

Topic:
Data Cleaning

The Effect of Data Quality on Brand Equity

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A brand is a powerful asset which is unique to an organisation, like a fingerprint it distinguishes it from competing brands. It creates familiarity and aids memory recall. A brand needs to symbolise positive qualities such as reliability, value for money, innovation, likeability, which will sway purchase decisions in your favour and encourage customer loyalty and new customer acquisition.

What has this to do with data quality? Something as simple as a customer receiving a mailing with their name spelt incorrectly, or a customer not receiving correspondence because the data processing team did not process the customers change of address notification, will create customer dissatisfaction and have a knock-on effect on brand equity if your customer decides to switch to a competitor in the future. Companies spend large sums of money building up a positive brand identity, so your data management processes must complement this investment. Good quality data allows you to accurately analyse your customer base, make informed decisions and improve strategic planning performance.



Business decisions based on accurate data, enable companies to operate more efficiently, provide higher levels of customer satisfaction and achieve better business results. All of this contributes to the equity or value of a brand.

The brand equity formula is $BE = SA + PQ + SD$. That is, brand equity equals strategic awareness (the presence of the brand) plus perceived quality (the promise of the brand) plus singular distinction (the positioning of the brand).

Source: David A. Shore, Ph.D., Associate Dean and PricewaterhouseCoopers Director, Harvard University

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Do you know about Data Protection?

Compliance with the Data Protection Act is vital for companies in the UK but many don't really understand what this entails. In short, the Data Protection Act legally requires companies to maintain data as accurately as possible and to not hold irrelevant data about their customers, for example, knowing someones shoe size is only relevant if you sell shoes.



Your client and prospect database needs to be properly managed on a continuous basis to prevent a backlog of updates occurring. Individuals have a legal right to opt-out of unsolicited mailings and both individuals and companies can opt-out of receiving unsolicited telephone calls and faxes, and these requests must be captured and suppressed with immediate effect.

For these reasons, it is good practice for companies to put their existing databases through regular data quality checks to protect them against legal action and also to ensure valuable marketing budget isn't wasted and customers do not become disenchanted. This sounds laborious doesn't it, well don't panic, you can easily outsource this 'data cleaning' process allowing you to focus your efforts on planning your marketing campaigns.

The effects of poor quality data

The true cost of poor quality data is much greater than most businesses think. If you don't keep your database up-to-date you will suffer the consequences: apart from wasting valuable marketing budget, you could unintentionally offend a customer by not recognizing their widely publicised promotion or knighthood and lose their custom, or you may mail individuals that have since deceased causing upset to family members; and if you mail someone who has opted out using an official suppression service you could face legal action.

When your best marketing communications efforts are held to ransom because your contact data is poor then this will inevitably affect how the quality of your brand is perceived.

Deryck Marley, Marketing Manager at BT Global Services commented,

"The customer's perception of your brand can be adversely affected if the quality of the personal data you hold is poor, particularly in sensitive areas such as Job Roles and Titles."

Marketers need to be confident that their data is accurate to be able to produce optimum ROI.

The positive effects of buying good quality data

The same rules apply when buying in new prospect data, perhaps even more so, as they are a company investment on which you want a good return.

Simon Booker, European Marketing Director, SolidWorks says:

“Data quality is something we take very seriously, we take particular care when bringing in new data, taking adequate precautions with list rentals, ensuring the source is reputable and that the lists are fully audited with full opt-in and opt-out facilities.



Better quality data, provides higher quality opportunities and better response rates for our sales team, and with good quality data we are able to use intelligent modelling tools and techniques to leverage the data and improve their overall performance.”

So what exactly is Data Cleaning?

Only accurate data achieves results. Inaccurate data limits marketing effectiveness and damages business reputations. Data Cleaning provides a cost-effective means of ensuring that your existing records are as accurate as possible.

Data Cleaning includes:

- authentication of each data record
- updates to personal details, such as surname changes
- removal of contacts who have registered on an official suppression service e.g. TPS, CTPS, MPS, FPS
- identification of movers
- removal of duplications

...thus, providing a database fully updated and ready to work effectively.

If you wish, you can expand the Data Cleaning exercise to include:

- Database Building - adding fresh, accurate details of new companies to your database that precisely match your target market
- Database Enhancement - increasing the level of detail you hold for your prospects enabling you to improve the targeting of your marketing activities; drilling down inside a target company to identify the name, job title, email address and other key content details of specified vital decision makers and influencers.



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Business Advantage regularly clean databases and source clean data on behalf of their clients in the IT and Telecommunications sectors.

Sarah Lester from BT commissioned Business Advantage to undertake a Data Cleaning project on their existing customer database to ensure their data is kept up-to-date so they can use their data with confidence— please see her comments below and review this [Case Study](#).

“All deliverables were met within agreed timescales and to agreed formats. I was very impressed by their professionalism and flexibility as well as the cost of the project. All the staff were very helpful. I have recommended them to colleagues and have used them since on two occasions for data cleaning and data acquisition projects.”

If you are interested in the Database Services offered by Business Advantage please email info@business-advantage.com or telephone David Eaton on +44 (0)1689 873636.

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