



# The Data Advantage for Marketing and Sales

**Customer data services improve effectiveness of critical Marketing and Sales activities**

An IDC InfoBrief, sponsored by Salesforce



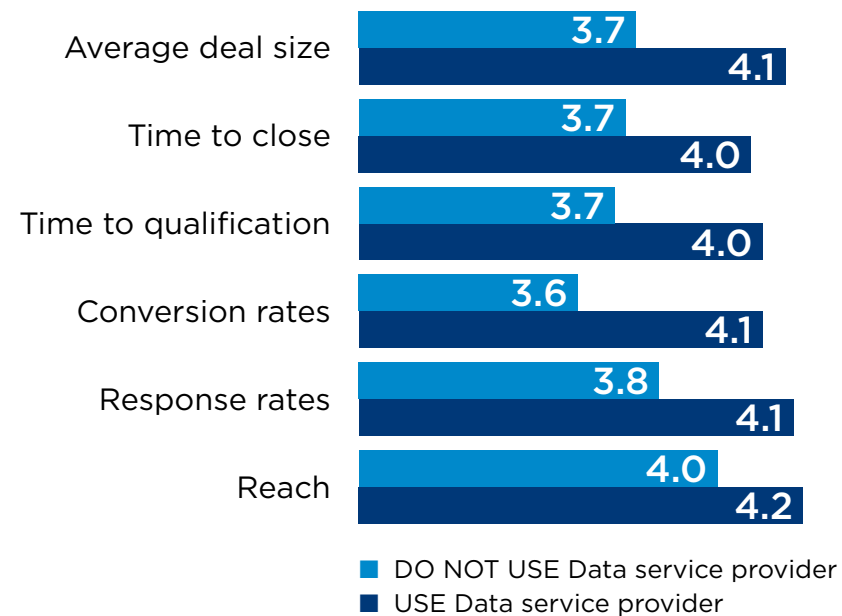
# Executive Summary

Data services improve the effectiveness of critical marketing programs and sales processes. Companies that use data services have better data quality processes.

## DATA ADVANTAGES FOR MARKETING/SALES

- AVERAGE DEAL SIZE
- TIME TO CLOSE
- TIME TO QUALIFY
- CONVERSION RATES
- RESPONSE RATES
- REACH

Please indicate how much influence customer data has on the following activities



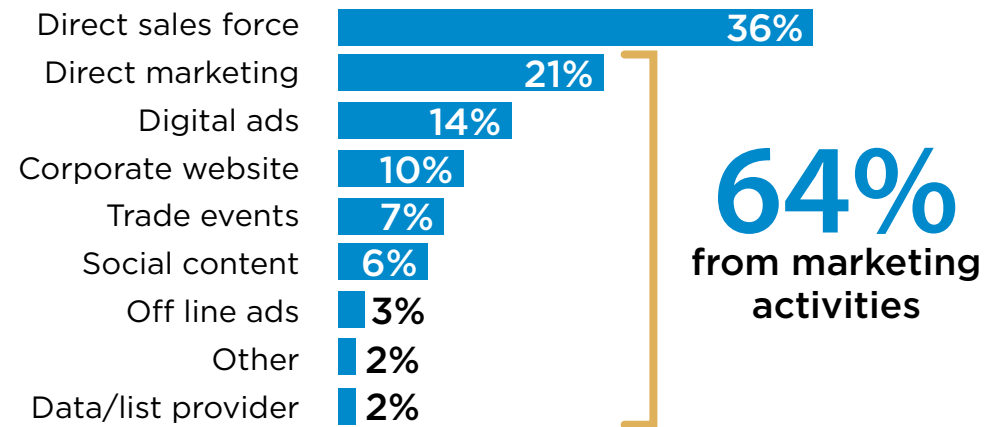
**Data services improve the effectiveness of critical marketing programs and sales processes.**

# Marketing initiatives represent 2/3rd of lead source—but salespeople are the single largest lead source

The sales force is still relevant, not dead. Whatever marketers do, they still need to work hand-in-glove with sales.



