

White paper



Data experience

The data-driven strategy behind business growth



Methodology

Experian conducted a survey to look at data quality maturity trends in the United States. This study looks at how organizations are making data available more broadly and the impact of a data-driven culture on organizational success.

Produced by Insight Avenue for Experian in May 2021, the study surveyed more than 500 people within U.S. organizations that span across a variety of industries, including (but not limited to) finance, IT, business services, health, manufacturing, retail organizations, and more. The roles surveyed included C-suite executives, directors, and managers sitting in departments like IT, data, operations, finance, customer service, and more.



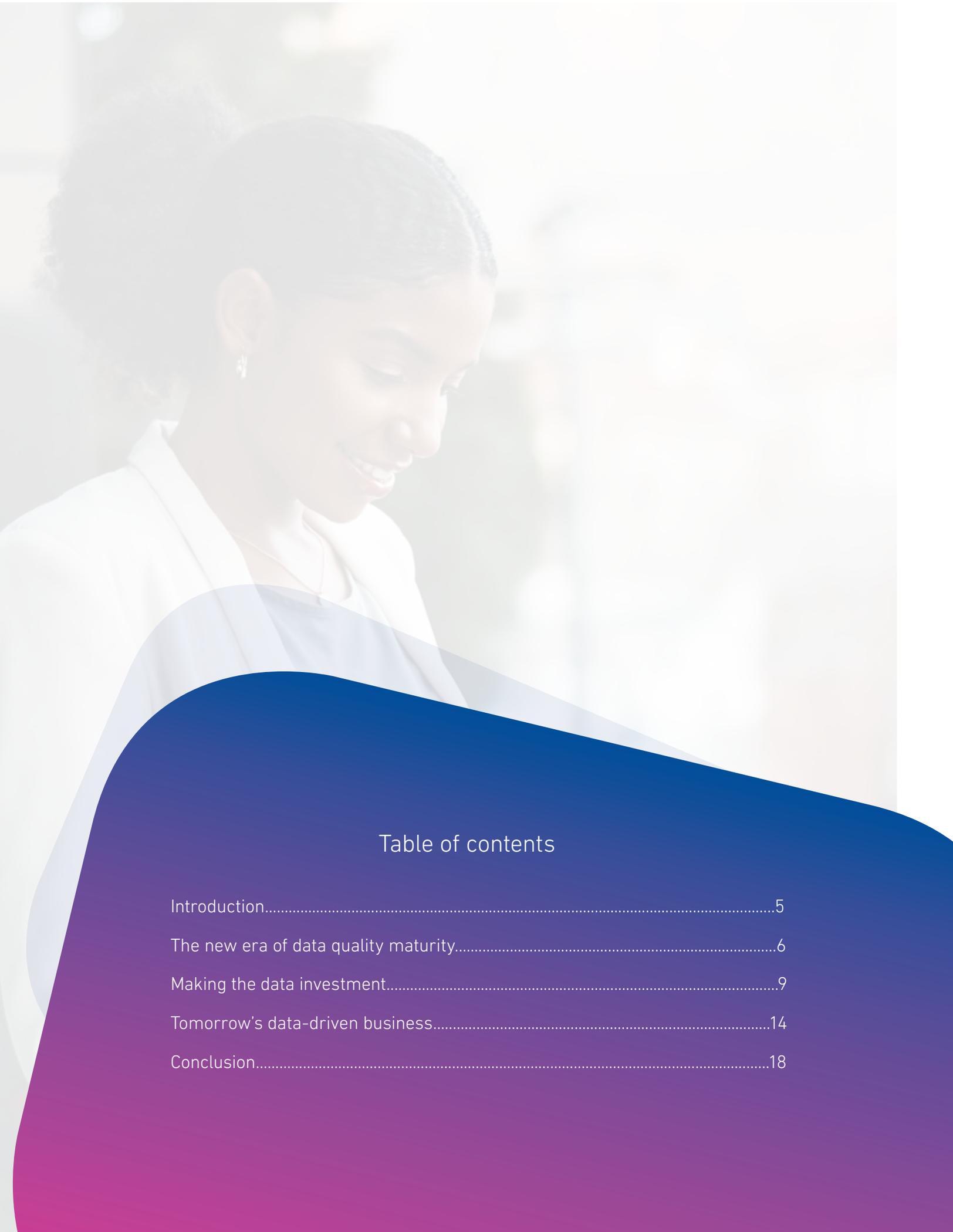


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Data maturity equals business growth

Report highlights

Section 1: The new era of data quality maturity

We uncover where organizations' data maturity stands today and how they continue to invest in data management.



Section 2: Making the data investment

We discover what businesses are doing today to invest in their data management programs.



Section 3: Tomorrow's data-driven business

We learn how organizations are ramping up a valuable data experience to manage future risk.



Introduction

Last year, businesses were forced to face the global health crisis head-on and overcome unpredictable challenges. Now, businesses are feeling the aftershock and recognizing the value of data as they strategize the future of their business. With digital acceleration and changing consumer behaviors, organizations strongly believe data impacts business growth and is critical to future financial and competitive stability.

