

With SAP and Siebel systems, it pays to connect

Data Quality Connectors expand system capabilities and increase user acceptance

WHITE PAPER:

ENTERPRISE DATA QUALITY



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ABSTRACT

DATA QUALITY CONNECTORS FOR SAP AND SIEBEL CAN HELP YOU MAXIMIZE THE VALUE OF YOUR MOST STRATEGIC COMPETITIVE ASSET – YOUR DATA. THESE SOLUTIONS GIVE BUSINESSES A SINGLE, ACCURATE, INTEGRATED VIEW OF CUSTOMERS, AS WELL AS THE PRODUCTS AND SERVICES THEY UTILIZE, SO YOU CAN STREAMLINE PROCESSES, BOOST LOYALTY AND IMPROVE BOTTOM-LINE RESULTS.

INCREASE BUSINESS AND IMPROVE CUSTOMER RELATIONS WITH ENHANCED DATA, INCREASED ACCESS AND IMPROVED USABILITY.

Companies spend millions on SAP and Siebel® systems to improve customer relationship management (CRM) and Enterprise Resource Planning (ERP). Optimal usage and performance of these systems, however, depends on the quality of the data, not just the quality of the system. In fact, acquiring these state-of-the-art systems without attending to the underlying data quality is a little like buying a race car and filling it with regular gas—the performance will nowhere near match the system’s potential. What’s more, disappointed users may turn their back on the new system and return to their own tools and methods.

How does one optimize data quality to ensure that their newly-minted SAP and Siebel solutions both perform to potential and become the go-to systems throughout the organization? The answer lies in quality, depth and accessibility of the underlying data—and Data Quality Connectors hold the key.

With any system, the best of the DQ Connectors can minimize effort and maximize the quality of data consolidated from legacy systems. They can also enhance data, increase access and usability, and expand upon the ways data can be applied to increase business and improve customer relations.

CRM & ERP: A quick review

Customer Relationship Management is all about knowing and having a single, “360-degree” view of each customer all across the enterprise. At every touch point the express purpose of CRM is to be able to serve the customer better—thereby increasing both business and customer satisfaction.

Enterprise Resource Planning is focused on managing internal and external resources—assets, finances, materials, and personnel—by streamlining and enhancing the flow of information between all internal business functions, customers and other stakeholders so that better decisions can be made.

Neither CRM nor ERP is about “systems.” The systems are a means to an end. CRM and ERP are about quicker, better, more actionable *information*. That information is built on data, and thus the quality of the data is paramount.

Data Quality Connectors—the key to better data

The traditional approach to improving data quality is to outsource the data to a service bureau that runs it through quality, consolidation and de-duplication processes before returning it for use. This does markedly improve data quality. DQ Connectors, however, offer important new advantages.

Because DQ Connectors integrate with and work within the company’s systems, the data no longer has to be removed from and returned to the enterprise. Data-quality improvements can thus be made more quickly; and, security risks, errors and inconsistencies that can arise from having data handled outside by different vendors can be significantly reduced.

The DQ Connectors also ensure that the proverbial “right hand knows what the left hand is doing.” When marketing, for example, runs a list DQ process in anticipation of a new product launch, the resulting record corrections and improvements automatically become part of the overall CRM and ERP data sets. As a result, other departments—sales, service, billing, etc.—all benefit quickly and directly from the change.

How is your data quality?

Many companies don’t even know. In fact, a recent study of 193 businesses across Europe and North America conducted by Information Difference found that 42% have made no effort to measure or monitor the quality of their data. When companies have no idea how good or bad their data is, it’s probably nowhere near as good as it could be. Between data-entry errors, format differences, bad initial source data, and duplicate records, lots of factors contribute to data-quality issues—and those issues compound over time.

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Bad data takes its toll

There's an industry rule-of-thumb that estimates that it costs a dollar to fix a bad record at time of entry; \$10 to fix it on the back end; and \$100s if that bad record is allowed to fester uncorrected over time. Take that dollar, ten- or hundred-dollar expense. Multiply it by hundreds-of-thousands or even millions of records. It quickly becomes clear how fast these costs can add up. Data issues impact company performance in many ways, and that's what drives the costs so high. Here are a few examples:

The cost of duplicate communications: If a company buys a list for a major mailing but neglects to run that list against their own customer base, duplicates and errors within the purchased list, and overlap between that list and the company's own customer records, can render a huge portion of the acquired list undeliverable and/or redundant.

The hard cost of mailing those bad or duplicate records includes the price of each name, the cost of the mail piece, and the cost of its postage. There's a soft cost too: customers notice when they receive duplicates—and it doesn't create a good impression.

The cost of poor segmentation: Segmentation efforts that are based on bad records may reach the intended parties, but issues in data and definitions can mean that the intended parties as defined may not be the right ones. Bad data can lead to segmentation that fails to appropriately recognize customer service or product preferences. What's more, messaging may not match up with the age, gender, ethnicity, religion and/or cultural norms of the recipients. When poor data causes segmentation efforts to reach the wrong people, or miss the right people, both hard and soft costs result.

The cost of bad timing: In both of the examples above, companies can miss an important window of opportunity for time-sensitive initiatives. Bad data can create other timing issues as well. These can include issues of compliance when disclosures, statements and other time-of-the-essence items do not arrive on time. They can also hamper the order-to-cash process—delaying billing delivery, slowing payments and negatively impacting cash flow.