## The most common source of leads for organizations



# Percent of bad leads by lead source

Companies that get most of their leads from Sales have a lower overall percent of bad leads (22%) than those that get most of their leads from marketing. Despite this, data quality is a concern for both functions and is a critical issue to address.

### Top sources of good leads

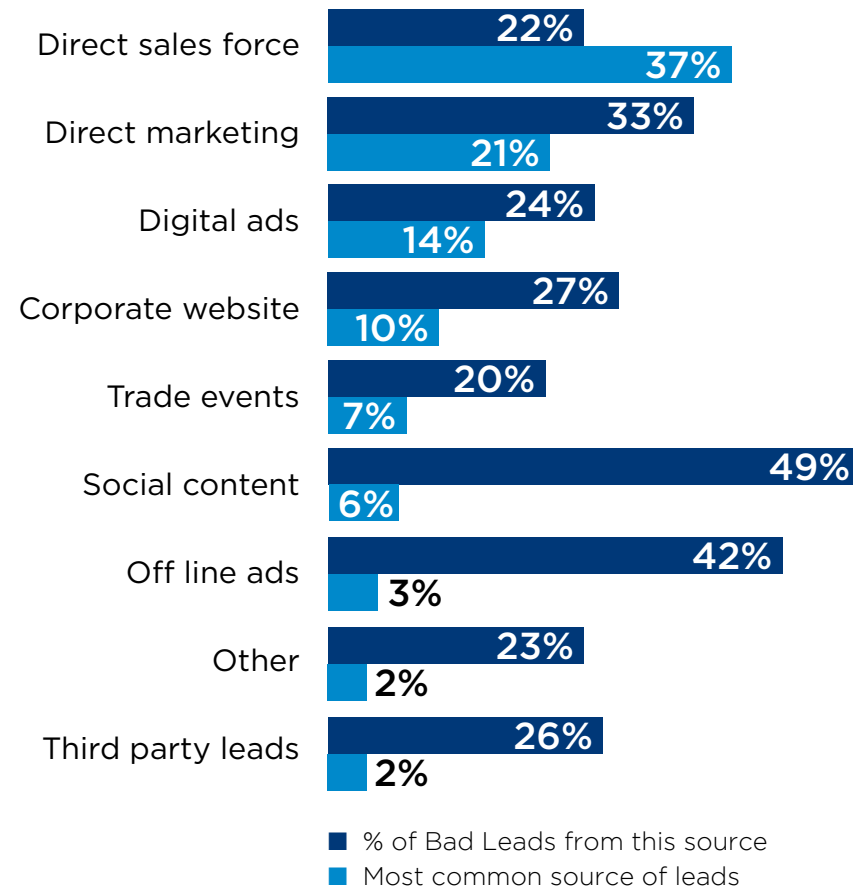
- Trade events
- Other
- Direct sales

### Top sources of bad leads

- Social content
- Off line ads
- Direct marketing

## Most Common Lead Sources and Percent Bad Leads

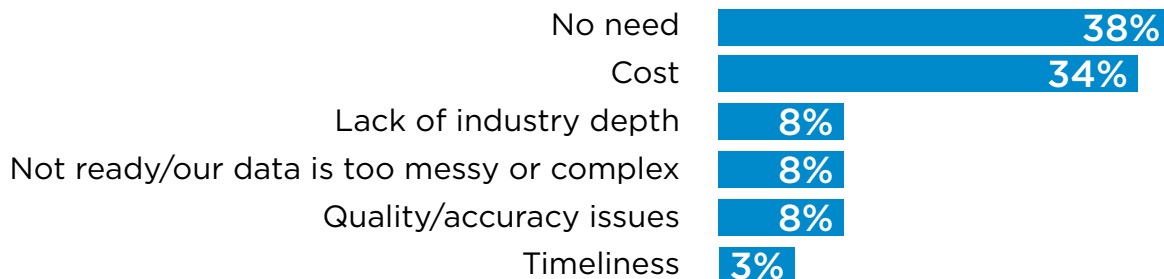
*\*Bad leads = data quality issues (incomplete, inaccurate, duplicate, etc.)*



