

RACONTEUR

# The Data Driven Customer Journey



SiiboSystems

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Stibo Systems, the master data management company, is the trusted source of MDM solutions based on a unique business-first, people-centric approach. Our solutions are the driving force behind forward-thinking companies around the world that have unlocked the strategic value of their master data; empowering them to improve the customer experience, drive innovation and growth, and create an essential foundation for digital transformation. Stibo Systems is a privately held subsidiary of the Stibo A/S group, founded in 1794, and is headquartered in Aarhus, Denmark. For more information, visit [stibosystems.com](https://stibosystems.com).

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# Data as a business asset

By 2020, data will be an asset listed on 80 per cent of company balance sheets, according to Gartner. How can leaders better use data to inform, inspire and drive change in their organisations?

## CAROLINE BULLOCK

**T**oday, it's rare to find a leader who doesn't claim to be at the helm of a data-driven business. Yet all too often the reality serves to highlight how the term can be applied a little too loosely.

While there may be no shortage of intelligence flooding today's organisation – an influx that rises exponentially in larger businesses – greater volumes do not always equate to a scenario in which data is being used strategically for competitive advantage. Indeed, McKinsey's Age of Analytics report highlights that most companies are capturing only a fraction of the potential value from data, with the public sector, healthcare and manufacturing industries particularly struggling to capitalise on the opportunity.

It seems that harnessing business intelligence to meaningful effect in a way that informs decisions and drives agile, fast responses – in short, that makes intelligence actionable – is still being thwarted by data that's both stale and hard to access.

A report from business intelligence company Domo, exploring CEO attitudes to business data, reveals that 28 per cent of UK CEOs are reliant on intelligence that is a week old and that just a third have access to it in real time. Furthermore, 71 per cent of UK CEOs believe lack of data access and skills could put their business at risk, while failure to have a centralised data source and to be consistent



**28%**

of UK CEOs are reliant on intelligence that is a week old

Domo

around the technology and tools used is adding an additional barrier to the extraction and effective organisation-wide sharing of information.

"Among business leaders, there's now a clear understanding that data is integral for the future of their organisation," says Domo's vice president of EMEA, Ian Tickle.

"The issue though, is that many are still trying to make sense of it through traditional practices and approaches, and that's the biggest change that needs to happen. They realise they need to evolve, adapt and invest to keep pace with their customers, and that means putting the right data in the hands of everyone to create efficient and curious organisations."

Indeed, moving away from the costly standalone tools of old that confine business intelligence to a desktop and a reliance on time consuming, manual processes would seem a good starting point. Fuelled by cloud technology, the new breed of solutions can aggregate sharable real time data through a mobile app. This not only brings greater automation and speed to business processes but an agility that helps to embed and integrate data analysis in a simpler and fluid way across the business, something in evidence at online bank BBVA.

"For our CEO and other senior leaders as they meet with investors, analysts, and clients – being able to pull a device from their pocket and tangibly show the data we have, and which is driving the transformation of our business has proved incredibly impressive," says the company's global head of customer solutions, Derek White.

"To see in real time what our business is doing through the data that it is creating and the power of this – the insights and analysis – is enabling us to create, improve and optimize the products and services we bring to our customers and clients."

A commonality of the more user-friendly, self-service analytical tools is the ability to draw analyses into one central dashboard and use visualisation software that makes it easier to interpret analytical trends and complex data. It's a move that opens the practice of analyses to a far wider section of the business, beyond the IT department. This in turn has the potential to drive performance, as UK spirit supplier Edrington-Beam Suntory found with a 72 per cent rise in productivity and a 33 per cent increase in distribution in six months.

"We wanted all our information to be split into outlet sales data, brand and market share



data to highlight the best performing brands. This was achieved through a combination of daily uploads and real time data from plugins such as Salesforce,” says head of commercial capability Paul Brennan.

“A key goal in our pursuit of digital transformation was for it to be realised by staff, and we were able to build a dashboard whereby staff could monitor and track on-target and lagging KPIs using live data. It provided complete transparency for senior leadership teams to track and push their teams to a higher level.”

