organization was effective at providing customer data they can fully trust to be complete and accurate. An IT project manager from the US said his firm "lacks trusted data." A retail manager from Ireland appreciates the value of data-based decision making but uses it with caution: "Quantitative research and analysis can be highly informative; however, we prioritize the use of experiential knowledge over quantitative information, as it has proven misleading and inaccurate and has cost the company in many ways."

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Update Your Data Activation Practices To Unlock Your Data's Value

The pressure's on for B2B marketers to move from a volume-based lead funnel approach to more targeted and real-time one-on-one customer engagement. In addition, B2B sellers crave higher value insight about individuals and accounts to better position solutions and convert opportunities. While data is the foundation for these goals, its velocity, variety, and volume challenge most B2B marketers' and sellers' data management abilities.[3]

To serve the evolving and increasingly digital-first needs of the B2B buyer, marketers and sellers need actionable insights. That requires data capabilities that span people, process, and technology considerations (see Figure 4):

- **A people strategy with top-down support and self-service analytics capabilities drives marketing and selling goals.** Companies need executive-level support to prioritize data strategy and capabilities, including data skill development, access to self-service tools, and high-quality, consistent data. Organizations also must drive urgency for action on marketing and selling goals with effective data visualization and storytelling.[4]
- **Integrated processes encourage consistency and actions.** Firms need insights teams that make the best use of their company's data to meet both companywide goals and those specific to business areas or regions. When teams use a shared, defined set of key performance indicators (KPIs) to measure outcomes, they support marketers' need to deliver campaigns and sellers' need to relate to individual buyers at scale. A feedback loop that measures outcomes across a defined set of KPIs can help companies refine their analytics based on what they learn.
- **The right data and the right technology power and accelerate actionable insights.** For customer data to be of any use, it must be complete, and when there are gaps, firms should supplement and integrate external data capabilities from trusted partners. The end goal is a customer data reference framework that enables users to understand complex relationships between companies, people, and activities.

Figure 4: Maturity Assessment Questionnaire And Scoring

"Please indicate how well your organization is executing on the following."

People	Processes	Technology and data
Data and analytics is considered a strategic capability and primary focus by my company's top executives.	Insights teams are organized in a way that optimizes our data/expertise to meet company, business, and region-specific priorities.	We have made appropriate investments in data and analytics technology, and the business is not held back by lagging technology.
Teams are effective at using advanced analytics (predictive, streaming, machine learning, AI) to meet business and customer goals.	Data sources and insights are well integrated, understood, consistent, validated, and shared across the organization.	We effectively integrate external data with internal data to conduct robust analyses.
Teams are leveraging the same quality data consistently across activities and technologies.	We measure process and decision outcomes to quickly refine our analytics based on what we learn.	We can convert data into insights to quickly act on customers' immediate needs, interest, and behaviors.
Team members have self-service access to the data and data prep tools they need to do their jobs.	We are effective at using customer data to activate marketing and sales initiatives at scale.	Data is linked using a defined taxonomy that allows us to understand relationships between companies, people, activities at varying levels of granularity.
Teams are effective at using data visualization and insights storytelling to align across teams and drive actions that improve business outcomes.	Teams are aligned on and have visibility into the KPIs and supporting metrics that drive value for the organization.	We have customer data that we fully trust to be complete and accurate.

Maturity scale and scoring:

Extremely well: Score = 5	Very well: Score = 4	Somewhat well: Score = 3	Inconsistent: Score = 2	Needs improvement: Score = 1

Base: 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

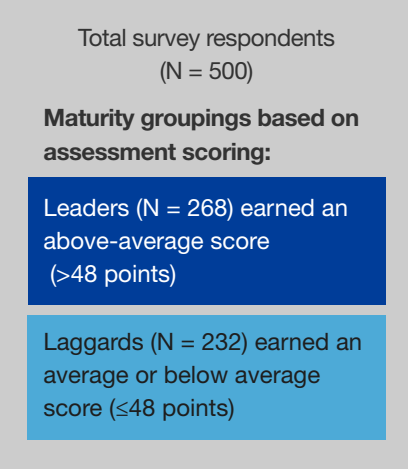
LEADERS REAP THE BENEFITS OF A B2B MARKETING AND SELLING STRATEGY BUILT ON A SOLID DATA FOUNDATION

Data activation leaders — those with above-average scores across the 15 competency areas our survey measured — report meaningful differences in their ability to drive business outcomes using data (see Figures 5). With margins of 35 to 45 percentage points over laggards, leaders describe their firms as good or excellent at activating data to make decisions in key areas such as accurately identifying and attributing campaign success, determining which solutions to invest in, uncovering new business opportunities, and personalizing customers' experiences (see Figure 6).