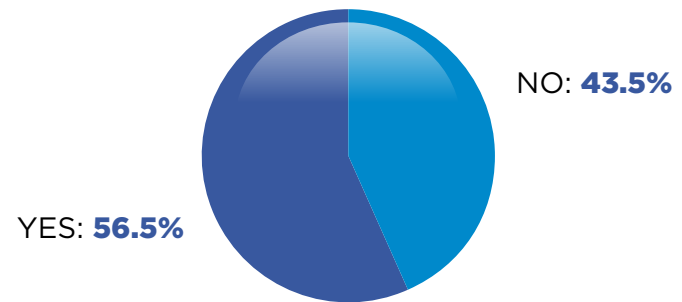
# 56.5% of companies use data service providers to enhance customer data quality

**Just over half the survey base relied on a data service provider** to enhance their customer data quality. Larger organizations (those with over 1,000 employees) were more likely to use a data service. It is likely that smaller organizations either do not have the processes or they assume such services are too costly for them.

## Lack of need and concern about cost are the key reasons for not using data

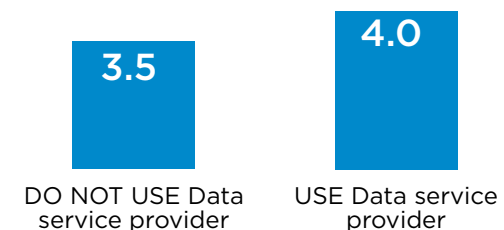


## Organizations that use a data service provider to augment the quality of their customer data



## Companies that use data services are more satisfied with the quality of customer data in their CRM

(scale of 1-5)

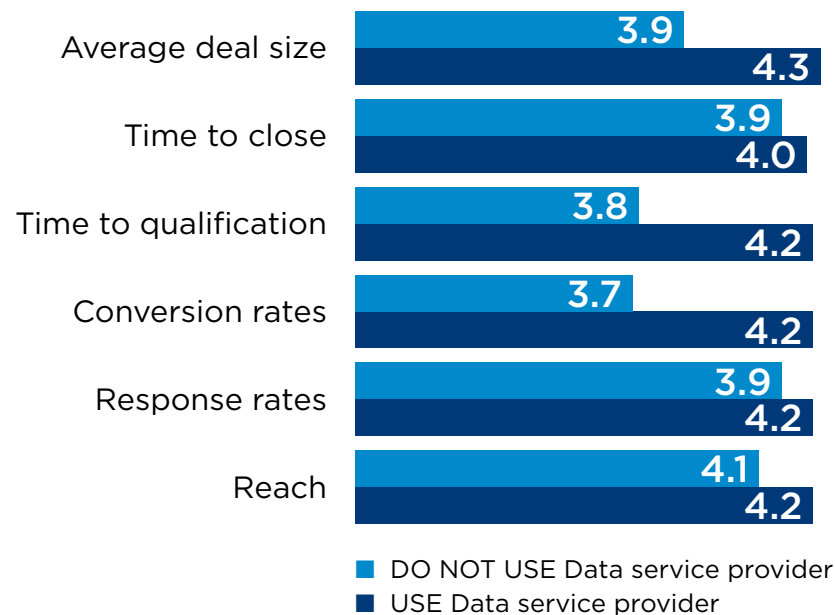


# Companies that use data services are more effective at key customer creation activities

Incremental improvements in each step can snowball into having a big impact on the sales pipeline and revenue. It isn't about how much data you have – it's how well you use the data.