It’s a reminder of how inextricably linked the technology and employee and team behaviour becomes and needs to be in battle optimise to big data. Technology per se is an enabler but not the silver bullet, it is the behaviour and culture that it drives that can make the difference say commentators.

“Linking data and analytics to behavioural and cultural change is emerging as the next

## “The digital revolution is about consumer behaviour and business opportunity

Alan Duncan, data analytics director at Gartner

challenge to addressing the full potential of the digital workplace,” said Gartner’s data analytics director Alan Duncan.

“At its heart the digital revolution is about consumer behaviour and business opportunity, not technology and this transformation requires business models and workplace that are dynamic, dispersed, opportunistic and shared to keep up with the rapid pace of disruption and change.”



# Customer-centric data management

Data-driven insights into customer behaviour can give you an edge over competitors

FINNBARR TOESLAND

**B**rian Krzanich, Intel's former CEO, declared "data is the new oil" in 2016 and, in the past two years, businesses around the world have grown increasingly aware of the potential power of data. Consumers' constantly changing needs and expectations are making it more important than ever for companies to provide a seamless customer experience, which is often best achieved by managing data in a centralised system.

Data silos holding customer data in disparate locations make it difficult for

firms to effectively share all types of data across the enterprise, limiting their ability to compete on customer experience. According to research from Gartner, 89 per cent of all companies said customer experience would be their primary grounds for competition.

Every business will have a different definition of what a successful data management strategy looks like. For some, a reduction in the customer churn rate is the end goal and others may see increased sales through cross-selling activities as the aim. Innovations in cutting-edge technologies like IoT and machine learning are rapidly increasing the amount of data held by companies and driving the need to take full control of legacy systems that are unable to effectively analyse rich data from new sources.

It's unlikely that business departments will out-right reject the need to move to a more customer-centric model, in principal, but the devil is in the detail. Every part of the enterprise must be on-board with this overarching goal,

especially in terms of employees in positions of power leading staff through the entire journey.

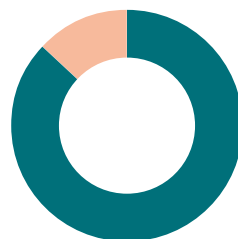
Bringing together every single piece of customer data in a single place will be far from an instant process, with any potential solution needing to be capable of creating a single ‘Golden Record’, which contains the most accurate set of details possible for each person.

Easy access to detailed data gives staff the capacity to respond in real-time to changes in customer behaviour and quickly flag up potential issues. Improving the connection with the consumer and providing them with relevant and personalised offers will radically change the customer journey. Competitors who lack this expertise will soon find themselves poorly equipped to compete and offer the right product at the right time for increasingly demanding customers.

“Imagine you’re the insurance provider who sells through brokers but who does not have access to their customer data – you could be selling insurance to what you perceive as a prospect when actually they’re a customer who already has insurance. Or the retailer sending promotions for baby products to a customer who has a 10 and 13-year-old,” explains Michael Lonnon, EMEA marketing manager at Stibo Systems.

Gaining a single view of the data is a major milestone to acknowledge, but there are critical next steps that companies should make to ensure this system remains intact and customer-centric data management is encouraged. Comprehensive data governance guidelines are vital to make certain that data can be quickly accessed in a way that limits risk to the wider enterprise, meaning that all employees need to be fully aware of their role safely managing data.

“Review the history of your customers to begin creating products and services that are defined based on their historical needs and wants – and not what you think, largely as a result of guesswork. Having the data is one thing, what you then do with it will define the success of the work that’s gone before it,” concludes Mr Lonnon.



87%

of people are open to having their activity and behaviour watched, monitored, and tracked in exchange for personalised rewards

Bond



## Tesco

Tesco, the UK’s largest supermarket with over 6,500 stores around the world, has been a pioneer in how companies can extract actionable insights from data to better meet consumers’ expectations and understand their customers’ needs. From the launch of the massively successful Clubcard loyalty scheme more than 20 years ago, that gave the retailer an immense amount of highly relevant customer data, to the current IoT projects which Tesco hope will improve the overall shopping journey; the business has always placed prime importance on offering the best-in-class experience for consumers.

