

15 THORNY DATA PROBLEMS THAT VEX B-TO-B MARKETERS, AND HOW TO SOLVE THEM

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EXECUTIVE SUMMARY

B-to-B database marketers are vexed by a variety of problems, from incomplete or inaccurate data, to inflexible systems, to apathetic or uninformed colleagues. This paper summarizes the leading data problems that B-to-B database marketers face, and offers practical steps for solving them. In many cases, the solutions boil down to proactive data capture, using low-cost communications methods, and regular modernization of existing database software and tools, to keep up with the fast-changing market.

Business-to-business marketers are plagued by data problems. Business data is complex and fast-changing. Customers transact with us through a variety of channels, and often provide us with conflicting information. Our legacy databases are not as robust as we need. It's a never-ending battle.

To identify the most pressing B-to-B data problems, we asked a dozen or so experienced database marketing professionals to share their pain. We then set about finding solutions that are practical, straight-forward and realistic.

In order to cover as much ground as possible, we selected professionals from B-to-B companies large, like IBM, and small, like MediaLive. We included direct sellers, like Uline, and those who use a variety of channels, like Epson. We covered a variety of industries, including technology, business services, manufacturing, and publishing.

First, our thanks are due to the participants, who shared with us their thorniest data problems:

Blair Barondes	Sean Clemmens
Jeff Harvey	Al Rosato
Carol Myers	Monica Weaver
Tom Tweedie	Anthea Louie
Vin Wilhelm	Brendan Edgerton
David Knutson	Louise Guryan
Leo Kluger	James Johnson
Dave Higgins	

THORNY PROBLEM #1: DATA PRIORITIES

*I don't know which of my data elements is the most important.
In other words, which fields have the most impact on sales results?*

SOLUTION:

The best way to find out is to model your data. Using multi-variate regression, let sales be the dependent variable, and let the other elements sort themselves as the independent variables. You will have your answer fast. But there are two caveats:

1. A model costs real money to build. You'll need to budget north of \$20,000 for this exercise.

2. Models have a shelf life. You'll want to re-do the model at least annually personnel who do key entry. Update the document as needed, and keep it current.

The plus side? You'll know which data elements are most important to maintain and keep fresh. And, if you find some elements with negative correlations to sales, you may be able to use these fields as a negative predictor — a suppression factor — for saving money on fruitless campaign targets.

THORNY PROBLEM #2: MISSING DATA

I don't have access to important data elements. Where can I acquire them?

SOLUTION:

Start digging. There are plenty of unusual sources of data out there. You just need to get creative in how you search for it. Here are some ideas:

- Look for highly targeted, industry-specific compilers, for example:
 - Amtower provides lists of government buyers.
 - Complete Mailing Lists has unusual categories, like aviation, mining, and real estate agents.
 - Harte-Hanks manages its Computer Intelligence Technology Database.
 - Judy Diamond Associates compiles directories of insurance and health benefits administrators.
 - DM2-DecisionMaker has an agricultural database.
- Look for private databases that aren't normally available for rent, like industry and professional associations.
- Make deals with trade magazines in your industry. Controlled-circulation publications, especially, tend to have very rich data on their readers.

THORNY PROBLEM #3: PRODUCT TAXONOMIES

Developing comprehensive product taxonomies is a nightmare in my company. Products have multiple purposes, there are scads of SKUs, and new products are being introduced all the time.

SOLUTION:

Get very friendly with your new product development group. They are likely to have the taxonomies that make sense for the firm, and they also have a bead on what new products are in the pipeline. Set up both formal and informal links between marketing and the new product team. Try quarterly information-sharing

meetings, supplemented by occasional brown-bag lunches. Educate them on the value of the marketing database, so that they are motivated to keep the information exchange going.

THORNY PROBLEM #4: FIELDS TOO SMALL

My database was set up in a different era. With today's requirements for foreign words, long words, NAICS, ZIP+4, Internet addresses, and other new data elements, my files just can't accommodate the data I need to maintain.