## Please rate how effectively you feel your company is using customer data to perform these activities

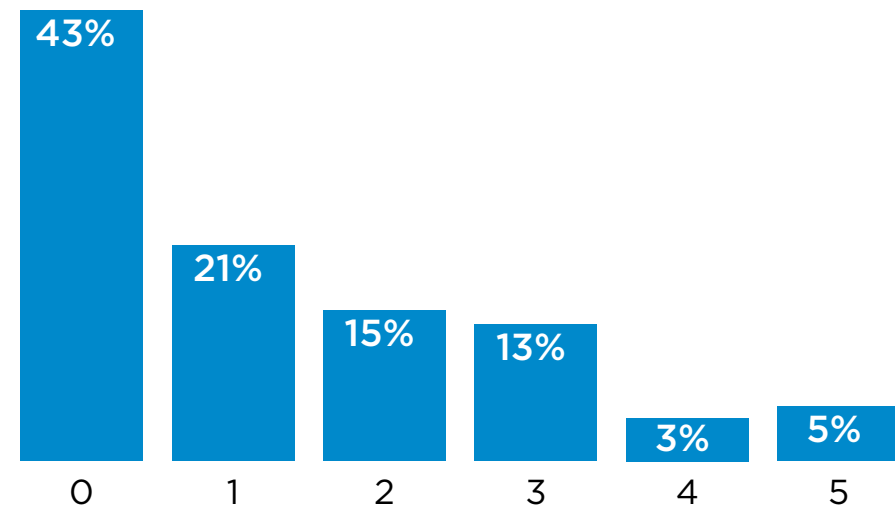


# Companies that use data services tend to use 2 or more

Of those companies that do use a data service provider, the use of multiple is common. But - data proliferation can become a hazard.

Rackspace discovered they were licensing many data sources with overlap. Good processes for assessing data needs and governing outsourcing relationships is a best practice.

**How many data service provider(s) organizations use**



**Good processes for assessing data needs and governing outsourcing relationships is a best practice.**

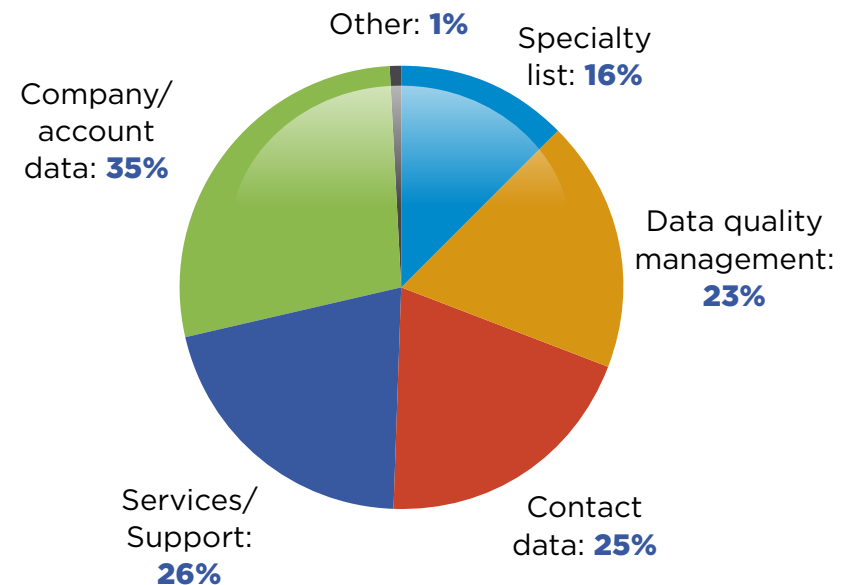
# Companies use a range of data services

Not all data services providers are created equal. Different sources provide different services. Organizations need to evaluate the greatest need to select appropriate sources and ensure that there is transparency internally to avoid duplication or conflicting overlap.



**Organizations need to evaluate the greatest need to select appropriate sources and ensure that there is transparency internally**

**Data service provider(s) organizations use**

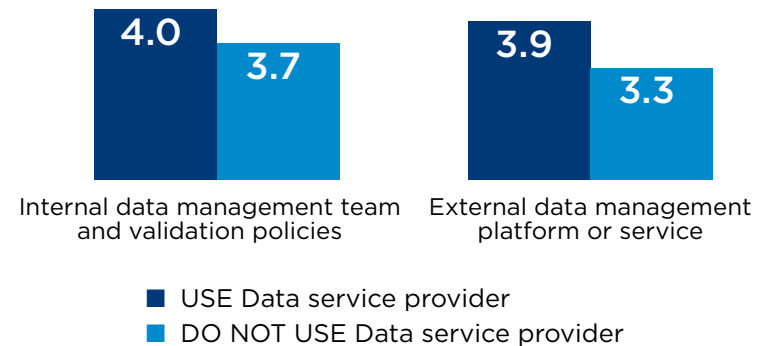




# Companies that use data service providers have better data quality processes

Spending money on a data service forces companies to look at their customer data processes and use cases. There are many potential sources for customer data inside and outside of an organization and having a dedicated team and validation process in place will result in higher quality data, broader use of the data, and ultimately more value.