The supermarket giant quickly realised that it was more cost-effective to retain customers than attempt to lure them away from competitors and to do this effectively would require data on what is driving their loyal customer base. Customer-centric data management led Tesco to prioritise the sharing of data in the company, allowing customers’ behaviour to be closely monitored and be responded to immediately.

Today, Tesco is working hard to fight against disruptive start-ups in the retail space by investing in Tesco Labs, a division of the company tasked with pushing innovation through cutting-edge IT and AI technologies. Using customer data collected from Clubcard, Tesco Labs has opened a channel on ‘If This, Then That’ (IFTTT), a web-based service that makes it easy for a range of apps and devices to communicate with each other. For example, a user can tell their smart home device to order a bottle of champagne if the temperature reaches 30 degrees. This customer-focused approach is clearly paying dividends, with sales at Tesco improving every year since 2014.

**Having the data is one thing, what you then do with it will define the success of the work that’s gone before it**

Michael Lonnon, EMEA marketing manager at Stibo Systems

# 5 customer data silos to focus on connecting

Data silos are holding back businesses from making the most effective use of their customer data

FINBARR TOESLAND

## Customer online journey

Customers today have a larger range of avenues to purchase products than ever before. According to McKinsey & Company research, 38 per cent of customer journeys involve at least two channels of interaction. Consumers want to be able to look at items in-store, purchase online and then be able to return or exchange them in-store easily.

If the online journey a customer makes is not fully integrated into wider business operations, then important patterns and insights into everything – from unexpected paths consumers are taking and reactions to different experiences they encounter on their journey – will not be uncovered.



ADD TO CART



## Customer transactional history

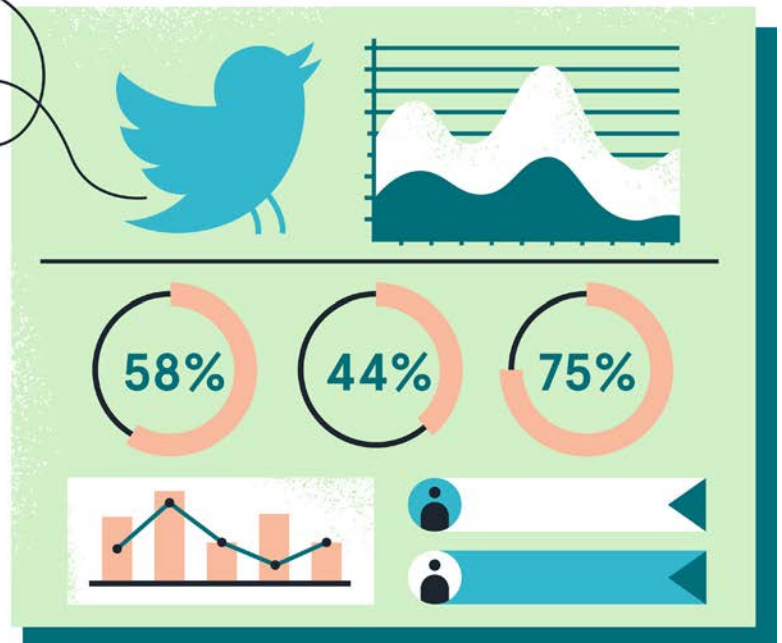
Knowing exactly what your customers are purchasing, including when and how many times, can give companies a far more detailed insight into what customers want and how they experience the overall purchasing journey.

For example, if a customer buys printer ink once every three months and then suddenly misses an order, this data can be shared with the product sourcing team to ensure the right product mix is offered. Conglomerates such as Amazon have perfected this approach by analysing past purchases to provide personalised product recommendations. As a result, they have seen increased check-out rates compared with generic product recommendations.

## CRM

When customer relationship management software first became available it was widely seen as a major improvement over traditional solutions, as it was able to store all customer data in a single place. Yet, many CRMs don't have the capacity to connect with all other types of systems, like mobile and web applications, leaving companies without a clear view of their customers.