Businesses have been striving to become data driven for decades. But, in the last year, they have increasingly invested more into their data management programs as there is a clear connection between data quality maturity—the data skills, technology, and strategy that make up a data management program—and overall business development.

The majority of the leaders we surveyed have invested in data management over the last year and believe that investing in data quality software will result in higher return on investment. For data-mature organizations, they are already seeing positive impact with cost savings, revenue, innovation, and more. Being a data-mature organization not only has helped the response to the pandemic but has become the foundational strategy to see success now and in the future.

Data maturity identifies where organizations stand in their data journey. Every organization has some type of data, but that data being actionable is what makes the insights impactful in daily operations or large business initiatives, like digital transformation. To make data fit for purpose, organizations need to capture and maintain high-quality data, while taking steps to adopt a data-driven culture. This is where organizations begin to look at the data experience.

In this study, the data experience is defined as the data environment in which users have access to data and insights to leverage for improved performance and decision-making. Our research shows 85 percent say they are increasingly focused on the data experience to become more data driven as a business, while many are investing in this area over the next year. There are a few components that make the data experience great including user-friendly data management technology and integrations, data accessibility, and of course, trust in data.

As part of climbing the data maturity curve, organizations are prioritizing integrating data management technology, hiring data professionals, educating staff on data skills, and the overall data strategy. Why? With data investment comes opportunity—and a competitive edge. This is the light at the end of the tunnel for most organizations as they ramp up their data management strategy to secure their future post-pandemic.

In this research, we will demonstrate the data journey organizations are taking to instill a data-driven culture. We will dive into the current state of data maturity of organizations today, how they are investing in their data management programs, and how data experience will be a key part of tomorrow's data-mature organization.



86%

say they believe investing in data management directly impacts their business growth

1. The new era of data quality maturity

Traditionally, data-mature organizations have prioritized people, processes, and technology as they look to grow their data management programs. With chief data officers and data professionals still leading the charge, organizations have been able to increase their focus on their data strategy. This welcomes a new lens to the data quality maturity scale: Technology, skills, and strategy.

Now, these three areas become the pillars to data quality maturity as we look at what differentiates moderate and heavy data investors as well as what was the key to data-driven success as businesses respond to the global health crisis.

Data helped the pandemic response

To discuss tomorrow's data-driven culture, we need to talk about the aftermath of this past year. Businesses have realized the importance of data as they responded to the everchanging market shifts, digital acceleration, and remote workforce, now believing data management is a key component to better weathering the next crisis.

Data has helped businesses stay competitive and financially stable as it improves decision-making, increasing focus on the right plays for business growth and success—even in economic distress. Our study finds that 61 percent of businesses have plans to accelerate their data management programs due to COVID-19. This has set many data initiatives in motion and has challenged businesses with evaluating the current level of their data quality maturity.

The more data driven an organization is, the more likely they are to succeed in times of distress. Eighty-two percent of businesses we surveyed think their current data management maturity helped in their response to the challenges that COVID-19 presented their business, which increased to 89% for the most mature group. To put this into perspective, businesses who are more data mature have a data-literate workforce and agile data infrastructure supported by the right technology, skill set, and strategy which allows them to have relevant and reliable insights for decision-making.

Compared to 12 months ago, 90 percent of those surveyed see it as being more important for their organization to be data driven. With the increased focus on improving data maturity, our research uncovered new areas of priority to achieve a data-driven culture.

82% of businesses we surveyed think their current data management maturity helped in their response to the challenges that COVID-19 presented their business

This increased to 89% for the most mature group



A new look for data maturity

Historically, we have looked at three main areas of the data maturity curve: People, processes, and technology. Although, these continue to be important components as we look at the make-up of data quality maturity, organizations are now prioritizing three new areas that address their needs to become more mature in data management. Introducing the new look for data maturity: Technology, skills, and strategy.

Technology

Technology is a necessity to data maturity. Whether it is implementing data management or contact data validation software, moving data to the cloud, or partnering with data integrations, about two-thirds of organizations are prioritizing data management technology to become more mature in their data initiatives.

Furthermore, technology can make or break the data experience. As organizations are looking to increase data accessibility and create an agile infrastructure, it is important to implement user-friendly software that can increase collaboration across an organization while upholding data quality control. It is important to be mindful that the wrong technology could create even more inefficiencies and cultural resistance, creating roadblocks to data maturity and a well-adopted data experience.

Skills

Over half of the respondents we surveyed believe data skills are key to addressing data maturity. Data literacy—the ability to read, write, and argue with data—has been seen as a critical area to a successful data-driven culture

for the last few years. Despite this, organizations have continued to see a huge gap in data skills.

