dun & bradstreet

B2B Marketing
Insight · Development · Training · Events

How to gain buy-in and budget:
Turning data into ROI



b2bmarketing.net

Contents

Stakeholder buy-in: Overcome a lack of confidence in data quality	3
Introduction	4
Section 1 What do boards really understand about data?	6
Section 2 Why your data clean-up needs a clear budget	8
Section 3 Why marketing should take the lead with the business data cleanse	10
Section 4 How to build support across the business	12
Section 5 Key takeaways	13

Comment

Stakeholder buy-in: Overcome a lack of confidence in data quality



Adam Leslie, European sales and marketing solutions leader at Dun & Bradstreet, explains how to overcome a lack of investment in data quality

The issue

The biggest hindrance to organisational data quality is the struggle in generating a meaningful value statement to gain the investment required.

Arguably much of the marketing, consultancy statistics, and whitepapers concerning data quality gain little more than a resigned nod of understanding from their recipients. The challenge in gaining stakeholder buy-in is demonstrating and articulating the effect on their own organisation's turnover.

The size of this challenge is exemplified in the recent Dun & Bradstreet B2B Marketing Data Report, where 89% of B2B sales and marketing professionals believe data quality drives the right campaigns. However, nearly 50% of organisations are not confident in the quality of their data, and worryingly this percentage is higher than the previous year.

What do we need to do to resolve the issue?

So, it's the marketing and approach that has to be different – with prevalent market awareness of the challenge, data providers now need to help provide a structure to enable an understanding from those that don't deal with the data but who hold the budget. This is the reason the Data Quality Return on Investment calculator was generated.

The solution

The Data Quality Return on Investment calculator splits a business into three categories and 25 metrics covering diverse areas of the organisation including:

- The cost to the organisation of processing data (both creation and maintenance).
- Effect on retention, up-sale and lead conversion.
- Hours of sales time lost searching and updating the database.
- Landing page and marketing qualified leads conversion rates.
- Effects on shipping expenses and support to sales staff ratios.

An organisation will usually select the three or four metrics most important to them – at which point the structure highlights the key numbers they need to source internally in order to gain a relevant ROI number that the finance team accept and to which the board can relate, absorb and buy into.

If something isn't working – and the results of our recent survey shows a marked decrease in organisational data quality – then we need to think differently. Little substantiated qualification of the value of accurate data has progressed in the past 15 years, and the Data Quality Return on Investment calculator is designed to work with the consultancy statistics and whitepapers to help organisations successfully gain the necessary budget to unlock the returns they are currently missing.

To learn more about the ROI calculator, click here.

Introduction

Data is a vital asset for all companies – yet we're sitting on such a huge mountain of it that we can't sort, report on or use it effectively.

The potential of driving real business improvement is tangible, but the value of data is unrealised. As that pile of data grows, the crucial insight we need to generate strong returns sits within it like a needle that's increasingly hard to find.

It's time your board understood the benefit data can bring to the business.

While many marketers know the value of clean data, they find it difficult to relay that to their stakeholders. Without being able to convey the ROI of quality data, marketers can't get buy-in for a relatively large unbudgeted spend. And why would the board invest in data when they could use that same budget for marketing campaigns, for example, which they might expect to generate immediate returns.

While marketing has the greatest realisation of the consequences of poor data, it is a business-wide problem. Communicating this message is key to gaining sign-off for data investment. This report, written in conjunction with Dun & Bradstreet, will explore how to overcome board objections, how to gain buy-in, and how marketing can take the lead.

With insight from data experts and marketing leaders who have been able to articulate and prove a strong business case for their data, we will show you the steps necessary to acquire data funds and drive ROI.

Our contributors

- **Payal Jain,** managing director, JCURV
- **Claire Wood,** interim leader, clients and industries, Deloitte
- **Paul Fakley,** executive director of engagement, British Safety Council
- **Adam Leslie,** European sales and marketing solutions leader, Dun & Bradstreet.

The ROI calculator

Commercial data and analytics provider Dun & Bradstreet has created an ROI calculator for your data clean-up. It aims to help marketers understand the potential return into investment on increasing the quality of your base data, providing an overall commercial benefit marketers can take to the board.

This benefit is broken down into a series of metrics behind the calculation, with options tailored to each business. These provide a structure to help gain internal buy-in with a tangible equation marketers can use to prove their business case.

Once four or five of 25 metrics are chosen, the marketers can adjust the input values to reflect their business. Just four initial fields are required to gain an understanding of ROI, these being turnover, number of customers, number of sales representatives, and estimated data quality.