SOLUTION:

Bite the bullet. The old marketing database architectures that allow only 30 characters in data fields are no longer adequate. The only solution is to modernize. Whether your database

is in house or managed outside, it's time to get it upgraded, with either a complete redesign or an entirely new platform.

THORNY PROBLEM #5: GARBAGE IN

Many people — from sales, customer service, product management — need access to our database. So we inevitably have quality control problems. Often we find that users are entering garbage data that isn't dirty enough to raise a flag, but isn't good enough to use for marketing communications. "Just Joe" is a recent example of some content we found in a first-name field.

SOLUTION:

There is no software to clean this up. And there never will be. The job simply has to be done by hand. Resources? Hire a student intern. Or use employee down-time. Eventually, you will build your own "house style" rules, which will serve as a suppression system. And don't forget IES, or Input Editing Standards, the rules that guide

key-entry. If you haven't put IES in place in your company, do it now, and do it consistently across all data-collection channels. Finally, keep up your education efforts around the company about the cost of dirty data.

THORNY PROBLEM #6: WHITE MAIL

We have an ever-growing level of orders and inquiries that come in without source codes.

SOLUTION:

Take comfort. This is a problem that plagues all marketers — even catalogers — today. There are two things you can do:

1. Motivate your customers to use your source codes. Give them incentives. Make it easy for them to find and use the code.
2. Motivate — and reward — your order-taking personnel.
3. Use data matchback. Just be sure you budget for it. Depending on your key code structure, you may match at the site level and/or the contact level. If you use a multi-part key structure, you may be able to track at the site level even if the contact that responds is different from the one you originally targeted.

THORNY PROBLEM #7: JOB CHANGES

We can't track our customers when they change companies.

SOLUTION:

We feel your pain. This is a problem that plagues every B-to-B marketer. Ultimately, what we need is some kind of New Movers file for business marketers. But until that happens, here are some steps you can take:

1. Train your customers. Whenever you talk to them, remind them to keep you informed. Fortunately, business relationships tend to last over time, so a happy customer is naturally motivated to stay in touch. But you have to ask. “If you change jobs, please let us know.” Make it easy for them, with such techniques as a web-based COA form.
2. Get together with other marketers in your industry vertical and share data. This is a perfect example of the benefits of sharing. Everyone is better off.

THORNY PROBLEM #8: MISSING EMAIL

Our rates of email coverage are disappointingly low.

SOLUTION:

Here is where we business marketers can learn from our consumer counterparts. First, get very proactive about asking for email addresses directly from your customers. Make it easy, give them an incentive, and ask them at every touch point. This is not a one-time project, but an ongoing effort. Second, you may want to explore some of the opt-in email append services provided by reputable sources. Avoid the data-

driven matching techniques that infer business email addresses by company convention, like john.smith@company.com. Although these methods work, technically, they are likely to be resented by customers, and subject to eventual regulation. Better we should behave responsibly at the outset.

THORNY PROBLEM #9: EMAIL VS. POSTAL ADDRESSES

We have such a mixture of address data. Some of our records have complete email and postal addresses and others have only email. So we are, in effect, maintaining two databases, instead of one integrated database.

SOLUTION:

First, be proactive in motivating your customers to give you both addresses. (See Solution #8, above.) But, beyond that, you must force the situation in your database. The solution is to

develop two sets of de-duplication rules in the same database, namely, set up separate rules for:

1. Records with both postal and email
2. Records with only email

THORNY PROBLEM #10: COMPETITIVE DATA

We need to know what competitive products and solutions our customers are using today. Where can we get this kind of information for our database?

SOLUTION:

In some industries, this data is compiled and available for sale. The CI Technology Database from Harte-Hanks is a good example. Elsewhere, however, you must compile this information first-hand. Begin with your sales team, which is very likely to have gathered much of this already —although you'll have to organize and standardize it.