The cost of poor service: Expectations are high. Customers want consistent, accurate information provided on-the-spot, in their preferred format, across every channel. Duplicate information, incorrect data, records that are not correctly matched or linked can all lead to higher service costs, increased phone volume and greater customer dissatisfaction.

The cost of poor decisions: Most importantly, poor data quality can lead to costly decisions. On a customer-by-customer basis, organizations may incorrectly handle a fee waiver request, offer the wrong product or fail to recoup appropriate charge-backs. On a macro level, organizations may misrepresent the number of customers they have, miscalculate revenues or expenses, or make investment or site selection decisions based on poor data quality.

Information Difference's data quality study found that 63% of companies surveyed had no idea what poor data quality may be costing them²—the short answer: lots.

The best time to invest in Data Quality Connectors

When a company acquires a SAP or Siebel system for CRM or ERP, its first order of business is to consolidate data from across the enterprise. This is typically a massive undertaking: it involves multiple legacy systems, multiple data formats and multiple data needs. Virtually every department across the company—sales, marketing, customer service, billing, logistics—will have important, relevant data. However, in many if not all cases, each department will have maintained that data for its own purposes in its own way.

This means that two issues come into play right at the onset:

- Disparate sources of data typically come in with different data-quality issues: records that are incomplete, incorrectly formatted from a regulatory perspective (for use in gaining postal discounts, for example), or just plain wrong.
- Different departments keep and use data on the same customers, products, suppliers; but keep them in different formats, so a straight data merge/purge will not eliminate the extensive duplication that exists across all of the company's legacy systems.

Companies that assume that their new systems will solve all their data challenges need to think again. Data Quality Connectors can make a huge impact—and better ensure their systems' success:

- Drawing on a wide universe of referential data from both postal and non-postal data sources, DQ Connectors can correct and standardize data from all across the enterprise.
- Using a highly robust de-duplication and consolidation functionality, they can trim down the database while ensuring that all important existing data is maintained.

Improving performance of existing systems

DQ Connectors can also increase usage and effectiveness of SAP and Siebel systems that are already up and running—and bolster user acceptance across the organization.

In addition to increasing data accuracy and decreasing duplication, they can link systems to sources that can help to improve and enrich data and enhance company performance:

- Infusing the data with demographic and geographic taxation information can help to ensure that the right sales, use, payroll and property taxes are applied—and protect the company from extra costs relating to inaccurate taxes and/or reporting.
- Adding in geographic, psychographic and/or census data can enable the company to perform more accurate and effective segmentations of customers and prospects for better returns on their marketing investments.
- Overlaying information such as “Do not call” lists can help companies comply with important laws and regulations.

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Putting DQ Connectors to work

State-of-the-art DQ Connectors use service-oriented architecture, provide a set of pre-configured services specifically designed for SAP or Siebel. These components are built to scale across multiple processors and servers for use in high-volume transactional environments and can support growing organizations. They should also be SAP or Siebel certified for complete system integration. Such end-to-end integration allows users to tune and configure rules without making code changes or re-compiling and re-linking applications.

These top DQ connectors include message-based Application Programming Interfaces (APIs), so changes made to the server do not impact integration into the SAP or Siebel systems. And the user interface on these connectors mirrors that of the SAP or Siebel system they are integrated with, making it at once familiar and easy to use.

The DQ Connector wish list

Key considerations when looking for DQ Connectors to optimize SAP and/or Siebel Systems include:

- Global address data quality: will it correct addresses worldwide?
- System scalability: can it grow with the enterprise?
- Certification: is it fully compatible with the CRM/ERP system?
- Service-Oriented Architecture: is it built for usability?
- Data enhancement: will it facilitate records enhancement as well as improvement?
- Ease of use: does it offer rich configurable options through a user-centric interface?
- Flexibility: can it provide all data quality functions in both interactive and batch modes?
- Intelligent workflows: can match duplicate records both manually and automatically?

Pitney Bowes Business Insight can help you maximize the value of your core platforms

In the past decade, organizations have invested billions implementing broad-based CRM and ERP platforms. In most cases, the customer and prospect data that drive these systems contain inaccuracies, missing fields and duplicate records—diminishing both returns and expectations.

The quality of information assets directly affects an organization's ability to retain customers, mitigate risk, identify opportunities and eliminate waste. That's why Pitney Bowes Business Insight has developed solutions designed specifically to improve customer data quality for your mission-critical SAP and Siebel platforms.

Data Quality Connectors for SAP and Siebel, part of the Spectrum™ Technology Platform, can help you maximize the value of your most strategic competitive asset—your customer data. These solutions give businesses a single, accurate, integrated view of customers, as well as the products and services they utilize, so you can streamline processes, boost loyalty and improve bottom-line results.

Over the past 25 years, corporations and government entities have relied on Pitney Bowes Business Insight to acquire accounts, serve customers and grow relationships. Today we provide a broad range of solutions that integrate data quality, geocoding, location intelligence, predictive analytics, communication management and mailing efficiency into every-day workflows and business systems. The combination of enterprise platforms, SaaS solutions and on-demand applications provide for more intelligent business decisions and consistent, accurate customer experiences across all channels, including emerging media.

With offices in 30 countries, Pitney Bowes Business Insight provides global expertise in data management, communication standards, technology integration and postal compliance. To learn more about how DQ Connectors can benefit business operations and customer relations, reduce costs and improve ROI, call 1-800-327-8627 or visit www.pbinsight.com.

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