An example calculation of the cost of wasting time on bad data

Record creation

- Data entry: From webforms, to manual entry including mandatory fields.
- Data linkage: From entering once, to once per system (CRM, MAP, accounts, customer support, order entry/product, shipping).
- Entity linkage: From ID of linked accounts at entry, to manual writing of HQ address where known.
- Sourcing (incorporationg a new list) not included in calculator.

We all love the website that remembers our order details, home and billing address, last purchase info, recommendations, etc. Quick and easy.

Default metric:							
2610	X	20	X	£39	=	£33,930
Total records loaded per annum		Minutes of staff time required to load a record		Fully loaded staff cost per hour		Maximum saving from quality real-time record creation

Section 1

What do boards really understand about data?

1.1 How boards think about budget

While the board may be receptive to a proposal for budget to enhance product features, for example, it may not be clear to them why you need a large amount of money for improving business data quality. Adam Leslie, European sales and marketing solutions leader at Dun & Bradstreet, says most often boards will give budget to those who can prove they'll increase turnover. "They're less likely to understand accounts or logistics or back office data than their key product," he explains. "And back office data doesn't just affect marketing, but sales and logistics and other parts of the business, so they need to be brought in too."

The board are used to a pragmatic approach when it comes to budget. If they're talking about their product, they want exact numbers surrounding sales and competitors. "That means you've got to do the same for data quality," says Adam. "If you asked 10 people to tell you the value of quality data, you would get a vague rather than concrete answer, and likely 10 different responses."

That's because there's no set formula when it comes to data – but you'll need that, as well as a process, if you want to gain buy-in.

1.2 Overcoming the board's objections

It's the quality of data that's important, not just the volume. But communicating the value of gaining relevant insights to drive business performance can be a challenge. "Just like a CRM system," Adam explains. "There's a perception that it's a policing tool." Communicating the benefits of quality data to the board means speaking their language.

The best way to do this, Adam says, is to pick four or five components that are valuable to the company, and then present those smaller parts to the business. For example, you could calculate the time it takes for a salesperson to load a record into a CRM system, or the time it takes them to sort out duplicates. You could also calculate customer experience metrics, such as website conversions – proving bad data provides a clunky experience, or a customer is more likely to drop out of the buying process if they're contacted by the wrong person.

Common barriers to effective data management

Adam Leslie shares the biggest objections he hears from marketers when it comes to investing in a data clean-up.

1. "It's not a strategic priority right now."
2. "The boss won't go for it."
3. "I think we're doing fine without quality data."

All three of these objections are down to not understanding the value of data. Understanding how much poor data is costing the business is the first step to gaining buy-in.

It's easy to go to the board with grand assumptions such as 'I'm 30 times more likely to win business if I have quality data'. This may grab their attention, but it won't help them understand why it's true. If you go to the board with clear metrics and calculations, it will be hard for them to disprove there's logic behind your proposal.

Moving the conversation towards tangible figures and calculations will form the basis of a realistic conversation for buy-in, rather than simply trying to prove the investment is theoretically worth it.

A calculation marketers could take to the board:

Time to search

This is the cost of incremental time spent searching/correcting conflicting information within a poor quality database versus the time spent searching a clean database.

- The time spent is greatly affected by the quality of the data.
- An average client database has 18% duplicated and 7% out of business.

Think of the time lost at home when looking for a letter in a bad filing system.

25	X	60	X	47	X	£39	=	£45,825
Minutes per week, per rep searching		Sales reps		Working weeks		Per hour worked		Casual cost

"Switching the message to a process that can demonstrate the problem to stakeholders internally means marketers can start to gain buy-in from the board and the board can understand the problem"

Adam Leslie, D&B

Section 2

Why your data clean-up needs a clear budget

2.1 Gaining a clear budget for your business case

Paul Fakley, executive director of engagement at British Safety Council, is currently working on overhauling the company's data and processes. With five verticals and around 950 products, the organisation's data is disparate and the processes are complicated.

Now in the process of reviewing the data alongside matching up separate systems, Paul had to find a way to justify budget to the board. "Over the years the complicated processes have affected the quality of the data in the background. We knew we had an issue with poor quality data, but didn't realise how bad it was."

After speaking to several data organisations, including Dun & Bradstreet, Paul realised the company had a high duplicate rate in its CRM system, and many out-of-date records. As well as looking for a one-off data clean, Paul wanted to find budget for ongoing data cleaning with simplified processes.



How to make a strong business case with a clear budget

- **Delve into the detail**

  Don't just compile online quotes for the cost of dirty data without information on how that number is reached, Paul advises. "You need more detail, for example what uplift your organisation might get in terms of new leads and business, and how long it takes to correct records."