Leaders' greater ability to activate data for decision making pays off. They report significant differences over laggards in improved outcomes for marketing and sales, as well as for customer-focused metrics (see Figure 7). The widest gap between leaders and laggards shows up in the difference of sales cycle speed: Leaders are more than twice as likely as laggards to report increases to their sales cycle speed in the last year. In addition, 19% of leaders described this increase as significant, while no respondents from lagging organizations can say the same. Leaders also report an approximately 30-percentage-point lead over laggards on increases to average deal size and customer lifetime value.

Figure 5

Maturity assessment grouping breakout



Base: 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

Figure 6

"Please rate your company on its ability to activate data in the following areas. For this survey, we define 'data activation' as the process of unlocking value from data through the development of insights that inform actions."
(Showing "excellent" or "good")

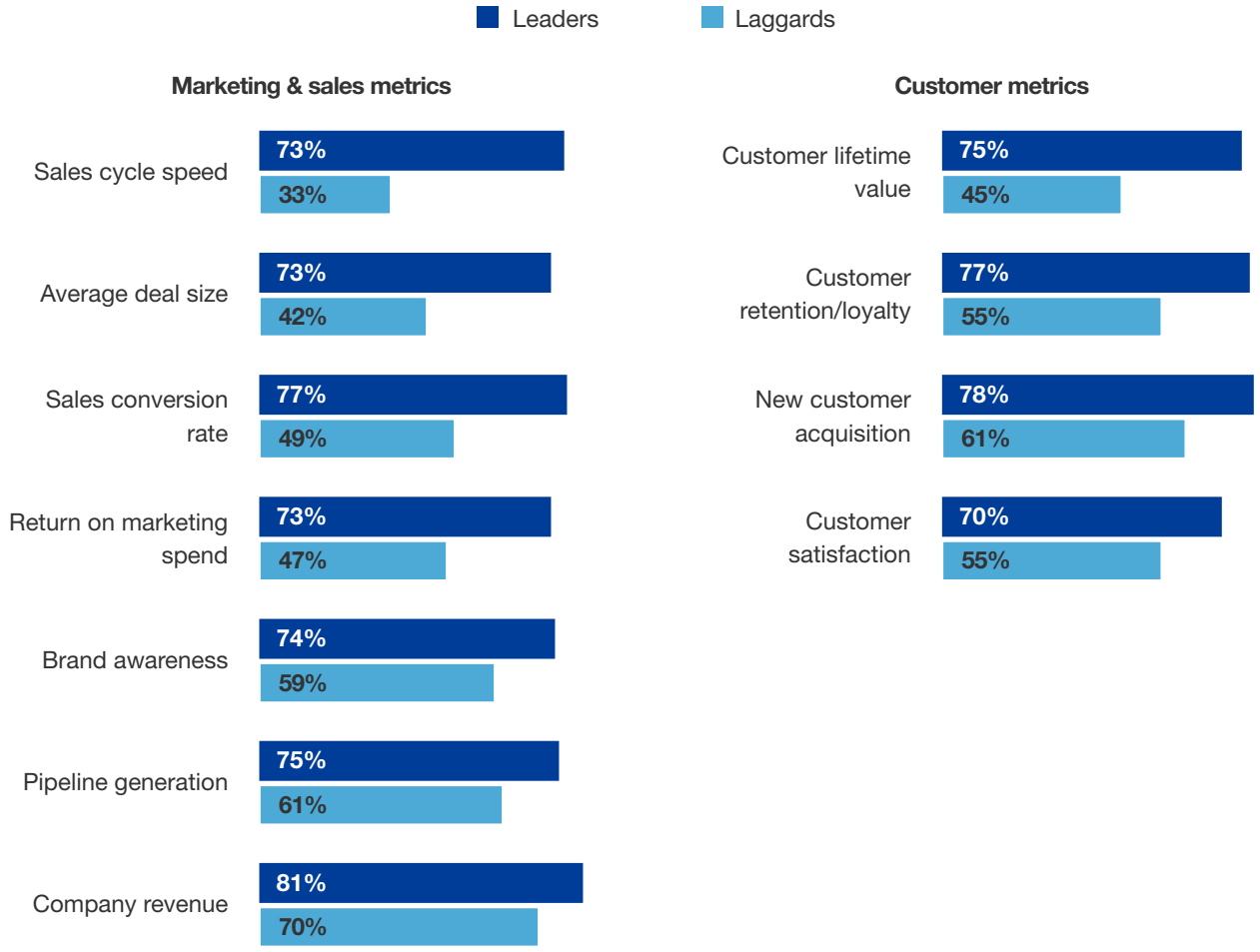


Base: Professionals with responsibility or influence over customer/prospect data strategy or management at their organizations from 268 leading organizations and 232 lagging organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

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Figure 7

"Please indicate how these outcomes have changed, comparing your most recent fiscal year to the previous fiscal year." (Percent reporting an increase, asked of those who use each metric to measure the success of their marketing, sales, and business objectives)



Base: variable; professionals with responsibility or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

Three Key Actions For Data Activation Success