By unlocking the CRM silo, new data, like social media conversations about a brand, can be added in both prospect and client profiles, allowing granular details about customers problems to be pulled out for analysis.



## Marketing automation

The benefits of utilising the data collected by marketing automation tools are significant, especially when this information is shared with the sales side of the business. Communicating in real-time to sales agents when a user downloads content, opens an email or registers for an event, helps the department with establishing the level of engagement that customers have around live proposals.

Breaking down these data silos and sending signals from marketing to sales agents gives both teams the opportunity to better identify blocks in the marketing and sales pipeline and refocus campaigns to bypass these pain-points.

## Customer feedback

Ensuring data from customer service interactions is connected to all parts of the enterprise will allow companies to increase their efficiency at solving customer issues and offer a more personalised experience for customers.

Customer service agents will have immediate access to all past conversations with the consumer and be well positioned to quickly gain a complete view of the customer and their overall experience, reducing response times and getting the most relevant information sent over. Even if a customer has used different communication methods, such as live chat, email or social media, service agents will be able to instantly see the full support timeline.



# Data quality breeds better business developer

While it may be regulation that has forced the subject of data quality to senior executives across the UK, organisations are realising its crucial links to business value



## BEN ROSSI

Poor-quality data can be inaccurate, incomplete, irrelevant, outdated, duplicated or distributed across different systems and platforms. In an age where data is an increasingly important asset to a business, this can be very damaging.

While the vast majority of businesses suffer from data quality issues, the scope can vary significantly across industries. Organisations that have had to embrace data as part of their business model to thrive in the digital landscape, especially in retail, are naturally more advanced than companies that have come to digital late, such as manufacturers.

With the introduction, earlier this year, of the General Data Protection Regulation (GDPR), enforcing new data rules that carry heavy fines for non-compliance, organisations of all sizes are now taking more notice of the quality and consistency of their data.

“GDPR’s requirements for personal data to be accurate, up to date and kept no longer than necessary have resulted in the refreshing and re-invigoration of data protection processes and policies within many organisations,” says Jo Blazey, global data governance officer at Commvault.

Focusing solely on compliance, however, misses the key benefit of data management. The driving force for better quality and more consistent data should be around the business value it brings. Organisations must recognise that without these good data management processes being in place, true digital transformation is all but impossible.

“Poor data leads to poor results,” says Chris Hillman, principal data scientist at Teradata. “Companies won’t get the insights and answers they need to solve their business problems. They might fail to even recognise certain problems or end up making decisions which are not helping their business.”

## If you can measure data better, you can make it better

Sundeep Bhandari,  
Strategy manager, digital sector, National Physical Laboratory

The first step in improving quality is understanding why and how data can support the organisation’s business goals. As part of this, companies should produce guiding principles for data management and its role in driving their strategy.

Once this has been achieved, the next step is creating an organisational structure that supports the vision and guiding principles. Often this involves employing a chief data officer or appointing an internal ‘data champion’ to help implement good data practices.

“These practices will always involve the three-legged stool: people, process and technology,” says John Danos, VP for data quality and delivery services strategy at BackOffice Associates, a specialist in data governance and migration. “All three must be part of any real solution that will support continuous data improvement.

“It’s worth remembering, cheaper isn’t necessarily better and to choose wisely and carefully when making technology, process and staffing decisions. Consider the pros and cons of each and how it applies not only to today, but to the longer-term vision.”

A key challenge in data quality is the lack of international standards. While introducing standards too quickly could stifle innovation and competition, without them larger firms implement their own procedures and rules, making it harder for smaller companies.

“There are, of course, safety-critical applications, within which regulation is extremely important,” says Sundeep Bhandari, strategy manager, digital sector, at the National Physical Laboratory, which is currently developing the world’s first scientific measurement framework for quality assurance in big data.

“More broadly across the industrial landscape, however, this change will need, initially, to be done by consensus and the dissemination of good practice guides. If you can measure data better, you can make it better.”