- **Start with what you know**

  Paul advises finding something that's palatable to the business in terms of cost, because looking after data is a long-term investment. "You might be given a figure of £60 for each duplicate record, but because I know how our business works, I adjusted that cost."

- **Stay conservative**

  If you go with the suggested data ROI uplifts, you may end up with unrealistically high expectations, so Paul stayed conservative when he presented this to the board. "It's a starting point," he says, but it may be best to start with smaller but more realistic numbers that your board is more likely to accept.

- **Don't forget about people's time**

  The thing that most people need to take into account and forget about when creating a business case is the cost of people's time, Paul explains. "You need to work out how much extra time people are going to need to spend implementing new processes to keep the data clean."

Below is an example of how the cost to the businessv of poor data can be broken down and calculated, helping you create a realistic business case.

Retention

- The value of failed retention caused by lack of account knowledge.
- A true account spend/size may – without knowing – be spread over numerous duplicates and numerous single corporate entities.
- This can lead to resultant inappropriate allocation of account manager (experience), pricing or service bracket or marketing.

Think of the organisation that gets your details wrong each time, where you speak to a different person each time, where the notes of your previous conversation can't be found on the system. The product in this case needs to work extra hard to retain you.

Example numbers:

270	X	6000	X	15%	=	£243,000
Incremental accounts retained per annum due to good quality data		Average spend per account per annum		Your profit margin		

Section 3

Why marketing should take the lead with the business data cleanse

3.1 Why marketing should drive data clean-ups

For better or worse, marketing has become a data-focused department for many companies in recent years. This means it's easy to calculate how poor data can affect marketing results, says Paul. "If we're sending marketing to 100,000 people, and 50% of those businesses don't exist anymore or we've got the wrong contact details, it's wasted time and money and the results are misleading."

Paul explains this means taking the lead on data projects is therefore key to prove marketing is working. "You need to justify every penny you spend on marketing," he says. "Our marketing budgets aren't massive but that means the pressure to justify costs is even greater. The money has to deliver – so good data is key."

"You need to get sales on side for your data business case. If you're calculating an X% uplift in conversions from a data clean-up, the sales director has to buy into it and deliver it"

Paul Fakley, British Safety Council

3.2 Quantify the investment

Claire Wood, interim leader, clients and industries at professional services network Deloitte, went through a long buy-in process three years ago when trying to get sign-off for marketing automation and an investment in data quality.

For Claire, proving the value of data to stakeholders was something that happened naturally when gaining budget for new martech. "I was able to talk to them about the benefits the technology would bring to our clients, and the ways it would allow us to be more targeted in our communications and responsive to their requests," she explains.

The buy-in process took 12 to 18 months for investment in new technology to help with the business' data. "It was important to do it that way round because we had the right buy-in and governance before the project was off the ground," she says.

Marketing is best placed to lead this change as they are better placed to quantify the investment and results of good data – such as campaign stats and leads – which certainly helps when gaining buy-in from the board.

"With big data and analytics coming to the fore, it's kind of like pushing an open door. Stakeholders understand that buzz in the marketing space"

Claire Wood, Deloitte

The negative impact on marketing performance of poor quality data

Digital marketing

This is the cost of the negative impact on marketing performance with poorer quality data versus the performance achievable with good quality data (based on Aberdeen Group's Lead Management Study observations and survey).

- Number of inquiries – landing page visitors, contact centre inquiries.

- Poorer quality data negatively impacts:
  - Initial targeting and creative
  - Initial visitor experience and speed of visitor Identification
  - Identification of opportunity size, matching/linkage with existing customer base and resultant adjusted lead score, nurturing and lead routing.

Think of the great marketing you have responded to, only to be let down by a disjointed and drawn-out experience.

1136	X	12%	X	10%	X	£6000	X	15%	=	£136,364
Incremental enquires generated		Enhanced enquiry to marketing qualified lead (MQL) conversion %		Enhanced MQL to sale conversion rate		Average spend per account per annum		Your profit margin		

3.3 How to take the lead

Painting a picture of the benefits of data quality can be easier with some teams than others. It's important to express this investment will make the business' life easier.

Claire's top tips for leading the charge with data

1. **Start a narrative**

   If you can articulate the data story in a way that talks about business and client benefits, that's a win-win situation.

2. **Pick advocates**

   Getting people to champion the cause for you is crucial. Don't restrict yourself to just marketing champions; make sure you get a spread of support from across the business. Pick the right people, and buy-in has a knock-on effect.

3. **Communicate with everyone**

   Don't just speak to stakeholders who are interested in new tech, consult the breadth of the organisation. It's a business-wide issue.