Firms looking to improve their data activation maturity can learn from the data activation leaders in our study, who are far more likely than laggards to (see Figure 8):

1. Engage external partners for data and analytics services.
2. Embrace advanced analytics.
3. Organize with an insights center of excellence (CoE).

1. LEADERS RELY ON EXTERNAL PARTNERS FOR BOTH DATA AND ANALYTICS SERVICES

Leaders have made great strides in improving their data activation maturity, and they've done this by amplifying their capabilities with external partners. Sixty-five percent of leaders engage partners to help them extend their data and analytics capabilities faster and more effectively than they could using only their own resources; only 38% of laggards do the same.

Our study shows that 66% of leaders also expect to expand their use of reliable external data. Leaders are more likely than laggards to see the value in the six data types Forrester considers critical for driving contextual customer engagement: firmographic, demographic, technographic, relationship, behavior, and intent data. They're also more likely to supplement their data in these categories with third-party data sources. The value they cite includes improved ability to identify or gain insight on key decision makers, uncover the solutions that customers or prospects have or are considering, stay up to date with events affecting their customers, and understand their customers' or prospects' company and structure.

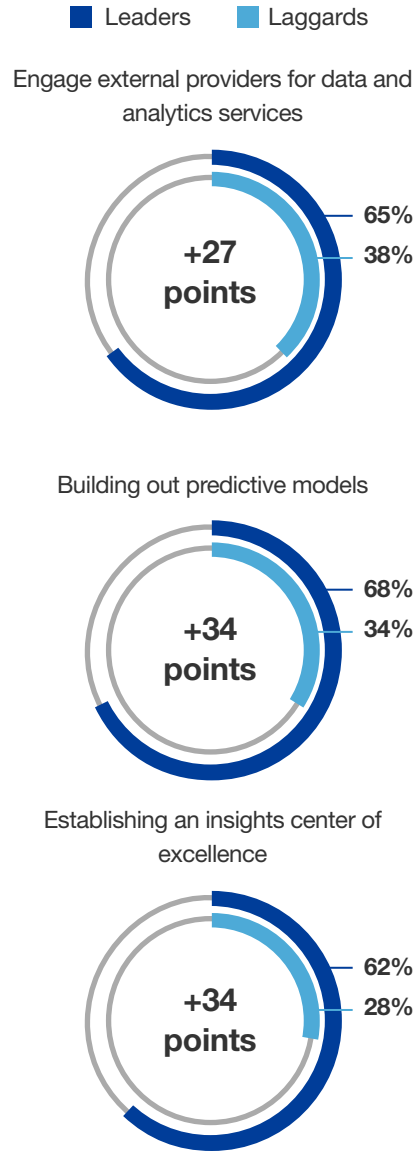
2. LEADERS EMBRACE ADVANCED ANALYTICS

Today's device-hopping customers expect consistent experiences and rapid response from the firms they deal with. This expectation for instant action requires firms to use advanced analytics for marketing and selling.[5] Leaders in our study reported greater emphasis than laggards on advanced analytics techniques that inform and speed up marketing and sales decisions and strategies, especially:

- **Predictive analytics.** Sixty-eight percent of leaders — compared with just 34% of laggards — have implemented or are expanding their use of predictive models, which helps them achieve greater precision in scoring leads, identify cross-sell and upsell opportunities, and segment high-value individuals and accounts.[6]
- **Streaming analytics.** Leaders are more likely to use streaming analytics solutions (62% use them "periodically" or "extensively" versus 27% of laggards), which gives them a distinct advantage in today's digitally powered landscape. Streaming analytics solutions aggregate data from both digital and physical events (e.g., online transactions, social media posts, web browsing, service interactions, and calls) and detect patterns that firms must act on within a given timeframe to drive value.

Figure 8

"What are your organization's adoption plans for the following data-driven initiatives?"
(Showing "implemented" or "expanding implementation")



Base: Professionals with responsibility or influence over customer/prospect data strategy or management at their organizations from 268 leading organizations and 232 lagging organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

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- **Artificial intelligence (AI).** Fifty-one percent of leaders report using AI for marketing and sales use cases either periodically or extensively — more than twice the rate of laggards (18%). AI uses large quantities of data from multiple sensory inputs and requires ongoing education and collaborative learning with humans to provide valid actions. For example, Forrester predicts that marketing-focused, AI-powered intelligent agents will hit critical mass by the end of 2018. In addition, adoption of machine learning will help marketers and sellers break long-form content into smaller bits for use in multiple channels, such as digital ads, email, and social media.[7]
- **Advanced data visualization.** Advanced visualizations beyond traditional pie or bar charts, such as interactive dashboards, have many powerful marketing and sales applications. Effective data visualization drives alignment across marketing and sales teams on the metrics most important to achieving shared goals.[8] It also helps communicate complexity and demonstrate marketing's value — something that can help marketers justify further investment in marketing priorities to executives.[9] Seventy-three percent of leaders report using advanced visualization techniques, versus just 47% of laggards.

3. LEADERS ORGANIZE WITH AN INSIGHTS CENTER OF EXCELLENCE

The lack of a holistic customer view is a problem that extends beyond data.[10] Our study found that the greatest challenge organizations face in meeting their marketing and sales objectives is managing data and sharing insights that drive actions across organizational silos. Siloed insights teams typically overfocus on low-value customer behavior measurements such as site visits or email opens that, without context, don't provide sufficient insight for building true customer connection.

Firms can combat this with an insights CoE, which provides governance, program management, and best practices across business areas and functions. A CoE manages the delicate balance between companywide and line-of-business priorities. Forrester's research has shown that more insights-driven firms organize with CoEs, and our study confirmed this: 62% of leaders have established an insights center of excellence, relative to just 28% of laggards.

Survive And Thrive In A Data-Driven Present And Future

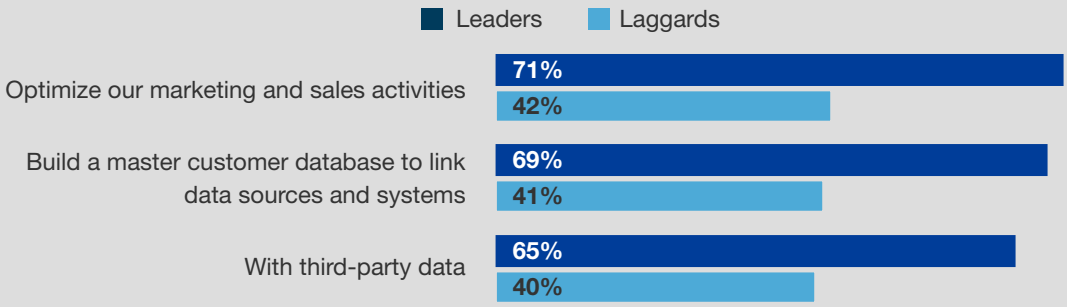
While competitive forces, customer expectations, and technologies will continue to evolve, the mandate for marketing and sales teams to be insights driven is here to stay. To continue to grow their data activation capabilities:

- **Leaders must continue to invest in external partners and data.** Data activation leaders appear to be heeding that call (see Figure 9). With partners' help, they'll be better positioned to activate their data to advance priority marketing and sales activities, including improving digital selling, account-based marketing, lead quality and data consistency, and creating personalized experiences in their customers' and prospects' journeys.
- **Laggards must prioritize use of external partners.** Sixty percent of laggards describe increasing their use of data and analytics as a high or critical priority over the next 12 months. Like leaders, they associate important benefits with improving their data activation maturity, including their ability to drive expansion within accounts, improve marketing efficiency, strengthen their brand, promote data consistency between marketing and sales teams, and improve lead quality. Yet less than half intend to increase their spending on service partners that can help them with data access and initiatives. To close the gap between them and leading firms, that must change.
- **All B2B marketers and sellers must focus on key solution capabilities.** When asked what solution capabilities they consider to be very or extremely important in improving their data activation practices, respondents selected reporting and analytics capabilities, CRM integration, and prospect research as their top three (see Figure 10). Firms armed with integrated and real-time tools such as these can drive timely activation of customer insights.

Figure 9

"How do you expect your company's spending on the following to change over the next 12 months?"
(Percent reporting an increase)

"Service partners or solutions that can help us…"

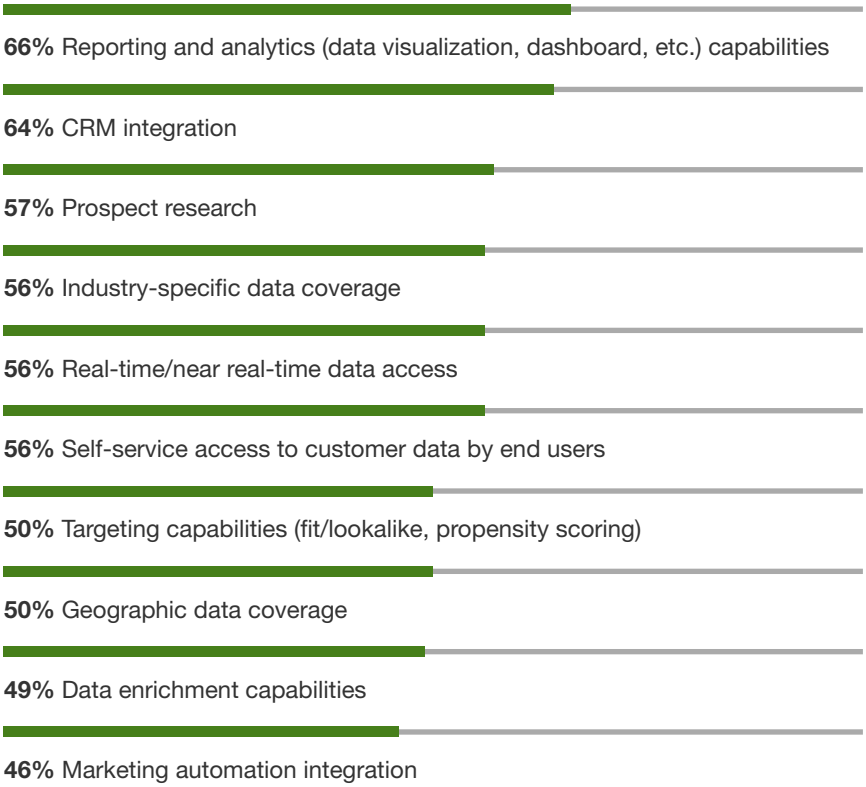


Base: Professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations from 268 leading organizations and 232 lagging organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

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Figure 10

"How important is access to the following solution capabilities to improving your company's data activation practices?"
(Showing "extremely" or "very" important)

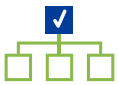


Base: 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

Key Recommendations

Taking actions from trusted data and insights to improve marketing and sales outcomes is a complex undertaking. B2B marketing and sales leaders must fight through that complexity, along with their internal and external partners. To remain competitive, they must take iterative, effective steps to implement the technology, processes, and best practices for taking customer-facing actions from data. The bar is that high.