Ultimately, the quality of data organisations must improve, both for compliance and to unlock business value. The growing need to generate higher-quality information to inform better decision-making will drive the move to a truly digital and data-driven economy.

# 60%

of companies said GDPR has significantly changed their organizations’ workflows for collecting, using, and protecting personal information

McDermott, Will & Emery

# 35%

of organisations said they have a data breach reporting process that is aligned to GDPR readiness

Deloitte

# Time to put a real value on data

Chief data officers are evolving from guardians of data quality and governance to drivers of business value, but how can they measure and present that value to justify necessary investment?

**BEN ROSSI**

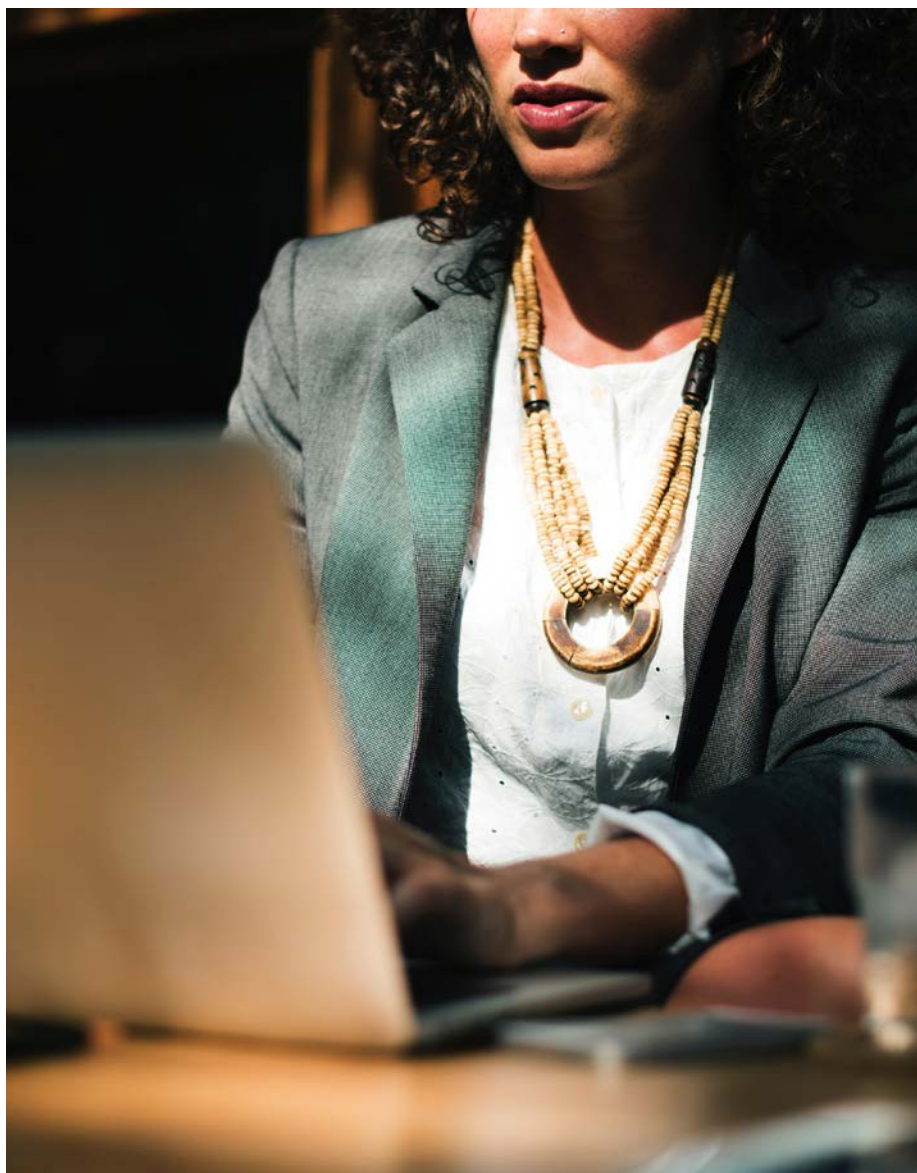
**A**s companies look to build and use insight to support decision-making processes, they are investing in data across analytics, customer experience and business processes. The ability to turn data into information and information into insights is a key business driver and here's why.