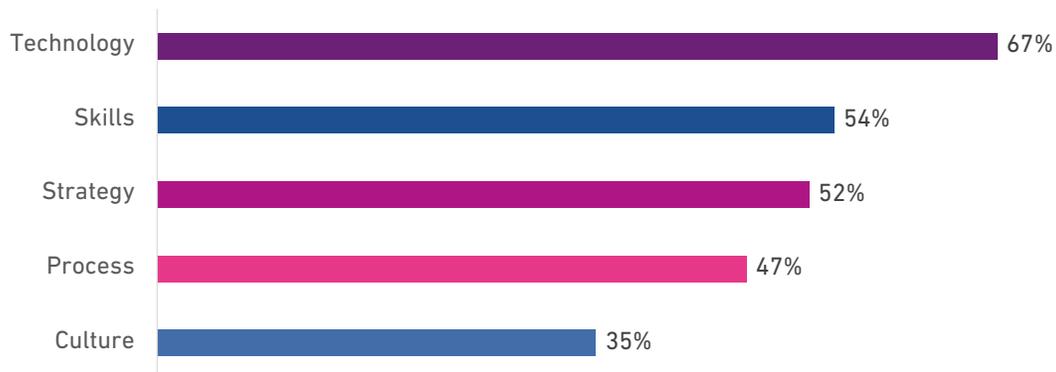
The reason is simple: If an organization is going to expect their business users and data experts alike to have a data-driven mindset and leverage operational data on a day-to-day basis, employees need to be educated and aligned on how to manage and leverage the data correctly.

Data skills can be accomplished in two ways: Educating existing employees on how to be data literate and hiring for data skills, which are both key focus areas for the most mature group we surveyed. By taking these steps, an organization can start to make strides in fulfilling this pillar of data quality maturity.

Strategy

We find that over half of respondents are prioritizing data strategy when it comes to becoming more mature in data management. Although this may seem obvious to some, for others, this area of priority is coming at the time where they have the right people in place to follow through with a robust data strategy. Depending on the organization, a data strategy can encompass data technology integrations, data literacy programs, and data quality best practices, all of which level up the data experience. The goals and tactics should be clear and transparent across the organization, to improve the overall data culture and, ultimately, strive for data maturity.

Priority areas to address to become more mature in data management



Snapshot of a heavy data investor

Over the years, organizations have been striving to be data driven; now, they are seeing progress. In the last 12 months, 92 percent of respondents have invested in data management—of those, 56 percent are considered heavy investors and 36 percent are moderate investors. With over half of respondents being heavy investors, we see a significant positive impact across revenue-generative areas and greater plans to continue investing in data.

Data-mature organizations see benefit in areas like revenue, cost savings, operational efficiency, decision-making, customer experience, and innovation, which are seen to impact analytics and reporting, daily operations, and digital transformation.

With data investment directly impacting revenue and key initiatives, organizations continue to accelerate data management programs. Seventy-two percent of heavy data investors have plans to accelerate their data management programs due to COVID-19. With increased benefits and continued investment, how are these organizations investing in their data management?

Data-mature organizations are focusing their investments on the following areas: data quality tools and technology (67%), integrated data management technology (64%), creating policies for data accessibility (62%) hiring specialist data roles (59%), and improving the data experience for users (59%). These areas of investment allow organizations to maintain optimal data maturity.

92% have invested in data management in the last 12 months—56% are heavy investors and 36% are moderate investors



2. Making the data investment

Organizations across industries are taking steps to increase their investment in data. We find that 74 percent think they need to improve their data management within the next 12 months to not suffer competitively or financially. This has led to an increase in data investment—our research shows us that the majority of businesses we surveyed have invested in data management in the last year. With results ranging from increased revenue to operational efficiency and better decision-making, organizations are motivated to improve their data maturity.

Last year, business leaders realized the importance of data quality and how reliant they were on insights to overcome the challenges brought on by the COVID-19 pandemic. Organizations took steps to address their need to accelerate digital transformation and keep up with the market. Now, leaders find that they also need to ramp up their data investments.

Why? Several factors have prompted an increase in investment: including the need for better data availability, accessibility, and security for a remote workforce, as well as the need to respond quickly to changing business demand. While adapting to the current environment and recognizing the benefit of improved data maturity, leaders are looking to continue their data investment to impact more areas of their business.

How businesses are investing in their data

When it comes to investing, organizations have an increased focus on improving technology. Technology is a key part to growth in data maturity and seeing return on investment—it can kickstart a data management program as it helps organizations gain control of their data quality, which is also top of mind.

Over the last 12 months, 8 out of 10 say investing in software to improve their data quality has resulted in high return on investment for business initiatives. Technology—whether it's data validation services, data quality platforms, or data management integrations—is the leading investment for all types of organizations. This enables moderate and heavy data investors to scale up the maturity curve, improve the data experience, and prepare for the future.

Since the start of the pandemic, organizations have been focused on improving customer experience to stay competitive and financially secure. With data being a key component to success, leaders have been investing in these top three areas over the last year: data quality (58%), digital transformation (50%), and moving to the cloud (50%). With the drastic shift in the market and changing consumer buying behaviors, business leaders are aware of the importance of data quality and the impact it has on digital acceleration.