4. **Don't forget GDPR**

   GDPR is a hot topic in the marketing space, and it can greatly improve the quality of your data. The principles of GDPR provide another business benefit for your organisation.

Section 4

How to build support across the business

4.1 Building the right culture for support

Payal Jain, managing director at data consultancy JCURV, and chair of Women in Data UK, advocates a 'datagility' approach to gaining buy-in for quality data and building support across the organisation. This involves identifying the business values and outcomes, and breaking them down into manageable chunks, focusing on only a few variables to solve.

For a recent client, this involved creating a collaborative working environment with cross-functional teams that focused on business value and solving data problems in a different way. A problem that was ongoing for two years was solved in 44 days after this new approach. The company also saw a 44% uplift in how employees felt about data in the organisation, delivering a positive unintended consequence.

"Don't try and fix every data variable. Work out the most important components to cleaning up data and prove a use case based on that. Segment and identify where you can find the value of quality data"

Payal Jain, JCURV

Payal explains how to achieve the 'datagility' approach

1. **Align your company behaviours and culture to business values**

   Translating data into an actionable strategy means making sure it's understood across the business and interpreted by a variety of teams and people.

2. **Make sure people working on data are curious**

   They've got to have the right open-minded attitude, being driven to ask the 'so what?' of data analysis.

3. **Move away from a siloed mentality**

   You'll be reliant on other teams to make changes to data processes, so collaboration is key. The analyst doesn't always know best, so a range of opinions will get to the root of the data problem much quicker.

4. **Create diverse teams**

   You need data storytellers and creatives as well as analytical people in order to solve data quality, and prove its value to senior stakeholders. The more people with different points of view, the more you will be able to communicate and execute a workable strategy.

Key takeaways

Here are the best ways to gain budget and buy-in to turn your data into ROI.

1. Take metrics to the board

Pick four or five components that are valuable to your business and present them to the board. That way you're overcoming objections, rather than trying to prove data quality's worth with abstract and overblown calculations.

2. Create advocates

Tech-savvy people might be a great place to start when it comes to support, but it's worth convincing different teams of the value of your project. Buy-in has a knock-on effect.

3. Tell a story

Creativity is as important to data as analytical thinking is. Convincing a board that is uninterested in data of its value requires innovative ways of working and a strong narrative for your business case.

4. Focus on culture

Collaboration and cross-functional teams will help when it comes to buy-in. If the wider business feels positive about data processes, its worth will be clear to senior stakeholders.

5. Set a clear budget

Focus on the detail of your budget, whether that's landing page conversions, time spent loading records on a CRM, or deleting duplicates. When you've figured out a clear cost, stay conservative with your numbers and the board will be more receptive.

6. Drive the change

While quality data has a business-wide impact, marketing is in a unique position to communicate its immediate value. Whether that's because of skewed campaign results or the importance of GDPR, use this knowledge to your advantage.

About

B2B Marketing

B2B Marketing is the comprehensive information resource for B2B marketers. Its mission is to provide practitioners with the information they need to perform better and achieve more, whatever sector of the B2B space they are operating in.

Launched in 2004 as *B2B Marketing* magazine, it has since evolved into a multi-faceted resource, delivering a broad range of content in a variety of different forms and formats.

Its key products are:

- Online community
- Magazine
- Awards
- Research and reports
- Training
- Events
- Membership.

For more information on any of these products or services go to b2bmarketing.net or call +44 (0)20 7014 4920.

B2B Marketing

Insight · Development · Training · Events

Dun & Bradstreet

Dun & Bradstreet's focus is to help customers improve their business performance by leveraging our superior data and insights across their organisation. We do this through a combination of the Dun & Bradstreet Data Cloud and our industry-leading solutions. Accelerate revenue, reduce cost, mitigate financial risk, and transform your business today.

The Dun & Bradstreet Data Cloud is comprised of over 300 million business records that span across the globe delivering the world's most comprehensive business data and insights to improve performance. The Data Cloud provides unparalleled depth and breadth of business information with each record containing thousands of attributes. It is curated from tens of thousands of sources – including both online sources and our worldwide network of global data partners – and is updated five million times per day. The Data Cloud is structured around our Live Business Identity™, which provides a unique business identifier for each entity.

For more information visit dnb.co.uk or call 0808 239 6399.

dun & bradstreet

B2B Marketing

Insight · Development · Training · Events

Contact us

B2B Marketing
Clover House
147–149 Farringdon Road
London
EC1R 3HN

Tel: +44 (0)20 7014 4920
info@b2bmarketing.net
b2bmarketing.net

dun & bradstreet

dnb.co.uk
UKCS@dnb.com