## How would you rate the effectiveness of your efforts in the following areas to ensure higher quality in your Customer Data?

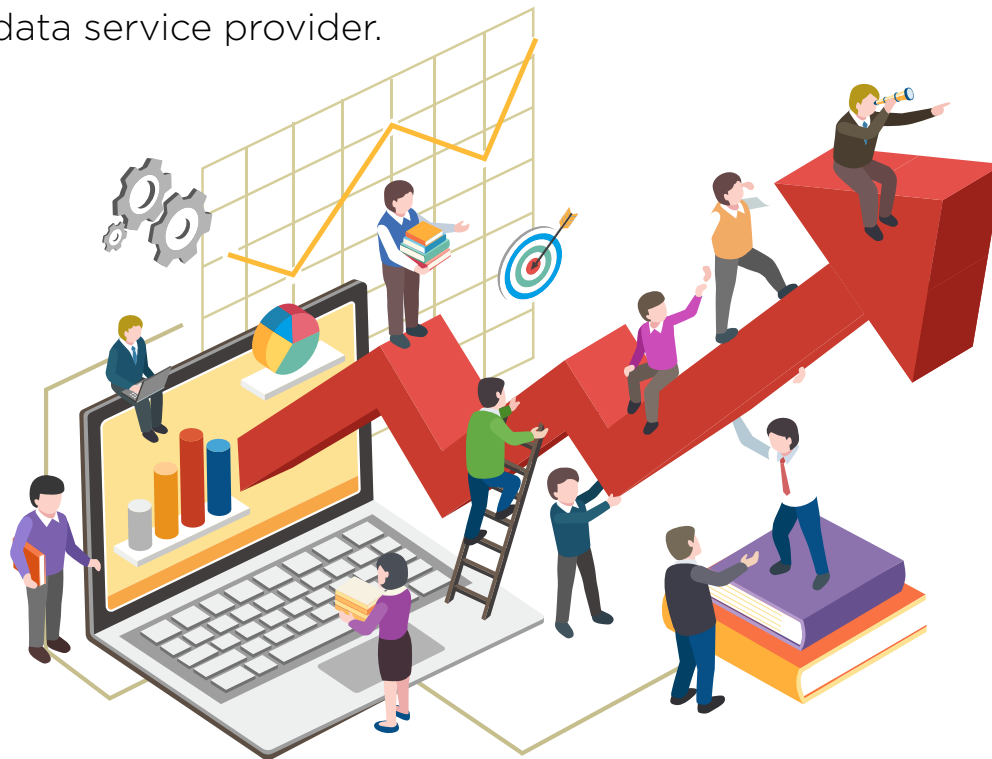
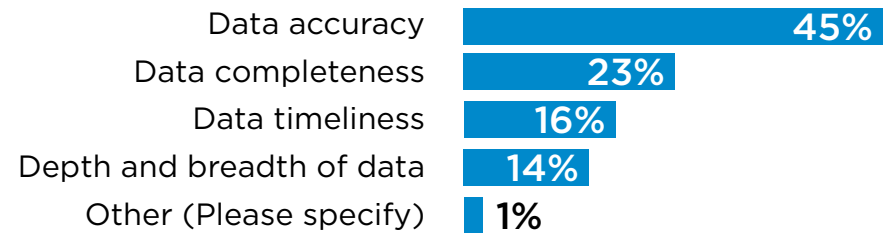


**Spending money on a data service provider does change the effectiveness of how you use the data.**

# Data accuracy drives satisfaction

Data accuracy is the most important metric for satisfaction with a data service. Marketers should create quality measures for accuracy - duplication, completeness, bounce rates, etc. and monitor them. This will provide the basis for improving or replacing each data service provider.