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When we look at what organizations are investing in today and over the next year, we find:

Data quality tools

Six out of ten say they are focusing on data quality tools and technology. Data accuracy is top of mind for leaders, especially contact data (which we'll get to soon!). Improving trust in data assets will help drive usage across the business, improve the data experience, and deliver higher ROI.

Integrated data management technology

Fifty-seven percent say they are investing in integrated data management technology. Finding suitable vendors is a roadblock for most organizations so it's helpful when there is a single vendor or partner with multiple capabilities, like data management integrations. Data quality integrations can verify data at the point-of-capture in eCommerce platforms and customer relationship management systems (CRMs), so data users have more trust in the information automatically entering their database.

Data management best practices

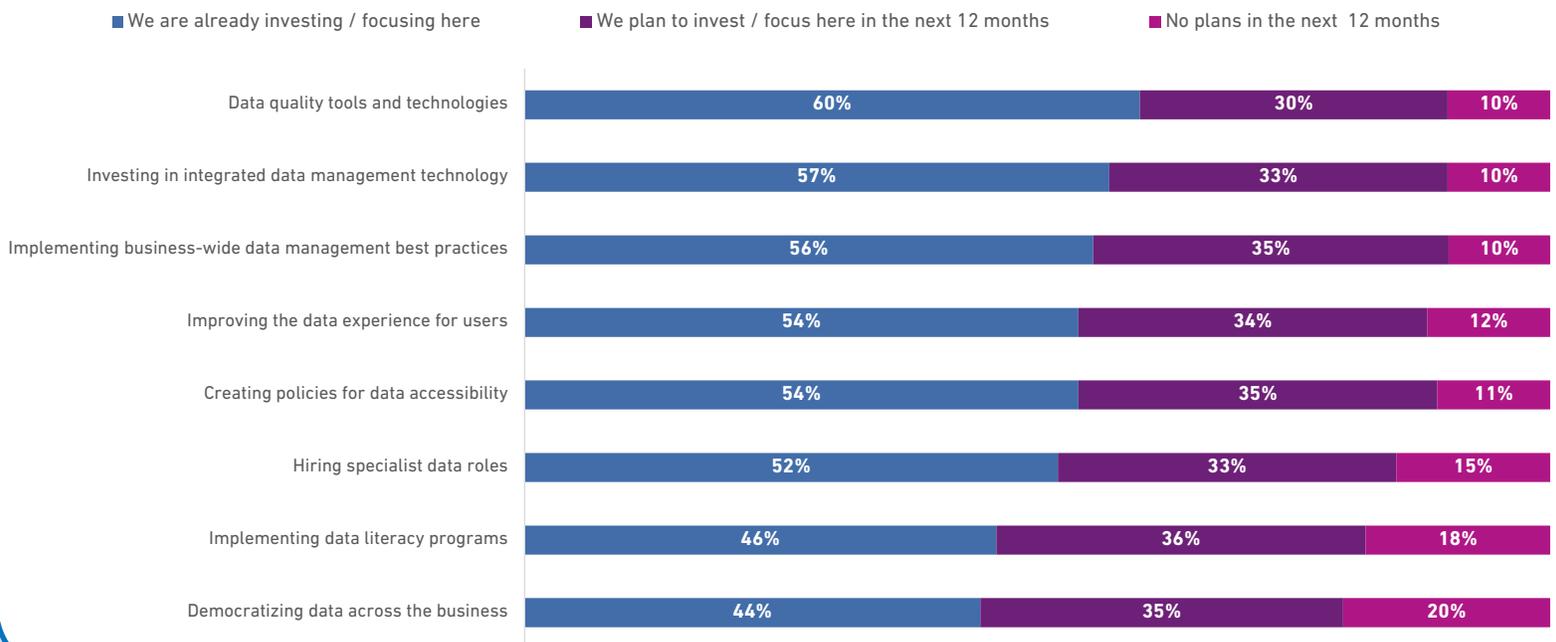
Over half (56%) say they are implementing business-wide data management best practices. Establishing data management best practices could help minimize the cultural resistance to change as this practice provides clear guidelines on how to manage and leverage data and insights to uphold data integrity and accuracy, even across departments.

Data experience

Fifty-four percent report that they are focused on improving the data experience for users. The data experience is becoming critical for leaders as they adopt a data-driven culture, integrate data technology, and democratize their data. We find the data experience to be the modern strategy behind growing data maturity and business growth.

Our study finds that 7 out of 10 say their data quality has improved in the last 12 months. Increased investment in a data-driven culture is paying off as organizations are seeing improvement to the health of their data.

How organizations are investing in data management



Overcoming the challenges

Despite the increased investment in data management, organizations are seeing roadblocks that prevent success. According to our study, these challenges range from a lack of data skills and resources and cultural resistance to change, to finding suitable vendors and partners. In fact, we see that these roadblocks are directly related to the areas that organizations are focused on to become more data mature.

When starting a new business initiative that impacts internal operations—like a data management program—it's only natural that there will be resistance to change, a skills shortage, and inability to find suitable partners. Soon enough, however, organizations realize the benefits are a worthwhile pursuit despite the roadblocks.