Then, look at techniques like Internet research, perhaps by an intern. Finally, some trade publications will allow you to “buy” questions in a reader survey, which is typically a less expensive method than primary data collection, although it won't give you full coverage.

THORNY PROBLEM #11: PURCHASE INTENT DATA

We need to know what products our customers are considering for purchase. Is this kind of data available?

SOLUTION:

Not that we know of. But if it's that important to your marketing program, then there are reasonably inexpensive ways to compile it yourself. Here are some steps to take:

1. Survey your customers, using an incentive. Use low-cost media like inserts in ongoing communications, or web-based survey tools.
2. For products with some sales history, you may have enough data to build a predictive model to identify high-potential prospective buyers.
3. This is another area where the survey programs offered by trade publications can be put to use. You may be able to participate in their survey by “buying” a dedicated question that is posed to their readers.

THORNY PROBLEM #12: DUPLICATE EMAIL ADDRESSES

What do I do when multiple postal addresses with different contact data all have the same e-mail address?

SOLUTION:

Some companies insist that multiple employees share a common email address. Fortunately, this is no longer very common. If you run into this situation, you have several options. First, you have to give your customers the chance to tell you this is how it works for them. If it is, you have to use the email address they give you. But if you haven't

confirmed the situation, the best approach is to allow all the data records to retain the same postal address, but then contact the customers and ask for their individual email addresses. Then, develop rules for selection purposes, so you only send e-mails to targeted individuals. Very likely, you'll want to use title as the basis of selection.

THORNY PROBLEM #13: DECISION MAKERS

We can't identify the decision-maker at a site.

SOLUTION:

We are starting to repeat ourselves now. The interesting thing about B-to-B data is that it is hard to get, and hard to maintain — but usually very valuable. Much of data gathering and maintenance is done by manual processes, and is well worth doing. For missing data elements, like a contact's role in the purchase process, take the following steps:

1. Work with your sales people, who are very likely to know this information about certain accounts.
2. Identify industry colleagues who may have the data. Potential sources include trade publications, trade associations and — even — competitors.
3. Identify resources that can gather data more efficiently than you can. Trade publications are a perfect example. Collaborate with them for data discovery.
4. Survey your customers.

THORNY PROBLEM #14: PURCHASE INFLUENCERS

We can't rank the relative importance of the various parties involved in buying.

SOLUTION:

In many companies the buying role changes with the type of product purchased. For electronic equipment, the technical requirements contact may have the highest importance. When it comes to office furniture, on the other hand, the purchasing agent may be the most

influential. Model-building can help in this situation because it will take into account both the title and the items purchased. With a series of good models, you should be able to build a predictive list of who is important, from high to low, in buying what.

THORNY PROBLEM #15: DATA CAPTURE

We have trouble coordinating data capture around our company. For example, when we create a questionnaire, and finish collecting the responses, then someone comes around and asks us for the answer to an entirely new question.

SOLUTION:

Clearly, this is an internal communication problem. One solution is to beat up your colleagues. (Just kidding.) A better solution is to reach out and proactively educate them —

regularly — about what data is available in the marketing database, and the completeness levels by data element.

BONUS — THORNY PROBLEM #16: CONSTANT CHANGE

The rules that affect data are changing constantly. How can I keep up with fast-moving issues like privacy and hygiene?

SOLUTION:

It's your job. Enlist the help of other internal interested parties, like legal, corporate communications, customer service and sales. Ultimately, you need to keep on top of changes in your industry. But another thing you can

do is make sure that your systems are flexible enough to keep up. Change is inevitable, so make the business case for investing in a database solution that give you the support you need.



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“Keep it Clean: Address Standardization Data Maintenance for Business Marketers”
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“Outsourcing Your Marketing Database: A ‘Request for Information’ is the First Step”
(March 2006)

“Enhancing Your B-to-B Database with Data Append”
(January 2007)

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