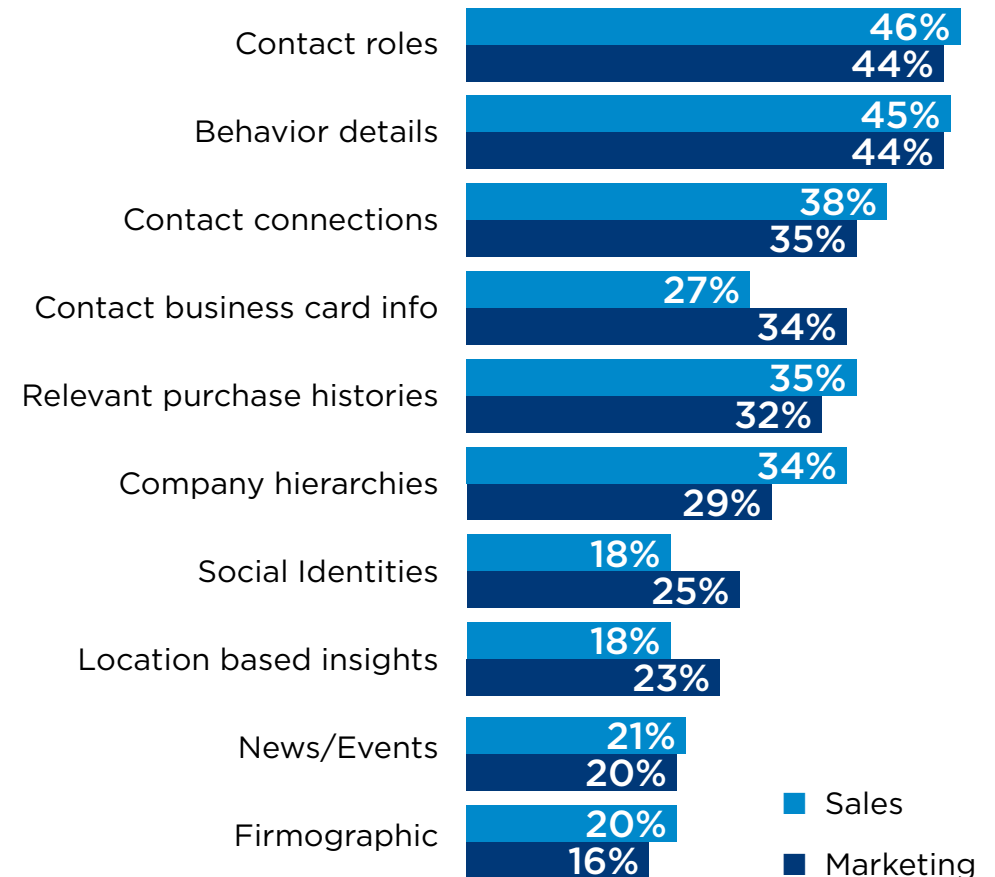
## Primary reasons for being satisfied with data



# Role and Behavior data deliver the most value

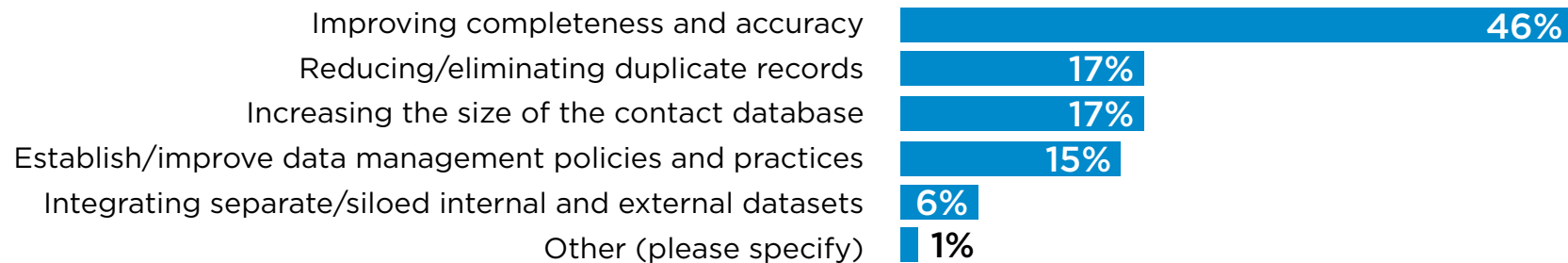
Marketing and Sales generally value the same attributes about customers. Marketing cares a little more about basic business card information, social identities and location based insights. Sales cares a little more about company hierarchies. IDC expects company hierarchies will increase in importance to marketers as more of them adopt account based marketing practices.