For years, there has been a major gap in data skills across industries, notwithstanding the additional attention on data literacy programs. We see in our research that organizations are hit with a shortage of data skills and resources as they invest more in their data management. This makes sense because as a data management program accelerates, so do the resources needed to continue to execute the strategy.

Sixty-one percent of heavy data investors are prioritizing skills to become more data mature, compared to 45 percent of moderate data investors. Our study shows us that data-mature organizations are hiring more data roles and implementing data literacy programs, which are important for solving for the data skills shortage and improving the overall data experience.

A cultural resistance to change is normal for most organizations as they adopt new practices and integrate new technologies. Our research shows that 36 percent say that there is a cultural resistance to change as they increase data investment. Although it may take time to adopt, we know that business users and data professionals alike want to be more hands on with relevant data, and that there are bigger consequences by not having accurate insights across the business. Solving for the skills shortage and ensuring user-friendly technology should help minimize the resistance to change.

Lastly, organizations struggle with finding suitable vendors and partners as they invest more into their data management, says 35 percent of respondents. The right vendors and partners play a major role in technology as data maturity increases. This is where data management integrations can be helpful as they reduce data silos and support a seamless data experience.

Although increased data investment comes with its challenges, the benefits—like increased revenue and cost savings—certainly outweigh the roadblocks. Furthermore, there are ways to overcome each barrier through solutions like user-friendly technology or better data education.

74%

think they need to improve their data management within the next 12 months to not suffer competitively or financially



Realizing the benefits of a data-mature organization

This past year has been full of learnings and pivots for organizations across industries—the most vital is that high-quality data and insights are key to overcoming the challenges of drastic market shifts and economic uncertainty. The pandemic has forced organizations to lean into their data and fill the cracks of their legacy data systems. Although this is not an easy feat, the positive results are worth it.

Ninety-three percent have seen positive business outcomes as a result of increased investment in data management. When focusing on data technology, skills, and strategy to accelerate maturity, organizations could see benefit in better decision-making, operational efficiency, and customer experience—which all go way beyond the data or IT departments.

Our research also shows us that 86 percent say they believe investing in data management directly impacts business growth. In a time where budget is spread thin, this gives businesses a reason to invest in the quality and management of their information to support business initiatives, like digital transformation. Furthermore, across all maturity levels, this data investment is seen or expected in areas including:

Daily operations

Data management is not a one-time project. To be impactful, organizations need to shift focus to the data experience and adopt a data-driven culture. We find that 5 out of 10 say data management impacts daily operations. As a data-mature organization, the expectation is for data and data insights to be leveraged cross-departmentally, even in non-traditional IT or data roles. With data affecting daily operations, organizations will see operational efficiency and better decision-making.



Analytics and reporting

To support better decision-making, analytics and reporting are crucial. Our research shows us that half of organizations expect to see impact to analytics and reporting as a result of increased investment in data management. Departments like marketing, sales, and finance rely on reporting to inform



strategies and share with leadership. Without valid insights, they will risk skewed results and inaccurate reporting.

Data management technology can help ensure verified data is captured across the reporting process. Contact data validation software or a data quality platform profiles, corrects, and standardizes data as it enters the database, ahead of reporting.

Digital transformation

Eighty-five percent say that leveraging data and data insights has been essential to successful digital transformation. Digital acceleration has been an important initiative for years but has taken priority with the present-day remote environment. When it comes to data accuracy, data management can act as an integrated technology for digital initiatives like ramping up a CRM systems or eCommerce platform. Data reporting can also help guide decision-making for the digital strategy. Either way, data and data insights are key to digital transformation.



