

# Refining Data for Better Results

Many Direct Marketers are still placing more importance on data volume than data accuracy meaning that the concept of 'dirty data' is continuing to be common and extremely costly.

by John Regan, CEO, Ai Data Intelligence  
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This September Ai received data for audit from a major blue chip, of the 900,000 "mailing ready" file over 300,000 records were duplicates and of this 300,000 there were 60,000 triplicate addresses. The company was about to mail 360,000 households more than once, which at a cost of 25p per item for print and postage, blah, blah, blah. This is a true story and it's not unique, the fact that you're probably bored because you've heard this all before illustrates my point. So why's it still happening?

There's no doubt that the market has changed. Increasingly Direct Marketers talk of advanced modelling techniques, third party data suppliers release detailed geo-demographic segmentation systems and complex software brings analysis to Marketers desktops. Analysis and segmentation is now impressive.

In theory this makes perfect sense, but in practice it's still ignoring two fundamental principles:

1. Incorrect contact details reduce response rates more than targeting increases them.
2. The most significant factor in the success of any predictive modelling is the accuracy of information included in the modelling.

We all know that a successful campaign needs to start with good quality data and organisations are increasingly aware of 'dirty data' problems but focus continues to be on the more interesting and apparently more valuable analysis element. The reality is that duplicate customers, inconsistent item



descriptions, non-contactable payment defaulters, inaccurate targeting data and deceased and gone-away files all lead to costly direct marketing activi-

ties. In addition to this, the ever evolving and complex regulatory compliance is now beginning to equate data inaccuracy with criminal liability!

The fact that organisations are still not maximising the potential of their data means that millions of marketing pounds are currently wasted. This is often because of the inaccurate information that companies hold on their customers but also because of a historic focus on data volume rather than data value.

It's true to say that duplication, gone-away and deceased files are still the bane of marketers' lives, as well as being costly, they are a waste of resources and often grossly insensitive. Many companies fail to recognise that with the correct data partner and data processing tools data accuracy is manageable. Leading Match key technology can help organisations improve the truthfulness, consistency, completeness and ultimately the value of data.

This Autumn Ai launched a new data processing platform branded 'Data Refiner'; sitting within this platform is our own Match key technology, which is providing us with the ability to gain outstanding results for organisations within data quality and accuracy. Data Refiner uses a combination of advanced Match key technology and cross-refer-

encing, providing enhanced accuracy for names, addresses and suppressions. It also increases the accuracy of third party data. We've tested our platform in a number of competitive situations and benchmarking studies, which has resulted in a significant amount of financial institutions, government agencies, charities and mail order organisations deploying 'Data Refiner'.

The launch of Data Refiner provided us with an insight into the marketplace and gave us a fuller picture of the headaches and costs that inaccurate data is still creating; we were surprised by the amount of incorrect prospect data being traded and the challenges that marketers are still facing.

A recent example became apparent when we began working with a high street bank to assist them with their ongoing direct marketing campaign to acquire new customers for their insurance services. The bank had collated a database of 8 million contacts that they were going to mail, all of which they had insurance renewal dates for. It's an accepted fact that renewal data is going to have a level of inaccuracy because of the very nature of how it's collected; people change insurer, aren't sure of their renewal dates when they complete surveys or simply don't want to provide correct information.

We cross-referenced the bank's database of 8 million prospects through Data Refiner and without modelling or analytics we were instantly able to increase the renewal date accuracy by 20%.

The significance of this to the Marketing department was considerable; they saved a potential £400,000 that would have been wasted on the cost of mailing incorrect data. The enhanced accuracy of the renewal dates also had a positive impact on campaign effectiveness, by providing them with an additional 1500 customers, it was calculated by the bank, after taking into consideration response rates, that the new data could result in an additional £420,000 of new policy sales.

This supplement has been created to consider some of the challenges that organisations still face surrounding the purchase and maintenance of prospect and customer data. We were inspired to work with Precision Marketing on this subject because we believe that in today's marketplace purchasing and refining data should be logical, simple and reliable. However, it seems that more and more of our new customers continue to purchase inaccurate information and are still wasting millions by not getting the data element of their campaigns correct.