## Customer data attributes that most improve your marketing programs and sales processes



# 77% of companies have plans to improve customer data in the next 12 months

Which of the following methods do you feel would be most effective to improve the value of your customer data?



**Deduping, which used to be a top data pain point, now seems to be getting resolved. Companies are now focusing efforts on improving data completeness and accuracy.**

## CASE STUDY

# Choice Hotels

### Challenges

- Poor data quality, high duplication and incomplete rates
- Lacking data entry standards or training
- Lacking all the attributes needed for analytics
- Lacking unique ID, account relationships and hierarchies
- Data cleansing taking too much sales force time

# Choice Hotels – Key Lessons

## Establishing and reinforcing strong data standards

- Decide who can enter new accounts and under what conditions
- Standard naming conventions
- Train new hires on data standards and practices
- Run monthly exceptions reports and train reps that show up repeatedly
- Get reps to recognize that bad data is as much of a nuisance for them as it is for data managers
- Bad data caused reps to run into conflicts – new account is actually a child of existing account
- Old reps and new have to coordinate
- Share customer preferences around the world

## Benefits

- Salesforce Data.com is a top lead source
- Quickly segment customers for big events, which are prospects vs. existing accounts, and who needs to meet with whom
- 60% improvement in time to create, assign, and manage sales territories

## Next steps

- Use marketing to reach SMB prospects
- Pair leads with Salesforce Data.com to assign to sales or marketing depending on revenue potential
- Able to qualify accounts very quickly without having to add costly inside sales resources



**“Data is only as strong as the effort people put into it.”**

Grant Pearce, Director Sales Technology and Enablement

## CASE STUDY

# Rackspace

### Challenges

- Missing quite a bit of data. CRM was built like an ERP
- A lot of duplicate records
- Needed rules for data entry, append, and analysis

### Salesforce Data.com lead append functionality use case:

- Piloted in test environment, took emails as primary contacts in accounts and loaded them as fake leads, then ran them through lead append and got a good DUNS number
- Data for determining territories and sales owners
- Keep up with M&A with new DUNS
- Also built in ability for sales to send alerts to data team

# Rackspace – Key Lessons

- Narrowed down from 40 data providers to 5. Going from 5 to 3 this year. Dun & Bradstreet, Salesforce Data.com (low maintenance cost), RainKing for tech data
- Reduced redundancy - Many vendors had the same info
- Savings: Will have trimmed \$1M from data spend once the non-renewed contracts expire
- Salesforce Data.com ensures updates funneled through database are current
- Have the ability with the Clean button to manually override
- Don't have to hire an army of people to clean the data
- “Stare and compare” screens allow you to determine if lead matches a branch vs. HQ, so it can be re-associated to the right account
- Corporate hierarchy is really good at giving visibility into an opportunity; It's a different kind of white space



**“Vudu and Walmart are a good example: a lot of people don’t know Walmart is the parent account: With Data.com, we know how to treat them as part of the larger corporate enterprise and offer that level of service and support.”**

Estrella Gallegos  
Data Integrity Manager



## CASE STUDY

# Commvault

### Challenges

- A lot of duplicate accounts
- Missing data on some accounts
- Hard to identify decision makers in each account
- Unable to effectively coordinate regional reps on global accounts
- Lacking account hierarchies
- Hard to enforce/comply with global pricing agreements