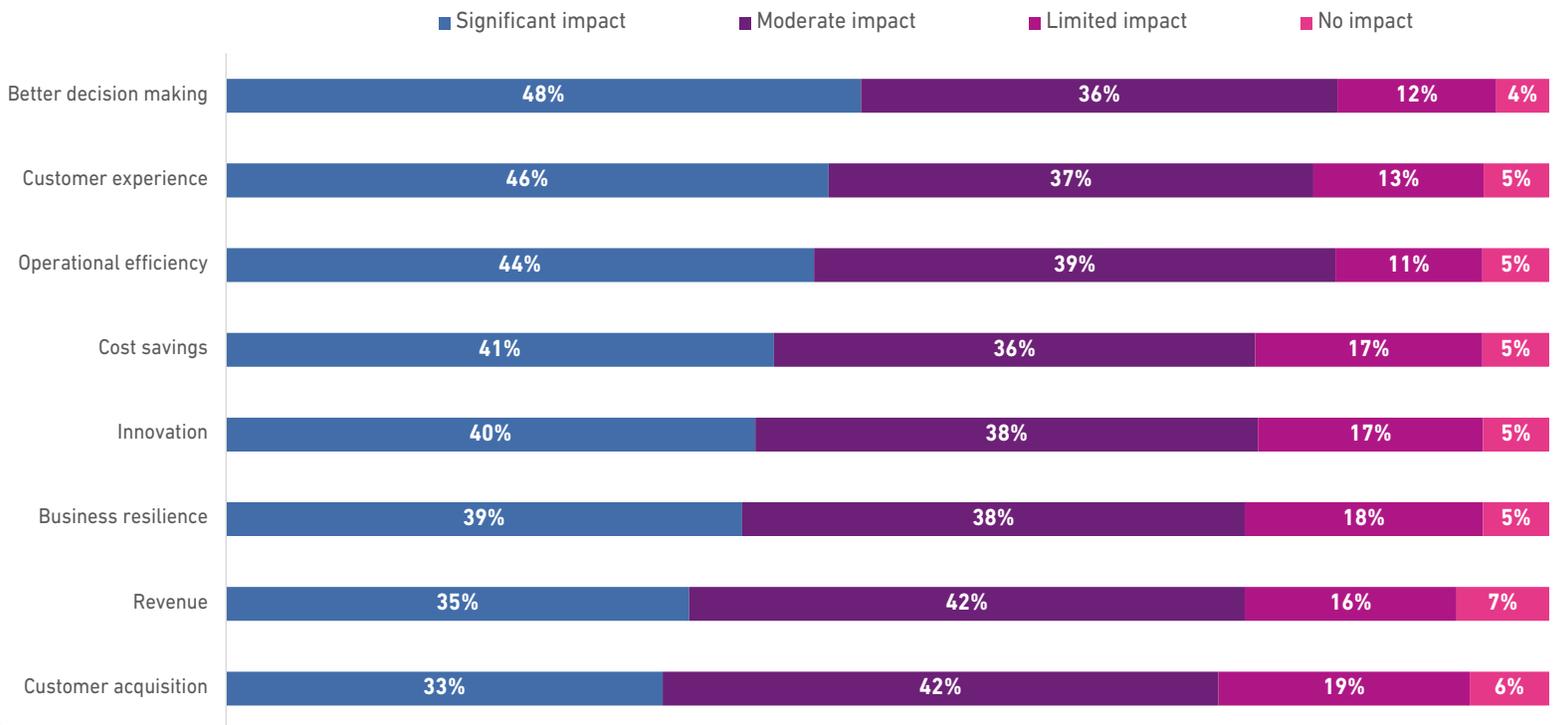
Data literacy

As we mentioned earlier, a lack of data skills and resources can be a barrier when investing more heavily in data management. In this study, we find that 87 percent say operationalizing data literacy will help their organization leverage higher quality data and more quickly see ROI for data initiatives. Organizations have been viewing data literacy as a core competency and are working hard to overcome the roadblocks presented by the data skills gap to reap the benefits. Educating both business users and data professionals on how to read, write, and argue with data eases the culture resistance to change while establishing data best practices across the organization.



As we discussed earlier, data technology, skills, and strategy are areas of prioritization to grow data maturity. As organizations invest more into these areas, they can expect to see even more positive outcomes. The purpose of data is to support as many areas as possible across the business—and we see that organizations are finally recognizing the importance of high-quality data to do just that. The key is to make data fit for purpose.

Areas organizations see positive outcomes as a result of increased investment in data management



3. Tomorrow's data-driven business

With a challenging year behind us, organizations are finding that the key to their success was being data mature. Eighty-two percent think their current data management maturity helped in their response to the challenges that COVID-19 presented their business, increasing to 89 percent in the most mature group. As part of this success, organizations believe data experience plays an important role in being data driven.

Our research shows that 85 percent of organizations say they are increasingly focused on the data experience to become more data driven as a business. In this study, the data experience is defined as the data environment in which users have access to data and insights to manage and leverage for improved performance and decision-making. We find that this strategy encompasses all that we've discussed so far and the key to a bright future.

What makes a great data experience

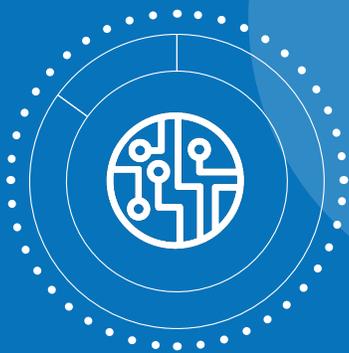
The data experience is the cornerstone to a data-driven business. Over the years, organizations have been striving to adopt a data-insightful culture and, with the increased interest in data accessibility for business users, organizations have looked to improve the data experience for their users.

In our research, we find that the data experience is the backbone to any data strategy that impacts business growth. To make a data experience great and receptive to its users, there needs to be agile access to relevant data, trust in insights, a medium of communication, and of course, technology.

Across the board, users—whether they are business users or data professionals—need access to data to start their data experience. About half of organizations say they need agile and flexible access to data that can easily be scaled. This is no surprise as two-thirds say that a lack of data agility hurts their ability to manage risk and secure the future post-pandemic. Data agility, and the scalability of the data access and infrastructure, is a huge focus for organizations as they look to better respond to changing business needs.