As a decision maker, you must always be pushing to improve your firm's ability to activate data for decision making. Insights from Forrester's in-depth survey of 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations yielded these recommendations for action:



Advocate data and analytics as a critical capability at an executive level. Effective data activation requires strong collaboration driven by evangelism from company leaders. To accelerate this transformation, many firms appoint data leadership, such as a chief data officer or a chief analytics officer; other titles include director, center of data excellence; VP, analytics; and head of insights.[11]



Align on metrics and KPIs across data, insights, and business teams. It may seem unintuitive that a process change is as important as data and technology decisions in maturing your data activation maturity. But it's true. Agreement and alignment on the business KPIs and metrics targeted for improvement drive focus so that teams in all areas work in harmony as they optimize data and technology choices.



Find trusted partners for both data and analytics services whose capabilities complement yours. Both firms mature in activating data and insights to improve outcomes and firms building their maturity will always have new gaps as technology continues to evolve. Enlisting third-party data and analytics solution providers to help navigate change and implement new approaches often provides a cheaper and faster direct path than building those capabilities internally. Find partners that understand your strategies and are willing to not only "do" for your firm but teach you, too.

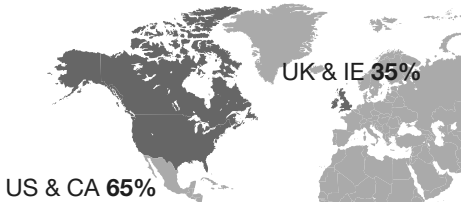
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Appendix A: Methodology

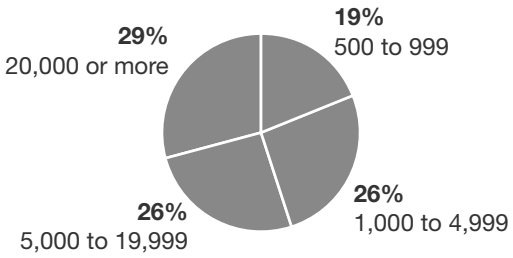
In this study, Forrester conducted an online survey of 500 professionals with responsibility for or influence over customer/prospect data strategy or management at organizations with 500-plus employees from the US, Canada, the UK, and Ireland. Questions provided to the participants asked about data activation. The study began in February 2018 and was completed in March 2018.

Appendix B: Demographics

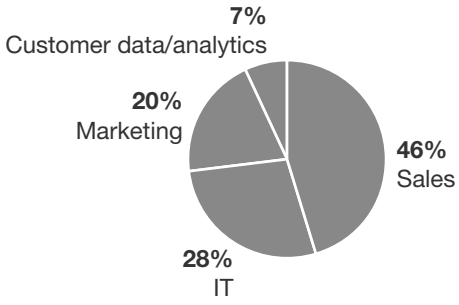
COUNTRY/REGION



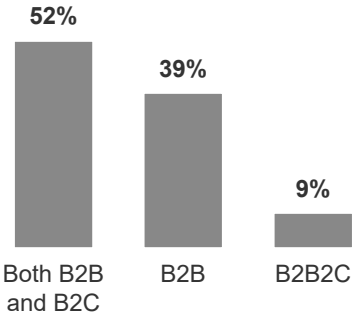
COMPANY SIZE



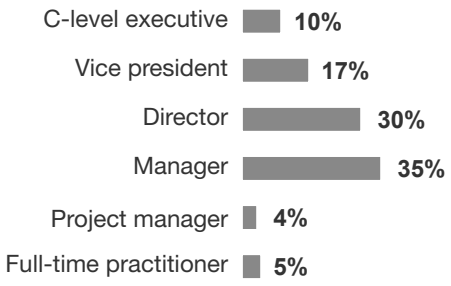
DEPARTMENT



BUSINESS MODEL



TITLE



Base: 500 professionals with responsibility for or influence over customer/prospect data strategy or management at their organizations
Source: A commissioned study conducted by Forrester Consulting on behalf of Dun & Bradstreet, March 2018

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Appendix C: Endnotes

[1] Source: “Use The Goal-Question-Metric-Data Framework To Drive Outcomes From Data And Insights,” Forrester Research, Inc., March 2018.

[2] Source: “Insights-Driven Businesses Set The Pace For Global Growth,” Forrester Research, Inc., October 2017.

[3] Source: “Vendor Landscape: B2B Marketing Data Providers, Q3 2017,” Forrester Research, Inc., July 2017.

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