# Commvault – Key Lessons

- Salesforce Data.com provides the unique ID to power all the analysis and provisioning by other services
- All 3rd party datasets in CRM are cleaned with Salesforce Data.com
- Custom logic and automation will map back to the right account family
- Very few new accounts being created
- De-duped 40,000 accounts
- All kinds of great boutique info
- Can now create fair and balanced sales territories and better manage new rep onboarding
- Anaplan for territory modeling to create territories that are set up for success

## Next steps

- Biggest items are analytics and data science. Now that the data is fixed the data science can be applied
- Biggest value prop for Salesforce Data.com is being the foundation on which everything else works
- Pipeline management: Need to strengthen pipeline management, establish service level agreements (SLAs) for marketing to sales conversion so leads can be pulled into the sales process faster

## Analytics for:

- Pipeline contribution mix
- Velocity
- Combined quotas for channel tiers and reps by territory
- Forensic analysis of Salesforce and data use, trends by territory
- Sales plays vs results
- Amount of data backup by territory
- Effort to bring together all the analytics in the company
- Sales analytics and channel data reports

# Essential Guidance

**Customer data is the fuel for your digital marketing, sales and service activities. Pay attention to symptoms of poor data practices:**

## ASK YOURSELF:

- Is it difficult to get the reports and insights you need?
- Do inside sales, direct sales, and partners bicker over opportunities?
- Are your lead qualification processes long and expensive?

If you answered “yes” to any of these questions:

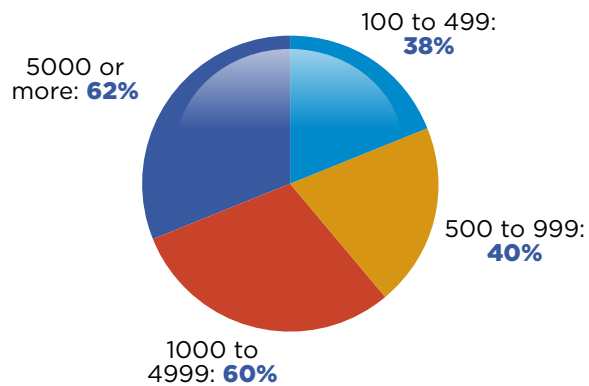
- Assess your customer data requirements and coordinate the spend holistically
- Carefully define the value each data service delivers – avoid redundancies
- Use customer data services as a catalyst for improving all your data processes



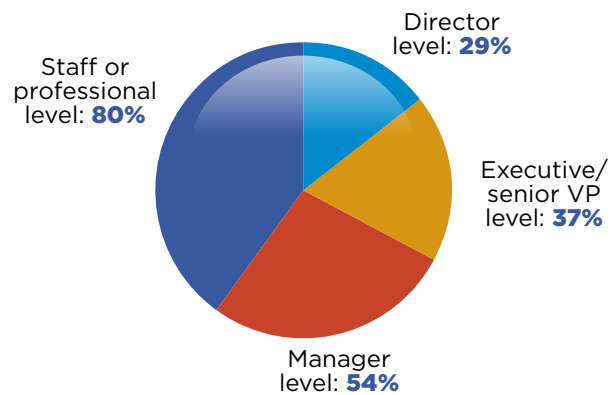
# Methodology and Samples

The data presented in this InfoBrief comes from a web-based survey of 200 marketing and sales professionals in North America. Respondents were recruited from marketing, sales, service and IT. Respondents came from a broad range of industries in companies with more than 100 employees. The study was completed in June 2016.

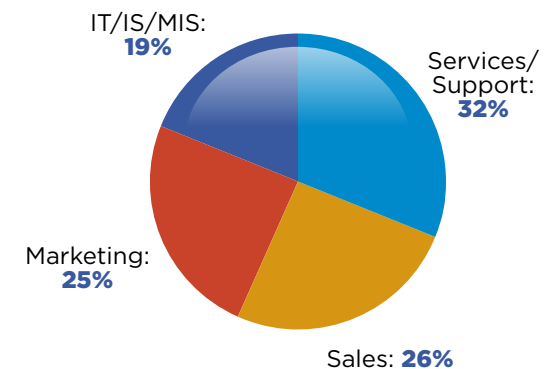
### Sample by Number of Employees



### Sample by Title



### Sample by Function



# Sample by Industry