85%

say they are increasingly focused on the data experience to become more data driven as a business



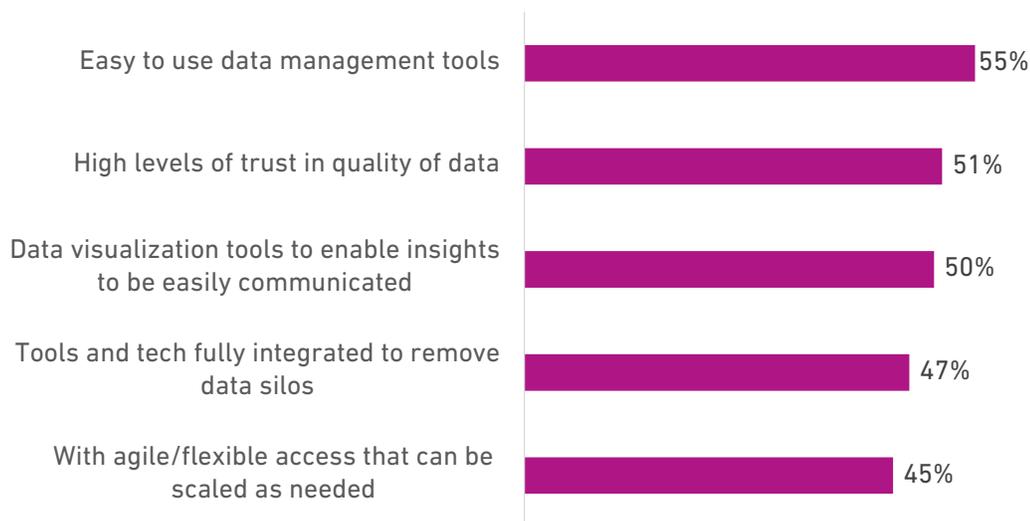
Organizations need easy-to-use data management tools to ramp up their data experience. This could be contact data validation, a data quality platform, data management integrations, or a data visualization tool. Each functionality has an important purpose and reason for being top of a data user's mind. The key is to ensure verified data is being captured and managed, dashboards are accessible to better alert and communicate results, and that the technology supports an agile environment.

Over half of our survey respondents say a high level of trust in data makes a great data experience. Integrating contact data validation or data management tools into the existing tech stack can ensure that accurate data is being collected, managed, and leveraged. Furthermore, by establishing data best practices and a literacy program, users will be equipped with the knowledge on how to uphold data accuracy.

Lastly, communication is a key component of the data experience. Data transparency and sharing out insights are crucial to encouraging a data-driven culture. For instance, marketing, sales, customer service, and leadership all benefit from seeing a clear view of consumer data. We find that half of organizations say data visualization tools help improve the data experience as they enable insights to be easily communicated. To lessen data silos and integrated technology, data quality platforms may have the capability to produce dashboards for easy-to-understand and shareable insights.

The data experience is about getting data into the hands of users across the business—and, as we mentioned above, there is a way to do that. Data democratization is another important part to the entire data experience and data management platform.

What a great data experience would look like in an organization



How to increase data usage

With increased focus on the data experience, organizations are looking to democratize their data to ensure users have access to relevant insights to better perform and respond to the everchanging business needs. For our study, we defined data democratization as the process of making data and insights accessible to a wider range of roles within a business. As data access gains popularity, organizations need to focus on how to scale data usage in an agile way.

Data democratization is a key part of the overall user experience. Our research shows us that 79 percent say data democratization is a crucial part of their data management platform. To get data into the more hands across the business, organizations need to consider how to increase data usage while upholding a positive data experience.

In our research, scaling data usage across the business to a wider range of roles involves better technology that is easy to use (53%), better trust in data through improved data quality (53%), improving the data experience for users (53%), and improved data transparency (49%).

Trust in the data quality is not only an integral part of data maturity, but also an outspoken necessity for users handling data and data insights. Throughout our research, we see this through the technology that organizations are integrating with and what it takes to improve the data experience. In fact, our research shows us the three biggest consequences of not having accurate data insight across the business are employee frustrations (48%), inefficiencies and added workload for employees (48%), and wasted budget or resources (42%).

It comes down to this: Business users and data professionals alike want access to high-quality data. As organizations move up the data maturity curve, it's important for them to also improve their data usage by providing the right technology, a clear strategy, education on data skills, and resources.

Leaders need to be advocates for their data users as they provide more access to insights and ask for increased usage. Across the board, technology, data quality, and the data experience are all equally important as organizations take a people-first strategy to their data management initiatives.

79% say data democratization is a crucial part of their data management platform

How organizations plan to scale data usage across the business to a wider range of roles in the future:

Easy-to-use technology



Increased trust in data



Better data experience



Improved data transparency



Data quality is top of mind

In our research, we continue to find data quality be a crucial part of improving data maturity. Eighty-seven percent say it is important they improve their data quality to become more data driven as a business in 2021 and beyond. There is no doubt that taking steps to validate data—and ensure its trustworthiness—is a reliable first step to starting or improving a data management program.