Having those extra insights is helping companies develop more competitive and personalised products and services, particularly from a digital standpoint. However, it relies on a strong foundation of collecting, organising and presenting information in the right way.

It falls to the chief data officer (CDO) to not only bring the data from across the organisation together in a coherent way, but to actually extract some business value from it. This 'infonomics' approach – adding financial value to data – is critical to help businesses thrive in an increasingly digital-driven, customer-led business landscape. And yet it remains challenging to achieve.

"Despite this general understanding that information is a valuable enterprise asset, we have no standard way to assign an economic value to it. And that's because information inherently does not land on the balance sheet of an organisation," says Darren Cooper, director of industry solutions for Stibo Systems.

This need to gain business value from data is transforming the role of the CDO. Until recently, most CDOs have been appointed from a regulatory compliance standpoint, with a remit of preventing fines such as the £500,000 levied on Facebook by the Information Commission's Office last month, relating to the Cambridge Analytica saga. Now, CDOs are increasingly being asked to put information to work in



developing business results and reducing operational costs.

The CDO has a key role in the support of an organisation's digital ambitions, which rely heavily on the ability to access and share trusted and insightful sources of information. However, with data stretching across complex IT landscapes and lines of business,

80%

of companies will list data on their balance sheets by 2020

Gartner

73%

of companies say they have already received measurable value from big data and AI initiatives

NewVantage Partners

CDOs have the task of getting everyone to talk the same language with data.

The tools CDOs have to help them achieve this are predominantly related to organising and cataloguing data. It's typical for companies to say that information is a corporate asset, but they stop at the point of measuring the quality of that data.

"That's the job in hand and one of the key challenges of CDOs is selling their ambitions and views, not from a 'data is a corporate asset' perspective but by showing that data really has some hard business value that's measurable in a particular way," says Mr Cooper.

"What we're advocating is the need to present business with numbers equating to the availability and quality of information, with a specific business driver and business case. To do that we need to have some kind of return on investment valuation."

Stibo Systems has identified three steps to measuring and gaining business value from data: itemisation, evaluation and monetisation. By starting with itemisation, organisations can build a complete picture of the data it possesses, from where it is located and how it is used to its ownership, lifecycle and level of quality.

"We help our customers, in terms of bringing together some key information, to go and get metrics about what they've had so we can measure, for example, how coherent customer data is across all of the different line of businesses," says Mr Cooper.

The second step, evaluation, is about arranging the information from a business perspective. Stibo Systems helps businesses assess the impact of data on the business itself by looking at the information from three angles: operational usage, an analytical perspective and a competitive viewpoint.

"We can work out what role a particular piece of information or collection of

information has on you being competitive or not. That's something we advocate very strongly because it means we can not only bring together, organise and prepare data, but also start to develop more competitive insights into what the data actually means."

Once itemisation and evaluation are complete, CDOs can begin to monetise. Armed with knowledge of what data they possess and its condition and importance to the business, they can present tangible numbers to management to justify necessary investments in its governance.

The financial or business impact is not just about data quality, however. The relevance of the information, its competitive value and perhaps even the cost of acquisition are critical. Stibo Systems helps CDOs through that process to identify where the business is in managing its data, where it needs to be and what the business impact is going to be.

All of this means the new kind of CDO not only wears multiple hats but also warrants a place at the top table, as the need to monetise information is increasingly recognised as a key business driver. CDOs touch every different line of business and must deal with complexities of not only technology but also communication across the organisation.

"Often, we help our clients develop a customer-centric approach to data where we can tie the data that exists in different lines of business together to support new types of customer experiences," says Mr Cooper. "That's very much the type of project that business-savvy CDOs will get involved with – to try and get a unified view of what data means across the organisation to support the development and roll-out of new customer experience initiatives."

**For more information, visit [stibosystems.com](http://stibosystems.com)**

**Data has a hard business value that's measurable in a particular way**

Darren Cooper,  
director of industry solutions,  
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