Data quality can be tackled through various technologies. In our study, we've discussed different kinds of tools from data quality platforms, data visualization tools, data management integrations, and contact data validation. We specifically ask about the quality of contact data since, in today's world, it's more important than ever to reach customers through digital channels and prioritize the improvement of customer experience.

Ninety-four percent say the quality of contact data has become more important over the last 12 months. Contact data is a great indicator to know who the customers are, where they live, and how they like to be communicated with. In a time where consumer buying behavior continues to shift and organizations are looking for more competitive edge, this data is important for overall business strategy.

Our study shows that email data (68%), phone data (57%), and identity data (57%), defined as name and date of birth, are the most important contact data sets over the last 12 months. Following this, address data continues to be a

close runner up. The reason we see email and phone data at the top of the list is because those data sets support digital transformation.

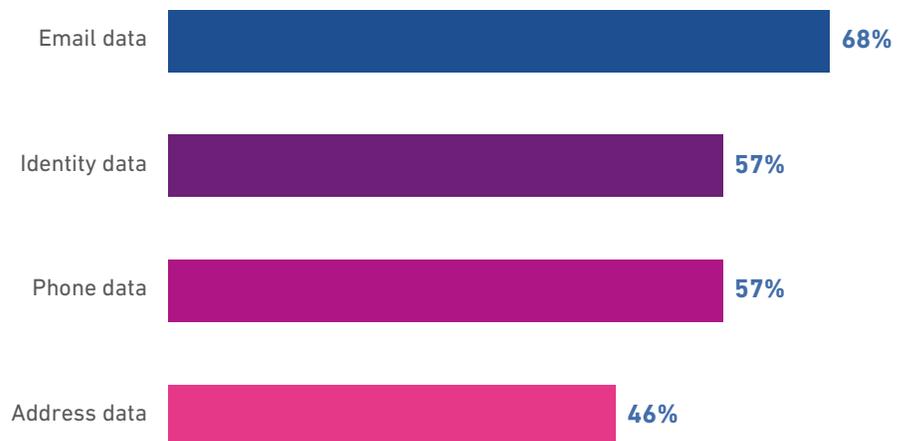
The pandemic was the catalyst to many people changing jobs, starting remote work, moving houses, and so on. This has put an increased focus on brands reaching consumers or members through email and phone, the go-to channels for people on-the-go. These channels can act as a marketing avenue or to deliver important notifications.

Accurate address data is also very important with rising shipment fees and the risk of returned mail. When stay-at-home orders went into place, consumers were ordering online more and having packages delivered right to their house—and still do. Verifying address data is crucial for eCommerce to ensure packages are being delivered to a valid location, keeping a positive customer experience intact and minimizing risk of wasted costs on fees.

By implementing data quality checks into your system to capture valid contact data, not only will organizations be equipping their data sources with actionable data and consumer insight, but they will also be providing their users with trusted data assets to better the data experience.

94% say the quality of contact data has become more important over the last 12 months

Types of contact data that have become more important over the last year



Conclusion

Last year, we were hit with the COVID-19 pandemic, turning our world upside down for years to come. In this turn of events, data-mature organizations saw that having a robust data management program helped their response to the challenges of the global health crisis. Now, feeling the aftermath of drastic market shifts and economic shock, organizations are looking for ways to adapt to the new digital-first environment, improve their competitive edge, and find financial stability to secure their future. Their answer: Become data driven.

Leaders across the U.S. see the importance of being data mature and believe that it directly impacts business growth—and major initiatives like digital acceleration. Realizing this impact, organizations have been increasingly investing in data management over the last year—even the already-mature group. Across industries, organizations are addressing their maturity by prioritizing their data technology, skills, and overall strategy.

To drive data maturity, organizations are taking a people-first approach by improving the data experience. Integrating user-friendly technology that inspires data-

driven collaboration and promotes agile data accessibility underpins the data experience. Paired with an increased focus on developing data skills, organizations will begin stretching the impact of a data-driven culture across the business to gain a more effective competitive edge and financial stability post-pandemic.

Actionable data makes any organization—and it's people—unstoppable. With trustworthy data, an organization has a clearer view of where they can win in an everchanging market. Today is the day to be data driven.

Learning 1



Invest in data management

Increased investment in data management directly impacts business growth. Furthermore, data quality software helps see higher ROI.

Learning 2



Focus on the data experience

Data experience is a key part to bringing a data-driven culture to life and scaling the data maturity curve.

Learning 3



Keep data quality top of mind

There has been an increased focus on contact data validation and investing in phone, email, and address data.

Learning 4



Secure a data-driven future

Better data management helps organizations to not suffer competitively or financially.



Experian unlocks the power of data to create opportunity for consumers, businesses, and society. We empower consumers and our clients to manage their data with confidence, so they can maximize every opportunity. We gather, analyze, and process data in ways others can't. Leveraging data quality helps individuals and businesses alike to be innovative, make smarter decisions, and thrive, preventing identity fraud and crime.